

#### SB 25-185: CLAIMS AGAINST CONSTRUCTION PROFESSIONALS

**Prime Sponsors:** 

Sen. Rodriguez; Pelton B. Rep. Bacon; Soper

**Bill Outcome:** Deemed Lost **Drafting number:** LLS 25-0598

**Fiscal note status:** The fiscal note reflects the introduced bill. The bill was deemed lost in the House on

May 8, 2025; therefore, the impacts identified in this analysis do not take effect.

### **Summary Information**

**Overview.** The bill would have clarified that both original and subsequent homeowners may assess certain damages to construction companies.

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

Minimal State Workload

Local Government

**Fiscal Analyst:** 

John Armstrong, 303-866-6289

john.armstrong@coleg.gov

Version: Final Fiscal Note

**Date:** August 28, 2025

**Appropriations.** No appropriation was required.

# Table 1 State Fiscal Impacts

	Budget Year	Out Year
Type of Impact	FY 2025-26	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