

House File 194 - Introduced

HOUSE FILE 194
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO HSB 21)

A BILL FOR

1 An Act relating to statute-of-repose periods for improvements
2 to real property involving residential and nonresidential
3 construction and including applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 614.1, subsection 11, Code 2015, is
2 amended to read as follows:

3 11. *Improvements to real property.*

4 a. Residential construction. In addition to limitations
5 contained elsewhere in this section, an action arising out of
6 the unsafe or defective condition of an improvement to ~~real~~
7 ~~property~~ residential construction based on tort and implied
8 warranty and for contribution and indemnity, and founded on
9 injury to property, real or personal, or injury to the person
10 or wrongful death, shall not be brought more than fifteen years
11 after the date on which occurred the act or omission of the
12 defendant alleged in the action to have been the cause of the
13 injury or death. However, this ~~subsection~~ paragraph does not
14 bar an action against a person solely in the person's capacity
15 as an owner, occupant, or operator of an improvement to real
16 property.

17 b. Nonresidential construction. In addition to limitations
18 contained elsewhere in this section, an action arising out
19 of the unsafe or defective condition of an improvement to
20 nonresidential construction based on tort and implied warranty
21 and for contribution and indemnity, and founded on injury to
22 property, real or personal, or injury to the person or wrongful
23 death, shall not be brought more than ten years after the date
24 on which occurred the act or omission of the defendant alleged
25 in the action to have been the cause of the injury or death.
26 However, this paragraph does not bar an action against a person
27 solely in the person's capacity as an owner, occupant, or
28 operator of an improvement to real property.

29 c. Definitions. For purposes of this subsection,
30 "residential construction" means the same as defined in
31 section 572.1. "Nonresidential construction" means all other
32 construction that is not residential construction.

33 Sec. 2. APPLICABILITY. This Act does not apply to
34 residential-construction or nonresidential-construction
35 projects in existence prior to the effective date of this Act.

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EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the statute-of-repose period in a case arising out of the unsafe or defective condition of an improvement to nonresidential construction.

Under current law, a case arising out of the unsafe or defective condition of an improvement to real property, whether residential or nonresidential construction, is subject to a 15-year statute of repose. Such cases are based upon an injury to property or an injury or death of a person. The bill reduces the period of the statute of repose for cases relating to nonresidential construction from 15 years to 10 years. The statute-of-repose period for cases relating to residential construction remains 15 years.

The bill defines "residential construction" by cross reference to the definition of that term contained in Code chapter 572, which relates to mechanic's liens. Code section 572.1 defines "residential construction" as construction on single-family or two-family dwellings occupied or used, or intended to be occupied or used, primarily for residential purposes. The bill defines "nonresidential construction" as any construction that is not residential construction.

A statute-of-repose period differs from a statute-of-limitations period in that a statute of repose establishes a time period after which a lawsuit based upon negligence in an improvement to real property cannot be filed regardless of whether an injury to a person or to property has occurred. A statute-of-limitations period begins at the date of the injury or upon discovery of the deficiency.

The bill does not reduce the statute of repose for residential and nonresidential construction projects in existence prior to the effective date of the Act.