

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Transportation, Housing & Local Government.

HB25-1272 be amended as follows:

1 Amend printed bill, page 2, strike line 2 and substitute:

2 **"SECTION 1. Short title - legislative declaration.** (1) The short
3 title of this act is the "Colorado American Dream Act".

4 (2) The general assembly".

5 Page 3, strike line 27 and substitute "construction in new homes."

6 Page 4, line 1, strike "laws to seek remedy."

7 Page 5, strike lines 3 through 13 and substitute:

8 "(4.5) "MULTIFAMILY CONSTRUCTION INCENTIVE PROGRAM" OR
9 "PROGRAM" MEANS THE PROGRAM CREATED IN SECTION 13-20-803.3 (1).

10 (6) "THIRD-PARTY INSPECTION" MEANS A PROGRAM OF
11 INSPECTIONS OF A RESIDENTIAL HOUSING UNIT PERFORMED OVER THE
12 COURSE OF CONSTRUCTION ON THE UNIT AND DESIGNED TO ASSIST THE
13 CONSTRUCTION PROFESSIONAL PERFORMING THE CONSTRUCTION ON THE
14 UNIT IN IDENTIFYING AND RECTIFYING ANY INSTANCES IN WHICH THE
15 WORK BEING PERFORMED BY THE CONSTRUCTION PROFESSIONAL DEVIATES
16 FROM APPLICABLE BUILDING CODES OR CONSTRUCTION STANDARDS. THE
17 CONSTRUCTION PROFESSIONAL WHO SIGNS THE BUILDING PERMIT
18 APPLICATION SHALL CERTIFY IN WRITING FILED WITH THE BUILDING
19 DEPARTMENT THAT THE THIRD-PARTY INSPECTION".

20 Page 5, line 16, strike "AN INSPECTOR:" and substitute "EITHER A
21 LICENSED CONSTRUCTION PROFESSIONAL OR A BUILDING CODE INSPECTOR,
22 ELECTRICAL INSPECTOR, ENERGY CONSERVATION CODE INSPECTOR, FIRE
23 CODE INSPECTOR, OR MECHANICAL CODE INSPECTOR, IF SUCH INSPECTOR
24 PROVIDES EVIDENCE OF COMPLETION OF THE MOST RECENT VERISON OF
25 THE COMMERCIAL BUILDING INSPECTOR EXAMINATION BY THE
26 INTERNATIONAL CODE COUNCIL OR ITS SUCCESSOR ORGANIZATION:".

27 Page 5, line 17, strike "DESIGNING" and substitute "DESIGNING,
28 CONSTRUCTING, OR INSPECTING".

29 Page 5, line 22, strike "AND".

30 Page 5, after line 24 insert:

31 "(IV) WHO IS NOT DESIGNATED AS A NONPARTY AT FAULT

- 1 PURSUANT TO SECTION 13-21-111.5 (3)(b); AND".
- 2 Page 5, strike line 26 and substitute "OR IMPROVEMENT, A SIGNED".
- 3 Page 5, line 27, strike "IMPROVEMENT" and substitute "IMPROVEMENT,".
- 4 Page 6, strike lines 1 through 4 and substitute "VERIFIES THAT:
- 5 (I) THE COMPONENT, SYSTEM, OR IMPROVEMENT WAS INCLUDED
- 6 IN APPROVED CONSTRUCTION DOCUMENTS AND SPECIFICATIONS,
- 7 INCLUDING ADDENDUMS ISSUED DURING CONSTRUCTION, UNDER THE
- 8 VALID SEAL OF AN ARCHITECT OR ENGINEER LICENSED IN COLORADO;".
- 9 Page 6, strike lines 11 and 12 and substitute "INSTRUCTIONS OR
- 10 RECOMMENDATIONS, APPROVED CONSTRUCTION DOCUMENTS AND
- 11 SPECIFICATIONS, INCLUDING ADDENDUMS ISSUED DURING CONSTRUCTION,
- 12 AND THE APPLICABLE BUILDING CODES.".
- 13 Page 6, line 15, strike "AND STAMPED".
- 14 Page 6, line 19, strike "ARCHITECT OR ENGINEER" and substitute
- 15 "INSPECTOR".
- 16 Page 6, line 24, strike "CODE." and substitute "CODES.".
- 17 Page 7, strike line 1 and substitute "STANDARDS; AND
- 18 (c) THE INSPECTION IS NOT AN INSPECTION PERFORMED BY OR ON
- 19 BEHALF OF A GOVERNMENTAL AUTHORITY HAVING JURISDICTION OVER
- 20 THE RESIDENTIAL HOUSING UNIT AS A CONDITION OF ANY PERMITTING OR
- 21 THE ISSUANCE OF A CERTIFICATE OF OCCUPANCY.".
- 22 Page 7, lines 2 and 3, strike "and 13-20-803.4".
- 23 Page 7, strike lines 4 and 5 and substitute:
- 24 **"13-20-803.3. Multifamily construction incentive program -**
- 25 **created - construction defect claims against architects and engineers**
- 26 **- rebuttable presumptions - statute of limitations - affirmative**
- 27 **defenses.** (1) THE MULTIFAMILY CONSTRUCTION INCENTIVE PROGRAM IS
- 28 CREATED. ON AND AFTER JANUARY 1, 2026, A BUILDER OF MULTIFAMILY,
- 29 ATTACHED HOUSING OF TWO OR MORE UNITS MAY PARTICIPATE IN THE
- 30 PROGRAM BY:
- 31 (a) PROVIDING A WARRANTY THAT COVERS ANY DEFECT AND
- 32 DAMAGE FOR A MINIMUM PERIOD OF:

1 (I) ONE YEAR FOR WORKMANSHIP AND MATERIALS;
2 (II) TWO YEARS FOR PLUMBING, ELECTRICAL, AND MATERIALS;
3 AND
4 (III) SIX YEARS FOR MAJOR STRUCTURAL CHANGES; AND
5 (b) HAVING THE UNITS INSPECTED BY A THIRD-PARTY INSPECTOR.
6 (2) (a) EXCEPT AS PROVIDED IN".

7 Page 7, line 6, strike "(2)" and substitute "(3)".

8 Page 7, lines 11 and 12, strike "MIDDLE MARKET HOUSING." and substitute
9 "HOUSING FOR WHICH THE BUILDER IS PARTICIPATING IN THE PROGRAM.".

10 Page 7, line 14, strike "(1)(a)" and substitute "(2)(a)".

11 Page 7, line 26, strike "(1)," and substitute "(2),".

12 Page 8, line 2, strike "(2)" and substitute "(3)".

13 Page 8, line 3, after the second "OF" insert "SUBSECTION (2) OF".

14 Page 8, line 19, strike "(3)" and substitute "(4)".

15 Page 8, strike line 22 and substitute "COMPLIES WITH SUBSECTION (2) OF
16 THIS SECTION AND SECTION 13-20-602. THE DEFENDANT SHALL FILE A
17 DESIGNATION OF NONPARTY OF FAULT AND CERTIFICATE OF REVIEW AT
18 LEAST FORTY-FIVE DAYS PRIOR TO ANY TRIAL OR PROCEEDING ON THE
19 CLAIM.".

20 Page 8, line 24, strike "(3)," and substitute "(4),".

21 Page 8, strike line 26 and substitute:

22 "(5) SUBSECTIONS (2) TO (4) OF THIS SECTION DO NOT:".

23 Page 9, strike lines 3 through 13 and substitute:

24 "(6) A PERSON SHALL NOT ASSERT A CLAIM SEEKING DAMAGES IN
25 A CONSTRUCTION DEFECT ACTION FOR HOUSING BUILT BY A BUILDER WHO
26 WAS A PARTICIPANT IN THE MULTIFAMILY CONSTRUCTION INCENTIVE
27 PROGRAM AT THE TIME OF THE CONSTRUCTION UNLESS THE CLAIM HAS
28 RESULTED IN THE FOLLOWING:

1 (a) DAMAGE THAT AFFECTS THE FUNCTIONALITY OF A SYSTEM OR
2 THE SAFETY OF REAL OR PERSONAL PROPERTY, OTHER THAN A CONDITION
3 THAT HAS NOT CAUSED ANY SUBSTANTIAL PHYSICAL CHANGE;".

4 Page 9, after line 21 insert:

5 "(7) (a) FOR HOUSING BUILT BY A BUILDER PARTICIPATING IN THE
6 PROGRAM AND SOLD ON OR AFTER JANUARY 1, 2026, AND EXCEPT AS
7 PROVIDED IN SUBSECTION (7)(b) OF THIS SECTION, A CLAIMANT MUST
8 BRING AN ACTION FOR DAMAGES FOR A CLAIM BASED ON THE
9 CONSTRUCTION AND FILED PURSUANT TO THIS PART 8 NOT LATER THAN
10 EIGHT YEARS AFTER THE SUBSTANTIAL COMPLETION OF THE IMPROVEMENT
11 IN AN ACTION ARISING OUT OF A DEFECTIVE OR AN UNSAFE CONDITION OF
12 THE REAL PROPERTY OR A DEFICIENCY IN THE CONSTRUCTION OR REPAIR
13 OF THE IMPROVEMENT.

14 (b) (I) IF THE DEFENDANT IS A CONSTRUCTION PROFESSIONAL WHO
15 IS NOT AN ARCHITECT OR ENGINEER AND WHO HAS PROVIDED THE
16 CLAIMANT A WRITTEN WARRANTY FOR THE RESIDENCE THAT COMPLIES
17 WITH SUBSECTION (1)(a) OF THIS SECTION, AND IF THE CLAIMANT
18 DISCOVERED OR SHOULD HAVE DISCOVERED THE ALLEGED DEFECT OR
19 DAMAGE WITHIN THE LONGEST APPLICABLE WARRANTY PERIOD, THE
20 CLAIMANT MUST BRING THE SUIT NOT LATER THAN SIX YEARS AFTER THE
21 SUBSTANTIAL COMPLETION OF THE IMPROVEMENT.

22 (II) IF THE DEFENDANT IS A CONSTRUCTION PROFESSIONAL WHO IS
23 AN ARCHITECT OR ENGINEER, AND THE CONSTRUCTION PROFESSIONAL
24 PERFORMED IN A MANNER CONSISTENT WITH THE DEGREE OF SKILL AND
25 CARE ORDINARILY EXERCISED BY MEMBERS OF THE SAME PROFESSION
26 CURRENTLY PRACTICING UNDER THE SAME OR SIMILAR CIRCUMSTANCES,
27 THE CLAIMANT MUST BRING THE SUIT NOT LATER THAN SIX YEARS AFTER
28 THE SUBSTANTIAL COMPLETION OF THE IMPROVEMENT.

29 (c) IF A CLAIM INVOLVES A DEFECT OR DAMAGE THAT IS COVERED
30 BY THE WARRANTY DESCRIBED IN SUBSECTION (7)(b) OF THIS SECTION,
31 THE CLAIMANT SHALL PURSUE ALL REMEDIES AVAILABLE UNDER THE
32 WARRANTY PROCESS BEFORE BRINGING AN ACTION FOR DAMAGES.

33 (8) (a) FOR HOUSING IN WHICH THE BUILDER IS A PARTICIPANT IN
34 THE PROGRAM, A CONSTRUCTION PROFESSIONAL MAY ASSERT AN
35 AFFIRMATIVE DEFENSE THAT MAY RESULT IN IMMUNITY, IN WHOLE OR IN
36 PART, FROM AN OBLIGATION, DAMAGE, LOSS, OR LIABILITY UNDER THIS
37 PART 8 RELATED TO OR ARISING OUT OF THE CONSTRUCTION IF THE
38 CONSTRUCTION PROFESSIONAL CAN DEMONSTRATE BY A PREPONDERANCE
39 OF THE EVIDENCE AN AFFIRMATIVE DEFENSE SPECIFIED IN SUBSECTION
40 (8)(b) OF THIS SECTION.

1 (b) IN ADDITION TO ANY OTHER AFFIRMATIVE DEFENSE AVAILABLE
2 UNDER ANY OTHER LAW, A CONSTRUCTION PROFESSIONAL IS NOT LIABLE
3 FOR A DAMAGE OR DEFECT TO THE EXTENT THE PROFESSIONAL CAN PROVE,
4 AS AN AFFIRMATIVE DEFENSE, THAT THE DAMAGE OR DEFECT WAS
5 CAUSED:

6 (I) BY A WEATHER CONDITION, EARTHQUAKE, OR HUMAN-CAUSED
7 EVENT, SUCH AS WAR, TERRORISM, OR VANDALISM, IN EXCESS OF THE
8 DESIGN CRITERIA EXPRESSED BY THE APPLICABLE BUILDING CODES,
9 REGULATIONS, AND ORDINANCES IN EFFECT AT THE TIME OF ORIGINAL
10 CONSTRUCTION;

11 (II) BY A HOMEOWNER'S UNREASONABLE FAILURE TO TIMELY
12 MITIGATE DAMAGES AS REQUIRED IN SECTION 13-20-803.5 (1);

13 (III) BY THE HOMEOWNER OR THE HOMEOWNER'S AGENT,
14 EMPLOYEE, OR CONSTRUCTION PROFESSIONAL BY VIRTUE OF THEIR
15 FAILURE TO FOLLOW THE BUILDER'S OR MANUFACTURER'S
16 RECOMMENDATIONS OR TO DO COMMONLY ACCEPTED HOMEOWNER
17 MAINTENANCE OBLIGATIONS. IN ORDER TO RELY UPON THIS DEFENSE AS
18 IT RELATES TO A CONSTRUCTION PROFESSIONAL'S RECOMMENDED
19 MAINTENANCE SCHEDULE, THE CONSTRUCTION PROFESSIONAL MUST SHOW
20 THAT THE HOMEOWNER HAD WRITTEN NOTICE OF THESE SCHEDULES AND
21 RECOMMENDATIONS AND THAT THE RECOMMENDATIONS AND SCHEDULES
22 WERE REASONABLE AT THE TIME THEY WERE ISSUED.

23 (IV) AFTER SALE OR TRANSFER OF OWNERSHIP TO THE CLAIMANT,
24 BY:

25 (A) THE HOMEOWNER'S OR HOMEOWNER'S AGENT'S ALTERATIONS;
26 (B) ORDINARY WEAR AND TEAR;
27 (C) MISUSE OF THE STRUCTURE OR COMPONENT;
28 (D) ABUSE OF THE STRUCTURE OR COMPONENT;
29 (E) NEGLIGENCE OF THE STRUCTURE OR COMPONENT; OR
30 (F) THE USE OF THE STRUCTURE OR COMPONENT FOR SOMETHING
31 OTHER THAN THE STRUCTURE'S OR COMPONENT'S INTENDED PURPOSE.

32 (c) A CONSTRUCTION PROFESSIONAL MAY ASSERT AN AFFIRMATIVE
33 DEFENSE TO THE EXTENT THAT:

34 (I) THE DAMAGE WAS CAUSED BY A PARTICULAR VIOLATION
35 COVERED BY A VALID RELEASE OBTAINED BY THE CONSTRUCTION
36 PROFESSIONAL, IF THE RELEASE IS ENFORCEABLE AGAINST THE CLAIMANT,
37 WAS EXECUTED WITH KNOWLEDGE OF THE PARTICULAR VIOLATION, AND
38 DOES NOT VIOLATE SECTION 13-20-806 (7); OR

39 (II) THE CONSTRUCTION PROFESSIONAL'S REPAIR COMPLETED
40 PURSUANT TO SECTION 13-20-803.5 (3) WAS SUCCESSFUL IN CORRECTING
41 THE PARTICULAR VIOLATION AND ANY DAMAGE RESULTING FROM THE
42 VIOLATION OF THE APPLICABLE STANDARD."

- 1 Page 9, line 22, strike "(2)" and substitute "(9)".
- 2 Page 10, line 4, strike "(3.5) and (4.5)" and substitute "(3.5), (3.7), (4.5),
3 and (13)".
- 4 Page 10, strike line 12 and substitute "FOR THE CONSTRUCTION OF
5 HOUSING FOR WHICH A BUILDER WAS A PARTICIPANT IN THE MULTIFAMILY
6 CONSTRUCTION INCENTIVE PROGRAM, A CLAIMANT SHALL".
- 7 Page 11, line 9, strike "OR".
- 8 Page 11, strike line 14 and substitute "REPAIR; OR
9 (III) A WRITTEN RESPONSE THAT EXPLAINS THE CONSTRUCTION
10 PROFESSIONAL'S SCOPE OF WORK AND WHY THE CLAIMED DEFECT IS NOT
11 WITHIN THE WORK AND RESPONSIBILITY OF THE CONSTRUCTION
12 PROFESSIONAL".
- 13 Page 11, line 22, strike "PROFESSIONAL" and substitute "PROFESSIONAL,
14 OTHER THAN AN ARCHITECT OR ENGINEER,".
- 15 Page 11, line 26, strike "CLAIMANT'S PROPERTY;" and substitute "CLAIM;".
- 16 Page 12, strike lines 1 through 7 and substitute "RECOMMENDATIONS
17 RELATED TO THE CLAIM;
18 (III) THE NAME, LAST-KNOWN ADDRESS, AND SCOPE OF WORK OF
19 EACH CONSTRUCTION PROFESSIONAL WHO CONTRACTED TO PERFORM
20 WORK OR PROVIDE SERVICES AND DID PERFORM WORK OR PROVIDE
21 SERVICES RELATED TO THE CLAIM;
22 (IV) ALL DOCUMENTS RELATED TO THE THIRD-PARTY INSPECTION
23 OF THE PROPERTY AND THE NAME AND LAST-KNOWN ADDRESS OF THE
24 INSPECTOR WHO PERFORMED THE THIRD-PARTY INSPECTION; AND
25 (V) COPIES OF EACH INSURANCE POLICY PURCHASED BY THE".
- 26 Page 12, line 16, strike "AND (3.5)(a)(IV)" and substitute "(3.5)(a)(IV),
27 AND (3.5)(a)(V)".
- 28 Page 12, line 18, after "SECTION" insert "BY THE APPLICABLE DEADLINE
29 FOR DESIGNATING A NONPARTY AT FAULT".
- 30 Page 12, line 25, strike "(1)." and substitute "(2).".
- 31 Page 12, after line 25 insert:

1 "(3.7) (a) BY THE EARLIER OF WHEN A CONSTRUCTION
2 PROFESSIONAL WHO IS AN ARCHITECT OR ENGINEER OFFERS TO SETTLE A
3 CLAIM AND OF SIXTY DAYS AFTER A CONSTRUCTION PROFESSIONAL
4 RECEIVES ACTUAL NOTICE OF CLAIM, THE ARCHITECT OR ENGINEER SHALL
5 PROVIDE THE CLAIMANT WITH:
6 (I) COPIES OF ALL APPROVED CONSTRUCTION DOCUMENTS AND
7 SPECIFICATIONS, INCLUDING ADDENDUMS ISSUED DURING CONSTRUCTION,
8 PREPARED BY THE ARCHITECT, ENGINEER, OR CONSULTANTS;
9 (II) THE NAME, LAST-KNOWN ADDRESS, AND SCOPE OF WORK OF
10 EACH ARCHITECT OR ENGINEER WHO PERFORMED WORK OR PROVIDED
11 SERVICES AS A CONSULTANT RELATED TO THE CLAIM AND ON THE
12 CLAIMANT'S PROPERTY; AND
13 (III) COPIES OF EACH INSURANCE POLICY PURCHASED BY THE
14 ARCHITECTS AND ENGINEERS THROUGH THE DATE OF THE NOTICE OF CLAIM
15 AND FROM THE EARLIER START DATE OF:
16 (A) THE DATE THE CONSTRUCTION OF THE ALLEGED DEFECT WAS
17 SUBSTANTIALLY COMPLETED; OR
18 (B) THE DATE THE ARCHITECTS AND ENGINEERS SUBSTANTIALLY
19 COMPLETED WORK RELATED TO THE ALLEGED DEFECT.
20 (b) AN ARCHITECT OR ENGINEER MAY CHARGE REASONABLE
21 COPYING COSTS FOR THE DOCUMENTS DESCRIBED IN SUBSECTION (3.7)(a)
22 OF THIS SECTION."

23 Page 13, line 9, after "CLAIMANT'S" insert "REASONABLE".

24 Page 14, strike lines 5 through 27.

25 Page 15, strike line 1 and substitute:

26 "(d) THE DETERMINATION OF WHETHER AN OFFER OR REJECTION OF
27 AN OFFER WAS REASONABLE MUST BE MADE PRIOR TO TRIAL OR
28 ARBITRATION. IF AN ACTION IS TO BE TRIED BEFORE A JURY, THE SAME
29 JURY SHALL NOT DETERMINE WHETHER THE OFFER OR REJECTION OF AN
30 OFFER WAS REASONABLE AS WELL AS THE CLAIM ON THE MERITS,
31 INCLUDING LIABILITY AND DAMAGES. IF AN ACTION IS HANDLED BY AN
32 ARBITER, THE ARBITER MAY DETERMINE THE REASONABLENESS OF AN
33 OFFER OR REJECTION OF AN OFFER AS WELL AS THE CLAIM ON THE MERITS,
34 INCLUDING LIABILITY AND DAMAGES.
35 (13) AN INSURER, AS DEFINED IN SECTION 10-1-102 (13) SHALL
36 NOT CANCEL A LIABILITY INSURANCE POLICY ISSUED TO A CONSTRUCTION
37 PROFESSIONAL BASED ON THE CONSTRUCTION PROFESSIONAL MAKING AN
38 OFFER TO REPAIR OR SETTLE A CONSTRUCTION DEFECT CLAIM PURSUANT
39 TO THIS SECTION."

- 1 Renumber succeeding sections accordingly.
- 2 Page 15, line 12, strike "MITIGATION." and substitute "MITIGATION;
3 EXCEPT THAT THE MAXIMUM LENGTH OF TOLLING UNDER THIS SUBSECTION
4 (2) CANNOT EXCEED ONE YEAR."
- 5 Page 15, strike lines 17 through 27.
- 6 Strike page 16.
- 7 Page 17, strike lines 1 through 10.
- 8 Renumber succeeding sections accordingly.

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