

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 17-0969.01 Duane Gall x4335

HOUSE BILL 17-1279

HOUSE SPONSORSHIP

Garnett and Saine, Wist, Duran

SENATE SPONSORSHIP

Tate and Guzman,

State, Veterans, & Military Affairs

A BILL FOR AN ACT

101 **CONCERNING THE REQUIREMENT THAT A UNIT OWNERS' ASSOCIATION**
102 **OBTAIN APPROVAL THROUGH A VOTE OF UNIT OWNERS BEFORE**
103 **FILING A CONSTRUCTION DEFECT ACTION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill requires that, before the executive board of a unit owners' association (HOA) in a common interest community brings suit against a developer or builder on behalf of unit owners, the board must:

- ! Notify all unit owners and the developer or builder against whom the lawsuit is being considered;

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

- ! Call a meeting at which the executive board and the developer or builder will have an opportunity to present relevant facts and arguments; and
- ! Obtain the approval of a majority of the unit owners after giving them detailed disclosures about the lawsuit and its potential costs and benefits.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 38-33.3-303.5,
3 **amend** (1); **repeal** (2); and **add** (4) as follows:

4 **38-33.3-303.5. Construction defect actions - disclosure -**
5 **approval by unit owners - definitions - exemptions.** (1) (a) ~~In the event~~
6 ~~BEFORE~~ the executive board, pursuant to section 38-33.3-302 (1)(d),
7 institutes ~~an~~ A CONSTRUCTION DEFECT action, ~~asserting defects in the~~
8 ~~construction of five or more units, the provisions of this section shall~~
9 ~~apply. For purposes of this section, "action" shall have the same meaning~~
10 ~~as set forth in section 13-20-803 (1), C.R.S.~~

11 ~~(b)~~ the executive board shall ~~substantially~~ comply with ~~the~~
12 ~~provisions of this section.~~

13 (b) FOR THE PURPOSES OF THIS SECTION ONLY:

14 (I) "CONSTRUCTION DEFECT ACTION":

15 (A) MEANS ANY CIVIL ACTION OR ARBITRATION PROCEEDING FOR
16 DAMAGES, INDEMNITY, SUBROGATION, OR CONTRIBUTION BROUGHT
17 AGAINST A CONSTRUCTION PROFESSIONAL TO ASSERT A CLAIM,
18 COUNTERCLAIM, CROSS-CLAIM, OR THIRD-PARTY CLAIM FOR DAMAGES OR
19 LOSS TO, OR THE LOSS OF USE OF, REAL OR PERSONAL PROPERTY OR
20 PERSONAL INJURY CAUSED BY A DEFECT IN THE DESIGN OR CONSTRUCTION
21 OF AN IMPROVEMENT TO REAL PROPERTY, REGARDLESS OF THE THEORY OF
22 LIABILITY; AND

1 (B) INCLUDES ANY RELATED, ANCILLARY, OR DERIVATIVE CLAIM,
2 AND ANY CLAIM FOR BREACH OF FIDUCIARY DUTY OR AN ACT OR OMISSION
3 OF A MEMBER OF AN ASSOCIATION'S EXECUTIVE BOARD, THAT ARISES
4 FROM AN ALLEGED CONSTRUCTION DEFECT OR THAT SEEKS THE SAME OR
5 SIMILAR DAMAGES.

6 (II) "CONSTRUCTION PROFESSIONAL" HAS THE MEANING SET FORTH
7 IN SECTION 13-20-802.5 (4).

8 (c) **Meeting to consider commencement of construction defect**
9 **action - disclosures - required terms.** (I) THE EXECUTIVE BOARD SHALL
10 MAIL OR DELIVER WRITTEN NOTICE OF THE ANTICIPATED COMMENCEMENT
11 OF THE CONSTRUCTION DEFECT ACTION TO EACH UNIT OWNER AT THE
12 OWNER'S LAST-KNOWN ADDRESS DESCRIBED IN THE ASSOCIATION'S
13 RECORDS AND TO THE LAST-KNOWN ADDRESS OF EACH CONSTRUCTION
14 PROFESSIONAL AGAINST WHOM A CONSTRUCTION DEFECT ACTION IS
15 PROPOSED; EXCEPT THAT THIS NOTICE REQUIREMENT DOES NOT APPLY TO:

16 (A) CONSTRUCTION PROFESSIONALS IDENTIFIED AFTER THE NOTICE
17 IS MAILED; OR

18 (B) JOINED PARTIES IN A CONSTRUCTION DEFECT ACTION
19 PREVIOUSLY APPROVED BY OWNERS PURSUANT TO SUBSECTION (1)(d) OF
20 THIS SECTION.

21 (II) THE NOTICE GIVEN PURSUANT TO THIS SUBSECTION (1)(c)
22 MUST CALL A MEETING OF THE UNIT OWNERS, WHICH MUST BE HELD NO
23 LESS THAN TEN DAYS AND NO MORE THAN FIFTEEN DAYS AFTER THE
24 MAILING DATE OF THE NOTICE, TO CONSIDER WHETHER TO BRING A
25 CONSTRUCTION DEFECT ACTION. A FAILURE TO HOLD THE MEETING WITHIN
26 THIS TIME PERIOD VOIDS THE SUBSEQUENT VOTE. A QUORUM IS NOT
27 REQUIRED AT THE MEETING. IN NO EVENT SHALL THE TIME PERIOD FOR

1 PROVIDING THE NOTICE REQUIRED PURSUANT TO SUBSECTION (1)(c)(I) OF
2 THIS SECTION, HOLDING THE MEETING REQUIRED PURSUANT TO THIS
3 SUBSECTION (1)(c)(II), AND VOTING AS REQUIRED BY SUBSECTION (1)(d)
4 OF THIS SECTION EXCEED NINETY DAYS. THE NOTICE MUST STATE THAT:

5 (A) THE CONCLUSION OF THE MEETING INITIATES THE VOTING
6 PERIOD, DURING WHICH THE ASSOCIATION WILL ACCEPT VOTES FOR AND
7 AGAINST PROCEEDING WITH THE CONSTRUCTION DEFECT ACTION. ■ ■

8 THE DISCLOSURE AND VOTING PERIOD SHALL END NINETY DAYS AFTER THE
9 MAILING DATE OF THE MEETING NOTICE OR WHEN THE ASSOCIATION
10 DETERMINES THAT THE CONSTRUCTION DEFECT ACTION IS EITHER
11 APPROVED OR DISAPPROVED, WHICHEVER OCCURS FIRST.

12 (B) THE CONSTRUCTION PROFESSIONAL AGAINST WHOM THE
13 CONSTRUCTION DEFECT ACTION IS PROPOSED WILL BE INVITED TO ATTEND
14 AND WILL HAVE AN OPPORTUNITY TO ADDRESS THE UNIT OWNERS
15 CONCERNING THE ALLEGED CONSTRUCTION DEFECT; AND

16 (C) THE PRESENTATION AT THE MEETING BY THE CONSTRUCTION
17 PROFESSIONAL OR THE CONSTRUCTION PROFESSIONAL'S DESIGNEE MAY,
18 BUT IS NOT REQUIRED TO, INCLUDE AN OFFER TO REMEDY ANY DEFECT IN
19 ACCORDANCE WITH SECTION 13-20-803.5 (3) OF THE "CONSTRUCTION
20 DEFECT ACTION REFORM ACT".

21 (III) THE NOTICE GIVEN PURSUANT TO THIS SUBSECTION (1)(c)
22 MUST ALSO CONTAIN A ■ DESCRIPTION OF THE NATURE OF THE
23 CONSTRUCTION DEFECT ACTION, WHICH DESCRIPTION IDENTIFIES ALLEGED
24 DEFECTS WITH REASONABLE SPECIFICITY, THE RELIEF SOUGHT, A
25 GOOD-FAITH ESTIMATE OF THE BENEFITS AND RISKS INVOLVED, AND ANY
26 OTHER PERTINENT INFORMATION. REASONABLE SPECIFICITY DOES NOT
27 REQUIRE EXPERT OPINIONS. THE NOTICE SHALL ALSO INCLUDE THE

1 FOLLOWING DISCLOSURES:

2 1. THE ALLEGED CONSTRUCTION DEFECTS MIGHT
3 RESULT IN INCREASED COSTS TO THE ASSOCIATION IN
4 MAINTENANCE OR REPAIR OR CAUSE AN INCREASE IN
5 ASSESSMENTS OR SPECIAL ASSESSMENTS TO COVER THE
6 COST OF REPAIRS.

7 2. IF THE ASSOCIATION DOES NOT FILE A CLAIM
8 BEFORE THE APPLICABLE LEGAL DEADLINES, THE CLAIM
9 WILL EXPIRE.

10 3. UNTIL THE ALLEGED DEFECTS ARE REPAIRED,
11 SELLERS OF UNITS WITHIN THE COMMON INTEREST
12 COMMUNITY MIGHT OWE UNIT BUYERS A DUTY TO DISCLOSE
13 KNOWN DEFECTS.

14 4. THE EXECUTIVE BOARD (INTENDS TO ENTER) (HAS
15 ENTERED) INTO A FEE ARRANGEMENT WITH THE ATTORNEYS
16 REPRESENTING THE ASSOCIATION, UNDER WHICH (THE
17 ATTORNEYS WILL BE PAID A CONTINGENCY FEE EQUAL TO
18 _____ PERCENT OF THE (NET) (GROSS) RECOVERY OF THE
19 AMOUNT THE ASSOCIATION RECOVERS FROM THE
20 DEFENDANT(S)) (THE ASSOCIATION'S ATTORNEYS WILL BE
21 PAID (AN HOURLY FEE OF \$ _____) (A FIXED FEE OF
22 \$ _____)).

23 5. IN ADDITION TO ATTORNEY FEES, THE
24 ASSOCIATION MAY INCUR UP TO \$ _____ FOR LEGAL
25 COSTS, INCLUDING EXPERT WITNESSES, DEPOSITIONS, AND
26 FILING FEES. THE AMOUNT WILL NOT BE EXCEEDED
27 WITHOUT THE EXECUTIVE BOARD'S FURTHER WRITTEN

1 AUTHORITY. IF THE ASSOCIATION DOES NOT PREVAIL ON ITS
2 CLAIM, THE ASSOCIATION MAY BE RESPONSIBLE FOR PAYING
3 THESE LEGAL EXPENSES.

4 6. IF THE ASSOCIATION DOES NOT PREVAIL ON ITS
5 CLAIM, THE ASSOCIATION MAY BE RESPONSIBLE FOR PAYING
6 ITS ATTORNEY FEES.

7 7. IF THE ASSOCIATION DOES NOT PREVAIL ON ITS
8 CLAIM, A COURT OR ARBITRATOR SOMETIMES AWARDS
9 COSTS AND ATTORNEY FEES TO THE OPPOSING PARTY.
10 SHOULD THAT HAPPEN IN THIS CASE, THE ASSOCIATION MAY
11 BE RESPONSIBLE FOR PAYING THE OPPOSING PARTY'S COSTS
12 AND FEES AS A RESULT OF SUCH AWARD.

13 8. THERE IS NO GUARANTEE THAT THE ASSOCIATION
14 WILL RECOVER ENOUGH FUNDS TO REPAIR THE CLAIMED
15 CONSTRUCTION DEFECT(S). IF THE CLAIMED DEFECTS ARE
16 NOT REPAIRED, ADDITIONAL DAMAGE TO PROPERTY AND A
17 REDUCTION IN THE USEFUL LIFE OF THE COMMON ELEMENTS
18 MIGHT OCCUR.

19 9. UNTIL THE CLAIMED CONSTRUCTION DEFECTS ARE
20 REPAIRED, OR UNTIL THE CONSTRUCTION DEFECT CLAIM IS
21 CONCLUDED, THE MARKET VALUE OF THE UNITS IN THE
22 ASSOCIATION MIGHT BE ADVERSELY AFFECTED.

23 10. UNTIL THE CLAIMED CONSTRUCTION DEFECT(S)
24 ARE REPAIRED, OR UNTIL THE CONSTRUCTION DEFECT(S)
25 CLAIM IS CONCLUDED, OWNERS IN THE ASSOCIATION MIGHT
26 HAVE DIFFICULTY REFINANCING AND PROSPECTIVE BUYERS
27 MIGHT HAVE DIFFICULTY OBTAINING FINANCING. IN

1 ADDITION, CERTAIN FEDERAL UNDERWRITING STANDARDS
2 OR REGULATIONS PREVENT REFINANCING OR OBTAINING A
3 NEW LOAN IN PROJECTS WHERE A CONSTRUCTION DEFECT IS
4 CLAIMED, AND CERTAIN LENDERS AS A MATTER OF POLICY
5 WILL NOT REFINANCE OR PROVIDE A NEW LOAN IN PROJECTS
6 WHERE A CONSTRUCTION DEFECT IS CLAIMED.

7 (IV) THE ASSOCIATION SHALL MAINTAIN A VERIFIED OWNER
8 MAILING LIST THAT IDENTIFIES THE OWNERS TO WHOM THE ASSOCIATION
9 MAILED THE NOTICE REQUIRED PURSUANT TO THIS SUBSECTION (1)(c). THE
10 VERIFIED OWNER MAILING LIST SHALL INCLUDE, FOR EACH OWNER, THE
11 ADDRESS, IF ANY, TO WHICH THE ASSOCIATION MAILED THE NOTICE
12 REQUIRED PURSUANT TO THIS SUBSECTION (1)(c). THE ASSOCIATION SHALL
13 PROVIDE A COPY OF THE VERIFIED OWNER MAILING LIST TO EACH
14 CONSTRUCTION PROFESSIONAL WHO IS SENT A NOTICE PURSUANT TO THIS
15 SUBSECTION (1)(c) AT THE OWNER MEETING REQUIRED UNDER SUBSECTION
16 (1)(c)(II) OF THIS SECTION. THE OWNER MAILING LIST SHALL BE DEEMED
17 VERIFIED IF A SPECIMEN COPY OF THE MAILING LIST IS CERTIFIED BY AN
18 ASSOCIATION OFFICER OR AGENT. IF THE ASSOCIATION COMMENCES A
19 CONSTRUCTION DEFECT ACTION AGAINST ANY CONSTRUCTION
20 PROFESSIONAL, THE ASSOCIATION SHALL FILE ITS VERIFIED OWNER
21 MAILING LIST AND RECORDS OF VOTES RECEIVED FROM OWNERS DURING
22 THE VOTING PERIOD WITH THE APPROPRIATE FORUM UNDER SEAL.

23 (V) THE SUBSTANCE OF A PROPOSED CONSTRUCTION DEFECT
24 ACTION MAY BE AMENDED OR SUPPLEMENTED AFTER THE MEETING, BUT
25 AN AMENDED OR SUPPLEMENTED CLAIM DOES NOT EXTEND THE VOTING
26 PERIOD. THE EXECUTIVE BOARD SHALL GIVE NOTICE TO UNIT OWNERS OF
27 ANY AMENDED OR SUPPLEMENTED CLAIM AND SHALL MAINTAIN RECORDS

1 OF ITS COMMUNICATIONS WITH UNIT OWNERS. OWNER APPROVAL
2 PURSUANT TO SUBSECTION (1)(d) OF THIS SECTION IS NOT REQUIRED FOR
3 AMENDMENTS OR SUPPLEMENTS TO A CONSTRUCTION DEFECT ACTION
4 MADE AFTER THE NOTICE PURSUANT TO THIS SUBSECTION (1)(c) IS SENT.

5 (d) **Approval by unit owners - procedures.**

6 (I) (A) NOTWITHSTANDING ANY PROVISION OF LAW OR ANY
7 REQUIREMENT IN THE GOVERNING DOCUMENTS, THE EXECUTIVE BOARD
8 MAY INITIATE THE CONSTRUCTION DEFECT ACTION ONLY IF AUTHORIZED
9 WITHIN THE VOTING PERIOD BY OWNERS OF UNITS TO WHICH A MAJORITY
10 OF VOTES IN THE ASSOCIATION ARE ALLOCATED. SUCH APPROVAL IS NOT
11 REQUIRED FOR AN ASSOCIATION TO PROCEED WITH A CONSTRUCTION
12 DEFECT ACTION IF THE ALLEGED CONSTRUCTION DEFECT PERTAINS TO A
13 FACILITY THAT IS INTENDED AND USED FOR NONRESIDENTIAL PURPOSES
14 AND IF THE REMEDY TO REPAIR THE ALLEGED DEFECT DOES NOT EXCEED
15 FIFTY THOUSAND DOLLARS. SUCH APPROVAL IS NOT REQUIRED FOR AN
16 ASSOCIATION TO PROCEED WITH A CONSTRUCTION DEFECT ACTION WHEN
17 THE ASSOCIATION IS THE CONTRACTING PARTY FOR THE PERFORMANCE OF
18 LABOR OR PURCHASE OF SERVICES OR MATERIALS.

19 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN
20 OWNER'S VOTE SHALL BE SUBMITTED ONLY ONCE AND MAY BE OBTAINED
21 IN ANY WRITTEN FORMAT CONFIRMING THE OWNER'S VOTE TO APPROVE OR
22 REJECT THE PROPOSED CONSTRUCTION DEFECT ACTION. THE ASSOCIATION
23 SHALL MAINTAIN A RECORD OF ALL VOTES UNTIL THE CONCLUSION OF THE
24 CONSTRUCTION DEFECT ACTION, INCLUDING ALL APPEALS, IF ANY.

25 (II) (A) NOTHING IN THIS SECTION ALTERS THE TOLLING
26 PROVISIONS OF SECTION 13-20-805.

27 (B) ALL STATUTES OF LIMITATION AND REPOSE APPLICABLE TO

1 CLAIMS BASED ON DEFECTS DESCRIBED WITH REASONABLE SPECIFICITY IN
2 THE NOTICE, WHICH MAY BE SUPPLEMENTED OR AMENDED PURSUANT TO
3 SUBSECTION (1)(c)(IV) OF THIS SECTION, ARE TOLLED FROM THE DATE THE
4 NOTICE SENT PURSUANT TO SUBSECTION (1)(c) OF THIS SECTION IS MAILED
5 UNTIL EITHER THE NINETY-DAY VOTING AND DISCLOSURE PERIOD ENDS OR
6 UNTIL THE ASSOCIATION DETERMINES THAT THE CONSTRUCTION DEFECT
7 ACTION IS EITHER APPROVED OR DISAPPROVED, WHICHEVER OCCURS FIRST.

8 (C) THE APPLICABLE STATUTES OF LIMITATION AND REPOSE THAT
9 APPLY TO CLAIMS BASED ON A DEFECT DESCRIBED IN THE NOTICE WITH
10 REASONABLE SPECIFICITY ARE TOLLED PURSUANT TO THIS SUBSECTION
11 (1)(d)(II) ONCE, AND MAY NOT EXTEND THE STATUTES OF LIMITATION AND
12 REPOSE THAT APPLY TO CLAIMS BASED ON THAT DEFECT FOR MORE THAN
13 A TOTAL OF NINETY DAYS, RESPECTIVELY; EXCEPT THAT, IF A DEFECT NOT
14 INCLUDED IN THE NOTICE SENT PURSUANT TO SUBSECTION (1)(c) OF THIS
15 SECTION IS THE SUBJECT OF A LATER VOTE, TOLLING PURSUANT TO THIS
16 SUBSECTION (1)(d) APPLIES.

17 (III) **Vote count - exclusions.** FOR PURPOSES OF CALCULATING
18 THE REQUIRED MAJORITY VOTE UNDER THIS SUBSECTION (1)(d) ONLY, THE
19 FOLLOWING VOTES ARE EXCLUDED:

20 (A) ANY VOTES ALLOCATED TO UNITS OWNED BY A DEVELOPMENT
21 PARTY. AS USED IN THIS SUBSECTION (1)(d)(III)(A), "DEVELOPMENT
22 PARTY" MEANS A CONTRACTOR, SUBCONTRACTOR, DEVELOPER, OR
23 BUILDER RESPONSIBLE FOR ANY PART OF THE DESIGN, CONSTRUCTION, OR
24 REPAIR OF ANY PORTION OF THE COMMON INTEREST COMMUNITY AND ANY
25 OF THAT PARTY'S AFFILIATES; AND "AFFILIATE" INCLUDES AN ENTITY
26 CONTROLLED OR OWNED, IN WHOLE OR IN PART, BY ANY PERSON THAT
27 CONTROLS OR OWNS A DEVELOPMENT PARTY OR BY THE SPOUSE OF A

1 DEVELOPMENT PARTY.

2 (B) ANY VOTES ALLOCATED TO UNITS OWNED BY BANKING
3 INSTITUTIONS, UNLESS A VOTE FROM SUCH AN INSTITUTION IS ACTUALLY
4 RECEIVED BY THE ASSOCIATION;

5 (C) ANY VOTES ALLOCATED TO UNITS OF A PRODUCT TYPE IN
6 WHICH NO DEFECTS ARE ALLEGED, IN A COMMON INTEREST COMMUNITY
7 WHOSE DECLARATION PROVIDES THAT COMMON EXPENSE LIABILITIES ARE
8 NOT SHARED BETWEEN THE PRODUCT TYPES.

9 (D) ANY VOTES ALLOCATED TO UNITS OWNED BY OWNERS WHO
10 ARE DEEMED NONRESPONSIVE. IF THE STATUS OF THE NONRESPONSIVE
11 UNIT OWNERS IS CHALLENGED IN COURT, THE COURT SHALL CONSIDER
12 WHETHER THE EXECUTIVE BOARD HAS MADE DILIGENT EFFORTS TO
13 CONTACT THE UNIT OWNER REGARDING THE VOTE AND MAY CONSIDER:
14 WHETHER A MAILING WAS RETURNED AS UNDELIVERABLE; WHETHER THE
15 OWNER APPEARS TO BE RESIDING AT THE UNIT; AND WHETHER THE
16 ASSOCIATION HAS USED OTHER CONTACT INFORMATION, SUCH AS AN
17 ELECTRONIC MAIL ADDRESS OR TELEPHONE NUMBER FOR THE OWNER.

18 (e) **Notice to construction professional.** AT LEAST FIVE
19 BUSINESS DAYS BEFORE THE MAILING OF THE NOTICE REQUIRED BY
20 SUBSECTION (1)(c) OF THIS SECTION, THE ASSOCIATION SHALL NOTIFY
21 EACH CONSTRUCTION PROFESSIONAL AGAINST WHOM A CONSTRUCTION
22 DEFECT ACTION IS PROPOSED BY MAIL, AT ITS LAST-KNOWN ADDRESS, OF
23 THE DATE AND TIME OF THE MEETING CALLED TO CONSIDER THE
24 CONSTRUCTION DEFECT ACTION PURSUANT TO SUBSECTION (1)(c) OF THIS
25 SECTION.

26 ~~(2) (a) Prior to the service of the summons and complaint on any~~
27 ~~defendant with respect to an action governed by this section, the~~

1 executive board shall mail or deliver written notice of the commencement
2 or anticipated commencement of such action to each unit owner at the last
3 known address described in the association's records.


4 (b) ~~The notice required by paragraph (a) of this subsection (2)~~
5 ~~shall state a general description of the following:~~

6 (I) ~~The nature of the action and the relief sought; and~~

7 (II) ~~The expenses and fees that the executive board anticipates~~
8 ~~will be incurred in prosecuting the action.~~

9 (4) **Provisions not severable.** NOTWITHSTANDING SECTION
10 2-4-204, THE GENERAL ASSEMBLY FINDS, DETERMINES, AND DECLARES
11 THAT IF ANY PROVISION OF THIS SECTION OR ITS APPLICATION TO ANY
12 PERSON OR CIRCUMSTANCE IS HELD INVALID, THE ENTIRE SECTION SHALL
13 BE DEEMED INVALID.

14 **SECTION 2.** In Colorado Revised Statutes, 38-33.3-117, **add**
15 (1.9) as follows:

16 
17 **38-33.3-117. Applicability to preexisting common interest**
18 **communities.** (1.9) NOTWITHSTANDING ANY OTHER PROVISION OF LAW,
19 SECTION 38-33.3-303.5 APPLIES TO ALL COMMON INTEREST COMMUNITIES
20 CREATED WITHIN THIS STATE ON, BEFORE, OR AFTER JULY 1, 1992, WITH
21 RESPECT TO EVENTS AND CIRCUMSTANCES OCCURRING ON OR AFTER
22 SEPTEMBER 1, 2017.

23 **SECTION 3. Applicability.** This act applies to construction
24 defect actions as to which the cause of action accrued on or after the
25 effective date of this act.

26 **SECTION 4. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.