

SB 369 A STAFF MEASURE SUMMARY

House Committee On Judiciary

Prepared By: Channa Newell, Counsel

Meeting Dates: 5/16, 5/20

WHAT THE MEASURE DOES:

Adds the date when a public body issues a certificate of occupancy or the date when the owner uses or occupies the improvement for its intended purpose as possible triggers of substantial completion of a construction, alteration, or repair of improvement to real property.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

An action against a person arising from the construction, alteration, or repair of any improvement to real property, including those providing supervision, inspection, design, planning, surveying, or architectural or engineering services must be commenced within ten years of substantial completion or abandonment of the project if the project is a small commercial or residential structure. For large commercial structures, the action must commence within six years of substantial completion or abandonment. ORS 12.135 defines substantial completion as the date when the contractee accepts, in writing, that the property has reached a state of completion when it may be used or occupied for its intended purpose. If there is no written acceptance, then the date of acceptance of the completed project.

Senate Bill 369 A includes two additional occurrences that could trigger substantial completion of a project. Under the measure, substantial completion can include the date when a public body issues a certificate of occupancy or the date when the owner uses or occupies the improvement for its intended purpose.