



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

SB 25-185: CLAIMS AGAINST CONSTRUCTION PROFESSIONALS

Prime Sponsors:

Sen. Rodriguez; Pelton B.

Fiscal Analyst:

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Published for: Senate Judiciary

Drafting number: LLS 25-0598

Version: Initial Fiscal Note

Date: March 10, 2025

Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill clarifies that both original and subsequent homeowners may assess certain damages to construction companies.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload
- Local Government

Appropriations. No appropriation is required.

**Table 1
State Fiscal Impacts**

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill clarifies that, under the Construction Defect Action Reform Act, construction professionals owe an independent tort duty of care to the original or subsequent residential homeowners if the construction was defective or unreasonable.

Background

This [Legislative Council Staff memorandum](#) provides an overview of construction defect laws.

State Revenue and Expenditures

The Judicial Department may hear additional civil cases if the bill results in more construction professionals being held liable for damages. The fiscal note assumes similar issues are already being litigated in the trial courts and that construction professionals will comply with the law; therefore, any increase in court revenues and expenditures is assumed to be minimal. Revenue from filing fees is subject to TABOR.

Local Government

Similar to the state courts, Denver County Courts may experience a minimal revenue and expenditure increase from civil suits filed if the bill results in more claims filed against construction professionals.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Judicial

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).