

House Bill 2490

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Consumer Protection and Government Accountability)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Changes statute of limitations for actions arising from provision of architectural or engineering services.

A BILL FOR AN ACT

1
2 Relating to limitations of actions arising from the provision of services; creating new provisions; and
3 amending ORS 12.135.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 12.135 is amended to read:

6 12.135. (1) An action against a person by a plaintiff who is not a public body, whether in con-
7 tract, tort or otherwise, arising from the person having performed the construction, alteration or
8 repair of any improvement to real property or the supervision or inspection thereof, or from the
9 person having furnished design, planning, surveying, architectural or engineering services for the
10 improvement, must be commenced before the earliest of:

11 (a) The applicable period of limitation otherwise established by law;

12 (b) Ten years after substantial completion or abandonment of the construction, alteration or
13 repair of a small commercial structure, as defined in ORS 701.005, a residential structure, as defined
14 in ORS 701.005, or a large commercial structure, as defined in ORS 701.005, that is owned or main-
15 tained by a homeowners association, as defined in ORS 94.550, or that is owned or maintained by
16 an association of unit owners, as defined in ORS 100.005; or

17 (c) Six years after substantial completion or abandonment of the construction, alteration or re-
18 pair of a large commercial structure, as defined in ORS 701.005, other than a large commercial
19 structure described in paragraph (b) of this subsection.

20 (2) An action against a person by a public body, whether in contract, tort or otherwise, arising
21 from the person having performed the construction, alteration or repair of any improvement to real
22 property or the supervision or inspection thereof, or from the person having furnished design, plan-
23 ning, surveying, architectural or engineering services for the improvement, must be commenced not
24 more than 10 years after substantial completion or abandonment of such construction, alteration or
25 repair of the improvement to real property.

26 (3) Notwithstanding subsections (1) and (2) of this section, **and except as provided in this**
27 **subsection**, an action against a person for [*the practice of architecture, as defined in ORS 671.010,*]
28 the practice of landscape architecture, as defined in ORS 671.310, [*or the practice of engineering, as*
29 *defined in ORS 672.005,*] to recover damages for injury to a person, property or to any interest in
30 property, including damages for delay or economic loss, regardless of legal theory, arising out of the
31 construction, alteration or repair of any improvement to real property shall be commenced within

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 two years after the date the injury or damage is first discovered or in the exercise of reasonable
2 care should have been discovered.]; *but in any event the action shall be commenced within* **However,**
3 **the action may not be commenced more than** 10 years after substantial completion or abandon-
4 ment of the construction, alteration or repair. This subsection applies to actions brought by any
5 person or public body.

6 (4) For purposes of this section:

7 (a) "Public body" has the meaning given that term in ORS 174.109; and

8 (b) "Substantial completion" means the date when the contractee accepts in writing the con-
9 struction, alteration or repair of the improvement to real property or any designated portion thereof
10 as having reached that state of completion when it may be used or occupied for its intended purpose
11 or, if there is no such written acceptance, the date of acceptance of the completed construction,
12 alteration or repair of such improvement by the contractee.

13 (5) For purposes of this section, an improvement to real property shall be considered abandoned
14 on the same date that the improvement is considered abandoned under ORS 87.045.

15 (6) This section:

16 (a) Applies to an action against a manufacturer, distributor, seller or lessor of a manufactured
17 dwelling, as defined in ORS 446.003, or of a prefabricated structure, as defined in ORS 455.010; and

18 (b) Does not apply to actions against any person in actual possession and control of the im-
19 provement, as owner, tenant or otherwise, at the time such cause of action accrues.

20 **SECTION 2. The amendments to ORS 12.135 by section 1 of this 2011 Act apply to com-**
21 **plaints, cross-claims, counterclaims and third-party complaints arising out of the con-**
22 **struction, alteration or repair of an improvement to real property for which the defendant**
23 **on the complaint, cross-claim, counterclaim or third-party complaint completed the furnish-**
24 **ing of architectural or engineering services on or after the effective date of this 2011 Act.**