

HCS HB 347 -- DEFECTIVE RESIDENTIAL CONSTRUCTION (Pratt)

This substitute establishes a procedural prerequisite for filing a lawsuit for defective residential construction. In its main provisions, the substitute:

- (1) Requires contractors to provide written notice to homeowners, including homeowners' associations, upon entering contracts of the right to offer to cure construction defects before homeowners may file legal actions;
- (2) Requires homeowners to provide a written notice to contractors detailing the alleged defective construction prior to filing a lawsuit;
- (3) Requires contractors to respond timely in writing, offering an inspection followed by repair, monetary compensation, or disputation of the claim; offering monetary compensation; or disputing the claim; and
- (4) Describes the circumstances in which homeowners must first attempt a mediation of claims or when they may proceed directly to filing a lawsuit.

FISCAL NOTE: No impact on state funds in FY 2006, FY 2007, and FY 2008.