

FINAL BILL REPORT

SSB 6409

C 323 L 02
Synopsis as Enacted

Brief Description: Requiring an opportunity for a cure before an action on a construction defect may be filed.

Sponsors: Senate Committee on Labor, Commerce & Financial Institutions (originally sponsored by Senators Prentice, Hargrove, Johnson, Rossi, Rasmussen, Honeyford, Gardner, Finkbeiner and Hale).

Senate Committee on Labor, Commerce & Financial Institutions
House Committee on Judiciary

Background: Contractors are required to carry liability insurance. They are facing increased costs for their insurance in part because insurers are concerned about the increased cost of construction defect litigation.

Summary: A claimant filing a construction defect suit must provide written notice to the construction professional 45 days before the suit is filed. The construction professional must respond within 21 days of the notice and may offer to remedy the defect, compromise by payment, or dispute the claim. If a suit is filed, the claimant must, within 30 days of commencement, list the construction defects alleged and the construction professional responsible for each defect. Newly discovered defects may be added to an existing lawsuit if the builder is given notice and 21 days to respond.

The serving of notices required by the act tolls any applicable statute of limitations or repose until 60 days after the end of the period of notice and opportunity for cure provided.

A condominium or homeowners' association filing a construction defect suit must notify all unit owners of the action and the expected expenses and fees accompanying it.

Votes on Final Passage:

Senate	41	0	
House	93	0	(House amended)
Senate	45	0	(Senate concurred)

Effective: June 13, 2002