

REFERENCE TITLE: condominiums; construction defects; actions; procedures

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SB 1450

Introduced by
Senators Shope; Carroll; Representatives Connolly, Crews, Liguori

AN ACT

AMENDING SECTIONS 12-552, 12-1361 AND 12-1362, ARIZONA REVISED STATUTES; AMENDING TITLE 12, CHAPTER 8, ARTICLE 14, ARIZONA REVISED STATUTES, BY ADDING SECTION 12-1363.01; AMENDING SECTION 32-1162, ARIZONA REVISED STATUTES; AMENDING TITLE 33, CHAPTER 9, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 33-1242.01; RELATING TO CONDOMINIUM PROPERTY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 12-552, Arizona Revised Statutes, is amended to
3 read:

4 12-552. Actions involving development of real property
5 design, engineering and construction of
6 improvements

7 A. Notwithstanding any other statute **AND EXCEPT AS PRESCRIBED BY**
8 **SUBSECTIONS B AND F OF THIS SECTION**, an action or arbitration based in
9 contract may not be instituted or maintained against a person who develops
10 or develops and sells real property, or performs or furnishes the design,
11 specifications, surveying, planning, supervision, testing, construction or
12 observation of construction of an improvement to real property more than
13 eight years after substantial completion of the improvement to real
14 property.

15 **B. NOTWITHSTANDING ANY OTHER STATUTE, FOR REAL PROPERTY REGULATED**
16 **UNDER TITLE 33, CHAPTER 9, AN ACTION OR ARBITRATION BASED IN CONTRACT MAY**
17 **NOT BE INSTITUTED OR MAINTAINED AGAINST A PERSON THAT DEVELOPS OR DEVELOPS**
18 **AND SELLS REAL PROPERTY, OR PERFORMS OR FURNISHES THE DESIGN,**
19 **SPECIFICATIONS, SURVEYING, PLANNING, SUPERVISION, TESTING, CONSTRUCTION OR**
20 **OBSERVATION OF CONSTRUCTION OF AN IMPROVEMENT TO REAL PROPERTY MORE THAN**
21 **FIVE YEARS AFTER SUBSTANTIAL COMPLETION OF THE IMPROVEMENT TO REAL**
22 **PROPERTY.**

23 ~~B.~~ C. Notwithstanding any other statute, a municipality or a
24 county may not institute or maintain an action or arbitration against a
25 person who develops or develops and sells real property or performs or
26 furnishes the design, specifications, surveying, planning, supervision,
27 testing, construction or observation of construction of an improvement to
28 real property that is dedicated to the municipality or county more than
29 eight years after the improvement to real property has been accepted by
30 the municipality or county for ownership, operation and maintenance if the
31 action or arbitration is based on either:

32 1. A municipal or county code, ordinance or other legal
33 requirement.

34 2. A permit that is required as a condition of development.

35 ~~C.~~ D. The limitations of subsection ~~B~~ C of this section do not
36 apply to an action or arbitration that is based on a claim of a wilful,
37 reckless or concealed violation of a municipal or county requirement.

38 ~~D.~~ E. Subsection ~~B~~ C of this section does not limit any immunity
39 or defense that is available to a municipality or county pursuant to
40 chapter 7, article 2 of this title.

41 ~~E.~~ F. Notwithstanding subsection A or ~~B~~ C of this section, in the
42 case of injury to real property or an improvement to real property, if the
43 injury occurred during the eighth year after the substantial completion
44 or, in the case of a latent defect, was not discovered until the eighth
45 year after substantial completion, an action to recover damages for injury

1 to the real property may be brought within one year after the date on
2 which the injury to real property or an improvement to real property
3 occurred or a latent defect was discovered, but an action may not be
4 brought more than nine years after the substantial completion of the
5 improvement.

6 G. NOTWITHSTANDING SUBSECTION B OF THIS SECTION, IN THE CASE OF
7 INJURY TO REAL PROPERTY OR AN IMPROVEMENT TO REAL PROPERTY REGULATED UNDER
8 TITLE 33, CHAPTER 9, IF THE INJURY OCCURRED DURING THE FIFTH YEAR AFTER
9 THE SUBSTANTIAL COMPLETION OR, IN THE CASE OF A LATENT DEFECT, WAS NOT
10 DISCOVERED UNTIL THE FIFTH YEAR AFTER SUBSTANTIAL COMPLETION, AN ACTION TO
11 RECOVER DAMAGES FOR INJURY TO THE REAL PROPERTY MAY BE BROUGHT WITHIN ONE
12 YEAR AFTER THE DATE ON WHICH THE INJURY TO REAL PROPERTY OR AN IMPROVEMENT
13 TO REAL PROPERTY OCCURRED OR A LATENT DEFECT WAS DISCOVERED, BUT AN ACTION
14 MAY NOT BE BROUGHT MORE THAN SIX YEARS AFTER THE SUBSTANTIAL COMPLETION OF
15 THE IMPROVEMENT.

16 H. NOTWITHSTANDING SUBSECTION B OF THIS SECTION, IF THERE IS A
17 PENDING COMPLAINT UNDER SECTION 32-1155 FOR INJURY TO REAL PROPERTY OR AN
18 IMPROVEMENT TO REAL PROPERTY REGULATED UNDER TITLE 33, CHAPTER 9, AN
19 ACTION TO RECOVER DAMAGES FOR INJURY TO THE REAL PROPERTY OR THE
20 IMPROVEMENT TO REAL PROPERTY MAY NOT BE BROUGHT MORE THAN SIX YEARS AFTER
21 THE SUBSTANTIAL COMPLETION OF THE IMPROVEMENT.

22 ~~F.~~ I. The limitations in subsections A, B, C, F, G and ~~F~~ H of
23 this section include any action based on implied warranty arising out of
24 the contract or the construction, including implied warranties of
25 habitability, fitness or workmanship.

26 ~~G.~~ J. This section does not apply to actions for personal injury
27 or death or shorten the period of warranty provided in an express written
28 warranty.

29 ~~H.~~ K. For the purposes of subsections A, ~~F~~ B, F, G, H and ~~F~~ I of
30 this section, an improvement to real property is considered substantially
31 complete when any of the following first occurs:

32 1. It is first used by the owner or occupant of the improvement.

33 2. It is first available for use after having been completed
34 according to the contract or agreement covering the improvement, including
35 agreed changes to the contract or agreement.

36 3. Final inspection, if required, by the governmental body that
37 issued the building permit for the improvement.

38 ~~I.~~ L. In this section an action based in contract is an action
39 based on a written real estate contract, sales agreement, construction
40 agreement, conveyance or written agreement for construction or for the
41 services set forth in subsection A of this section. This section does not
42 extend the period prescribed by the laws of this state for bringing any
43 action. If a shorter period of limitation is prescribed for a specific
44 action, the shorter period governs.

~~J. With respect to an improvement to real property that was substantially complete on or before September 15, 1989, the eight and nine-year periods established in subsections A and E of this section shall begin to run on September 15, 1989. Notwithstanding the provisions of subsection H of this section and section 12-505, subsection A, this subsection applies to claims that accrued before May 14, 1992.~~

Sec. 2. Section 12-1361, Arizona Revised Statutes, is amended to read:

12-1361. Definitions

In this article, unless the context otherwise requires:

1. "Association" means either of the following:

(a) The unit owners' association organized under section 33-1241.

(b) A nonprofit corporation or unincorporated association of owners THAT IS created pursuant to a declaration to own and operate portions of a planned community and which THAT has the power under the declaration to assess association members to pay the costs and expenses incurred in the performance of the association's obligations under the declaration.

2. "Community documents" means the declaration, bylaws, articles of incorporation, if any, and rules, if any.

3. "Construction codes" means the building, plumbing, electrical, fire, mechanical or other codes or ordinances, including the international residential code however denominated, as adopted, amended and enforced by the city, town or county in which the dwelling is located.

4. "Construction defect" means a material deficiency in the design, construction, manufacture, repair, alteration, remodeling or landscaping of a dwelling that is the result of one of the following:

(a) A violation of construction codes applicable to the construction of the dwelling.

(b) The use of defective materials, products, components or equipment in the design, construction, manufacture, repair, alteration, remodeling or landscaping of the dwelling.

(c) The failure to adhere to generally accepted workmanship standards in the community.

5. "Construction professional" means an architect, contractor, subcontractor, developer, builder, builder vendor, supplier, engineer or inspector performing or furnishing the design, supervision, inspection, construction or observation of the construction of any improvement to real property.

6. "Dwelling":

(A) Means a single or multifamily unit THAT IS designed for residential use and common areas and improvements that are owned or maintained by an association or by members of an association. ~~A dwelling~~

(B) Includes the systems, other components and improvements that are part of a single or multifamily unit at the time of construction.

1 7. " Dwelling action" means any action involving a construction
2 defect brought by a purchaser against the seller of a dwelling arising out
3 of or related to the design, construction, condition or sale of the
4 dwelling.

5 8. "MAINTENANCE RECORDS" MEANS RECEIPTS, LOGS, REPORTS, SERVICE
6 DOCUMENTATION OR OTHER MATERIAL THAT IS IN THE PURCHASER'S OR
7 ASSOCIATION'S POSSESSION OR CONTROL AND THAT RELATES TO ROUTINE OR
8 RECOMMENDED MAINTENANCE OF ANY DWELLING SYSTEM OR COMPONENT IDENTIFIED IN
9 THE NOTICE OF CLAIM.

10 ~~8.~~ 9. "Material deficiency" means a deficiency that actually
11 impairs the structural integrity, the functionality or the appearance of
12 the dwelling at the time of the claim, or is reasonably likely to actually
13 impair the structural integrity, the functionality or the appearance of
14 the dwelling in the foreseeable future if not repaired or replaced.

15 ~~9.~~ 10. "Purchaser" means any person or entity who files a dwelling
16 action.

17 11. "REMEDY OFFER" MEANS A WRITTEN OFFER BY A SELLER OR
18 CONSTRUCTION PROFESSIONAL TO REPAIR, REPLACE OR PROVIDE MONETARY
19 COMPENSATION TO RESOLVE AN ALLEGED CONSTRUCTION DEFECT UNDER THIS ARTICLE.

20 ~~10.~~ 12. "Seller":

21 (A) Means any person, firm, partnership, corporation, association
22 or other organization that is engaged in the business of designing,
23 constructing or selling dwellings, including construction professionals.

24 ~~Seller~~

25 (B) Does not include a real estate broker or real estate
26 salesperson as defined in section 32-2101 who provides services in
27 connection with the resale of a dwelling following its initial sale.

28 Sec. 3. Section 12-1362, Arizona Revised Statutes, is amended to
29 read:

30 12-1362. Dwelling action; notice of intent to repair or
31 replace; jurisdictional prerequisite; insurance;
32 bifurcated trial; legislative intent

33 A. Except with respect to claims for alleged construction defects
34 involving an immediate threat to the life or safety of persons occupying
35 or visiting the dwelling, a purchaser must first comply with this article
36 before filing a dwelling action.

37 B. A seller and the seller's construction professional who receive
38 a written notice of claim pursuant to section 12-1363 OR 12-1363.01 have a
39 right pursuant to section 12-1363 OR 12-1363.01 to repair or replace any
40 alleged construction defects after sending or delivering to the purchaser
41 a written notice of intent to repair or replace the alleged construction
42 defects PURSUANT TO SECTION 12-1363 OR A REMEDY OFFER PURSUANT TO SECTION
43 12-1363.01. The seller and the seller's construction professional do not
44 need to repair or replace all of the alleged construction defects
45 SPECIFIED IN THE NOTICE PROVIDED PURSUANT TO SECTION 12-1363, SUBSECTION A

1 OR SECTION 12-1363.01, SUBSECTION A. A purchaser may not file a dwelling
2 action until the seller and the seller's construction professional have
3 completed all ~~intended~~ repairs and replacements ~~of the alleged~~
4 ~~construction defects~~ IDENTIFIED IN THE INTENT TO REPAIR OR REPLACE THE
5 ALLEGED CONSTRUCTION DEFECTS PURSUANT TO SECTION 12-1363 OR THE REMEDY
6 OFFER PURSUANT TO SECTION 12-1363.01.

7 C. If a seller or a seller's construction professional presents a
8 notice received pursuant to section 12-1363 OR 12-1363.01 to an insurer
9 that has issued an insurance policy to the seller or the seller's
10 construction professional that covers the seller's or the seller's
11 construction professional's liability arising out of a construction defect
12 or the design, construction or sale of the property that is the subject of
13 the notice, the insurer must treat the notice as a notice of a claim
14 subject to the terms and conditions of the policy of insurance. An
15 insurer must work cooperatively and in good faith with the insured seller
16 or the seller's construction professional within the time frames specified
17 in this article to effectuate the purpose of this article. This
18 subsection does not affect the coverage available under the policy of
19 insurance or create a cause of action against an insurer whose actions
20 were reasonable under the circumstances, notwithstanding its inability to
21 comply with the time frames specified in section 12-1363 OR 12-1363.01.

22 D. Subject to Arizona rules of court, the identified construction
23 professionals shall be joined as third-party defendants, if feasible.
24 Subject to Arizona rules of court, for each construction defect found to
25 exist, the trier of fact in any dwelling action filed pursuant to this
26 article shall first determine if a construction defect exists and the
27 amount of damages caused by the CONSTRUCTION defect and identify each
28 seller or construction professional whose conduct, whether by action or
29 omission, may have caused, in whole or in part, any construction defect.
30 The purchaser has the burden of proof to demonstrate the existence of a
31 construction defect and the amount of the damages caused by the
32 construction defect. The trier of fact shall thereafter determine the
33 relative degree of fault of any defendant or third-party defendant. The
34 trier of fact shall allocate the pro rata share of liability based on
35 relative degree of fault. The seller has the burden to prove the pro rata
36 share of liability of any third-party defendant. The determination of
37 whether a construction defect exists, the amount of damages caused by the
38 construction defect and who may have caused, in whole or in part, the
39 construction defect shall be bifurcated from and take place in a separate
40 phase of the trial or alternative dispute resolution process from the
41 determination of the relative degree of fault of any defendant or
42 third-party defendant, unless the court finds that bifurcation is not
43 appropriate.

1 E. The legislature finds and determines that given the complexity
2 and multiparty nature of dwelling actions, it is important to provide a
3 streamlined process for the resolution of construction defect claims and
4 indemnification claims between the seller and the construction
5 professionals that is efficient, economical and convenient for the parties
6 involved. The legislature further finds and determines that, for the
7 majority of dwelling actions, bifurcation of the issues of the existence
8 of a CONSTRUCTION defect and causation from the issue of apportionment of
9 fault is more efficient, fair and convenient for the parties. It is the
10 legislature's intent that the bifurcation process prescribed in subsection
11 D of this section does not alter the seller's liability under the seller's
12 implied warranty to the purchaser. It is the legislature's intent that
13 the bifurcation process prescribed in subsection D of this section be used
14 and that the issues of existence of a construction defect, damages,
15 causation and apportionment of fault be tried in one trial unless the
16 court finds that the circumstances of the particular case at issue render
17 bifurcation inappropriate.

18 Sec. 4. Title 12, chapter 8, article 14, Arizona Revised Statutes,
19 is amended by adding section 12-1363.01, to read:

20 12-1363.01. Condominiums; notice; remedy offer; repair or
21 replace; tolling of time limits; admissible
22 evidence; limitation of damages; definition

23 A. BEFORE FILING A DWELLING ACTION, A PURCHASER OF REAL PROPERTY
24 REGULATED UNDER TITLE 33, CHAPTER 9 SHALL GIVE AT LEAST NINETY DAYS'
25 WRITTEN NOTICE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE SELLER
26 SPECIFYING IN REASONABLE DETAIL THE BASIS OF THE DWELLING ACTION. A
27 SELLER WHO RECEIVES NOTICE UNDER THIS SUBSECTION SHALL PROMPTLY FORWARD A
28 COPY OF THE NOTICE TO THE LAST KNOWN ADDRESS OF EACH CONSTRUCTION
29 PROFESSIONAL WHO THE SELLER REASONABLY BELIEVES IS RESPONSIBLE FOR AN
30 ALLEGED CONSTRUCTION DEFECT THAT IS SPECIFIED IN THE NOTICE. THE SELLER'S
31 NOTICE TO EACH CONSTRUCTION PROFESSIONAL MAY BE DELIVERED BY ELECTRONIC
32 MEANS.

33 B. A NOTICE OF CLAIM SHALL INCLUDE COPIES OF ALL MAINTENANCE
34 RECORDS RELATING TO ANY SYSTEM OR COMPONENT IDENTIFIED IN THE NOTICE OF
35 CLAIM OR A CERTIFICATION THAT MAINTENANCE RECORDS DO NOT EXIST.

36 C. IF MAINTENANCE RECORDS OR A CERTIFICATION THAT MAINTENANCE
37 RECORDS DO NOT EXIST IS NOT PROVIDED, THE NOTICE OF CLAIM IS DEEMED
38 INCOMPLETE AND THE DEADLINES OR OBLIGATIONS UNDER THIS ARTICLE DO NOT
39 APPLY UNTIL THE MAINTENANCE RECORDS OR CERTIFICATION THAT MAINTENANCE
40 RECORDS DO NOT EXIST ARE PROVIDED.

41 D. IF THE CLAIMANT DOES NOT PROVIDE MAINTENANCE RECORDS OR
42 CERTIFICATION THAT MAINTENANCE RECORDS DO NOT EXIST, THERE IS A REBUTTABLE
43 PRESUMPTION THAT ANY ALLEGED DEFECT AFFECTING A SYSTEM OR COMPONENT THAT
44 REQUIRES ROUTINE MAINTENANCE WAS CAUSED BY THE CLAIMANT'S FAILURE TO
45 PERFORM ORDINARY MAINTENANCE.

1 E. AFTER RECEIPT OF THE NOTICE DESCRIBED IN SUBSECTION A OF THIS
2 SECTION, THE SELLER AND THE SELLER'S CONSTRUCTION PROFESSIONAL MAY INSPECT
3 THE DWELLING TO DETERMINE THE NATURE AND CAUSE OF THE ALLEGED CONSTRUCTION
4 DEFECTS AND THE NATURE AND EXTENT OF ANY REPAIRS OR REPLACEMENTS NECESSARY
5 TO REMEDY THE ALLEGED CONSTRUCTION DEFECTS. THE PURCHASER SHALL ENSURE
6 THAT THE DWELLING IS MADE AVAILABLE FOR INSPECTION NOT LATER THAN TEN DAYS
7 AFTER THE PURCHASER RECEIVES THE SELLER'S AND THE SELLER'S CONSTRUCTION
8 PROFESSIONAL'S REQUEST FOR AN INSPECTION. THE PURCHASER MAY NOT ALLOW ANY
9 COMPONENTS OR OTHER IMPROVEMENTS TO BE REMOVED FROM THE DWELLING FOR
10 TESTING OR ANY OTHER PURPOSE WITHOUT THE SELLER'S PRIOR WRITTEN APPROVAL.
11 THE SELLER MAY NOT UNREASONABLY WITHHOLD APPROVAL OF THE PURCHASER'S
12 REQUEST TO REMOVE COMPONENTS OR OTHER IMPROVEMENTS FROM THE DWELLING FOR
13 TESTING OR ANY OTHER PURPOSE. THE SELLER AND THE SELLER'S CONSTRUCTION
14 PROFESSIONAL SHALL PROVIDE REASONABLE NOTICE TO THE PURCHASER BEFORE
15 CONDUCTING THE INSPECTION. THE INSPECTION SHALL BE CONDUCTED AT A
16 REASONABLE TIME. THE SELLER AND THE SELLER'S CONSTRUCTION PROFESSIONAL
17 MAY USE REASONABLE MEASURES, INCLUDING DESTRUCTIVE AND NONDESTRUCTIVE
18 TESTING, TO DETERMINE THE NATURE AND CAUSE OF THE ALLEGED CONSTRUCTION
19 DEFECTS AND THE NATURE AND EXTENT OF ANY REPAIRS OR REPLACEMENTS NECESSARY
20 TO REMEDY THE ALLEGED CONSTRUCTION DEFECTS. A SECOND INSPECTION MAY BE
21 CONDUCTED WITHIN THIRTY DAYS AFTER THE FIRST INSPECTION. IF THE SELLER OR
22 THE SELLER'S CONSTRUCTION PROFESSIONAL CONDUCTS TESTING PURSUANT TO THIS
23 SUBSECTION, THE SELLER OR THE SELLER'S CONSTRUCTION PROFESSIONAL SHALL
24 RESTORE THE DWELLING TO ITS CONDITION BEFORE THE TESTING.

25 F. THE SELLER OR THE SELLER'S CONSTRUCTION PROFESSIONAL MAY PROVIDE
26 A REMEDY OFFER TO THE PURCHASER. THE REMEDY OFFER SHALL INCLUDE EITHER OR
27 BOTH OF THE FOLLOWING:

28 1. A DETAILED SCOPE OF THE REPAIRS, INCLUDING THE METHOD AND
29 MATERIALS TO BE USED, THE IDENTITY OF THOSE PERFORMING THE WORK AND A
30 REASONABLE REPAIR SCHEDULE.

31 2. A SUM CERTAIN MONETARY OFFER.

32 G. SUBSECTION F OF THIS SECTION DOES NOT PROHIBIT THE SELLER FROM
33 OFFERING MONETARY COMPENSATION OR OTHER CONSIDERATION INSTEAD OF OR IN
34 ADDITION TO A REPAIR OR REPLACEMENT. THE PURCHASER, SUBJECT TO THE
35 REQUIREMENTS OF THIS SECTION, MAY ACCEPT OR REJECT A REMEDY OFFER THAT
36 CONSISTS OF MONETARY COMPENSATION OR OTHER CONSIDERATION, OTHER THAN
37 REPAIR OR REPLACEMENT AND, IF REJECTED, MAY PROCEED WITH A DWELLING ACTION
38 ON COMPLETION OF ANY REPAIRS OR REPLACEMENTS THE SELLER AND THE SELLER'S
39 CONSTRUCTION PROFESSIONAL INTEND TO MAKE OR PROVIDE. THE PARTIES MAY
40 NEGOTIATE FOR A RELEASE IF AN OFFER INVOLVING MONETARY COMPENSATION OR
41 OTHER CONSIDERATION IS ACCEPTED.

42 H. IF THE SELLER DOES NOT PROVIDE A REMEDY TO THE PURCHASER'S
43 NOTICE WITHIN NINETY DAYS AFTER RECEIVING THE NOTICE OR IF THE SELLER
44 NOTIFIES THE PURCHASER IN WRITING THAT A REMEDY OFFER WILL NOT BE
45 PROVIDED, THE PURCHASER MAY FILE A DWELLING ACTION.

1 I. IF THE RESPONSE PROVIDED PURSUANT TO SUBSECTION F OF THIS
2 SECTION INCLUDES A NOTICE OF INTENT TO REPAIR OR REPLACE THE ALLEGED
3 CONSTRUCTION DEFECTS, THE PURCHASER SHALL ALLOW THE SELLER AND THE
4 SELLER'S CONSTRUCTION PROFESSIONAL A REASONABLE OPPORTUNITY TO REPAIR OR
5 REPLACE THE ALLEGED CONSTRUCTION DEFECTS OR CAUSE THE ALLEGED CONSTRUCTION
6 DEFECTS TO BE REPAIRED OR REPLACED PURSUANT TO THE FOLLOWING:

7 1. THE PURCHASER AND THE SELLER OR THE SELLER'S CONSTRUCTION
8 PROFESSIONAL SHALL COORDINATE REPAIRS OR REPLACEMENTS WITHIN THIRTY DAYS
9 AFTER THE SELLER'S REMEDY OFFER WAS SENT PURSUANT TO SUBSECTION F OF THIS
10 SECTION. A CONTRACTOR OR SUBCONTRACTOR THAT WAS NOT INVOLVED IN THE
11 CONSTRUCTION OR DESIGN OF THE DWELLING AND THAT PERFORMS ANY REPAIR OR
12 REPLACEMENT OF THE ALLEGED CONSTRUCTION DEFECT PURSUANT TO THIS SECTION IS
13 LIABLE ONLY TO THE SELLER OR PURCHASER WHO CONTRACTED FOR THE CONTRACTOR'S
14 OR SUBCONTRACTOR'S SERVICES FOR THE CONTRACTOR'S OR SUBCONTRACTOR'S SCOPE
15 OF WORK AND THAT CONTRACTOR OR SUBCONTRACTOR MAY BE NAMED IN AN AMENDED
16 NOTICE PURSUANT TO SUBSECTION M OF THIS SECTION OR IN THE CORRESPONDING
17 DWELLING ACTION.

18 2. REPAIRS OR REPLACEMENTS SHALL BEGIN AS AGREED BY THE PURCHASER
19 AND THE SELLER OR THE SELLER'S CONSTRUCTION PROFESSIONAL, WITH REASONABLE
20 EFFORTS TO BEGIN REPAIRS OR REPLACEMENTS WITHIN THIRTY-FIVE DAYS AFTER THE
21 SELLER'S REMEDY OFFER WAS SENT PURSUANT TO SUBSECTION F OF THIS SECTION.
22 IF A PERMIT IS REQUIRED TO PERFORM THE REPAIR OR REPLACEMENT, REASONABLE
23 EFFORTS SHALL BE MADE TO BEGIN REPAIRS OR REPLACEMENTS WITHIN TEN DAYS
24 AFTER RECEIPT OF THE PERMIT OR THIRTY-FIVE DAYS AFTER THE SELLER'S REMEDY
25 OFFER WAS SENT PURSUANT TO SUBSECTION F OF THIS SECTION, WHICHEVER IS
26 LATER.

27 3. ALL REPAIRS OR REPLACEMENTS SHALL BE COMPLETED USING REASONABLE
28 CARE UNDER THE CIRCUMSTANCES AND WITHIN A COMMERCIALY REASONABLE TIME
29 FRAME CONSIDERING THE NATURE OF THE REPAIR OR REPLACEMENT, ANY ACCESS
30 ISSUES OR UNFORESEEN EVENTS THAT ARE NOT CAUSED BY THE SELLER OR THE
31 SELLER'S CONSTRUCTION PROFESSIONAL.

32 4. THE PURCHASER SHALL PROVIDE REASONABLE ACCESS FOR THE REPAIRS OR
33 REPLACEMENTS.

34 5. THE SELLER IS NOT ENTITLED TO A RELEASE OR WAIVER SOLELY IN
35 EXCHANGE FOR ANY REPAIR OR REPLACEMENT THAT IS MADE PURSUANT TO THIS
36 SUBSECTION, EXCEPT THAT THE PURCHASER AND SELLER MAY NEGOTIATE A RELEASE
37 OR WAIVER IN EXCHANGE FOR MONETARY COMPENSATION OR OTHER CONSIDERATION IN
38 A REMEDY OFFER.

39 6. AT THE CONCLUSION OF ANY REPAIRS OR REPLACEMENTS, THE PURCHASER
40 MAY COMMENCE A DWELLING ACTION OR, IF THE CONTRACT FOR THE SALE OF THE
41 DWELLING OR THE COMMUNITY DOCUMENTS CONTAIN A COMMERCIALY REASONABLE
42 ALTERNATIVE DISPUTE RESOLUTION PROCEDURE THAT COMPLIES WITH SECTION
43 12-1366, SUBSECTION C, MAY INITIATE THE DISPUTE RESOLUTION PROCESS,
44 INCLUDING ANY CLAIM FOR INADEQUATE REPAIR OR REPLACEMENT.

1 J. DURING THE NOTICE AND REPAIR OR REPLACEMENT PROCESS, AND FOR
2 THIRTY DAYS AFTER SUBSTANTIAL COMPLETION OF THE REPAIR OR REPLACEMENT, THE
3 STATUTE OF LIMITATIONS AND STATUTE OF REPOSE, INCLUDING SECTION 12-552,
4 THAT APPLY TO THE PURCHASER, INCLUDING ANY CONSTRUCTION PROFESSIONAL
5 INVOLVED IN THE CONSTRUCTION OR DESIGN, ARE TOLLED AS TO THE SELLER AND
6 THE SELLER'S CONSTRUCTION PROFESSIONAL WHO WERE INVOLVED IN THE
7 CONSTRUCTION OR DESIGN OF THE DWELLING FOR ALL ALLEGED CONSTRUCTION
8 DEFECTS DESCRIBED IN REASONABLE DETAIL IN THE WRITTEN NOTICE SENT TO THE
9 SELLER PURSUANT TO SUBSECTION A OF THIS SECTION.

10 K. THE STATUTE OF LIMITATIONS AND STATUTE OF REPOSE, INCLUDING
11 SECTION 12-552, THAT APPLY TO THE SELLER'S CLAIM FOR INDEMNITY OR
12 CONTRIBUTION AGAINST ANY CONSTRUCTION PROFESSIONAL IS TOLLED FROM THE DATE
13 THE SELLER RECEIVES THE NOTICE REQUIRED BY THIS SECTION UNTIL NINE MONTHS
14 AFTER THE PURCHASER'S SERVICE OF THE CIVIL COMPLAINT OR ARBITRATION DEMAND
15 ON THE SELLER.

16 L. ALL CONDUCT OF PARTIES DURING THE REPAIR OR REPLACEMENT PROCESS
17 PRESCRIBED IN SUBSECTIONS E, F, H AND I OF THIS SECTION MAY NOT BE
18 INTRODUCED IN ANY SUBSEQUENT DWELLING ACTION. ANY REPAIR OR REPLACEMENT
19 EFFORTS UNDERTAKEN BY THE SELLER OR THE SELLER'S CONSTRUCTION PROFESSIONAL
20 ARE NOT CONSIDERED SETTLEMENT COMMUNICATIONS OR OFFERS OF SETTLEMENT AND
21 ARE ADMISSIBLE IN EVIDENCE.

22 M. A PURCHASER MAY AMEND THE NOTICE PROVIDED PURSUANT TO SUBSECTION
23 A OF THIS SECTION TO INCLUDE ALLEGED CONSTRUCTION DEFECTS THAT ARE
24 IDENTIFIED IN GOOD FAITH AFTER SUBMISSION OF THE ORIGINAL NOTICE. THE
25 SELLER AND THE SELLER'S CONSTRUCTION PROFESSIONAL SHALL HAVE A REASONABLE
26 PERIOD OF TIME TO CONDUCT AN INSPECTION, IF REQUESTED, AND THEREAFTER THE
27 PARTIES SHALL COMPLY WITH THE REQUIREMENTS OF SUBSECTIONS E, F, H AND I OF
28 THIS SECTION FOR THE ADDITIONAL ALLEGED CONSTRUCTION DEFECTS THAT ARE
29 IDENTIFIED IN REASONABLE DETAIL IN THE NOTICE. FOR THE PURPOSES OF THIS
30 SUBSECTION, REASONABLE TIME DOES NOT MEAN A TIME FRAME THAT IS LESS THAN
31 THE TIME FRAMES PROVIDED IN THIS SECTION.

32 N. SUBJECT TO ARIZONA RULES OF COURT, DURING THE PENDENCY OF A
33 DWELLING ACTION, THE PURCHASER MAY SUPPLEMENT THE LIST OF ALLEGED
34 CONSTRUCTION DEFECTS TO INCLUDE ADDITIONAL ALLEGED CONSTRUCTION DEFECTS
35 THAT ARE IDENTIFIED IN GOOD FAITH AFTER THE FILING OF THE ORIGINAL
36 DWELLING ACTION AND THAT HAVE BEEN IDENTIFIED IN REASONABLE DETAIL AS
37 REQUIRED BY THIS SECTION. THE COURT SHALL PROVIDE THE SELLER AND THE
38 SELLER'S CONSTRUCTION PROFESSIONAL A REASONABLE AMOUNT OF TIME TO INSPECT
39 THE DWELLING TO DETERMINE THE NATURE AND CAUSE OF THE ADDITIONAL ALLEGED
40 CONSTRUCTION DEFECTS AND THE NATURE AND EXTENT OF ANY REPAIRS OR
41 REPLACEMENTS NECESSARY TO REMEDY THE ADDITIONAL ALLEGED CONSTRUCTION
42 DEFECTS AND, ON REQUEST OF THE SELLER OR THE SELLER'S CONSTRUCTION
43 PROFESSIONAL, SUFFICIENT TIME TO REPAIR OR REPLACE THE ADDITIONAL ALLEGED
44 CONSTRUCTION DEFECTS. THE PARTIES SHALL COMPLY WITH THE REQUIREMENTS OF
45 SUBSECTIONS E, F, H AND I OF THIS SECTION FOR THE ADDITIONAL ALLEGED

1 CONSTRUCTION DEFECTS THAT ARE IDENTIFIED IN REASONABLE DETAIL IN THE
2 NOTICE.

3 O. THE SERVICE OF AN AMENDED NOTICE THAT IDENTIFIES IN REASONABLE
4 DETAIL THE ALLEGED CONSTRUCTION DEFECTS DURING THE PENDENCY OF A DWELLING
5 ACTION SHALL RELATE BACK TO THE ORIGINAL NOTICE OF ALLEGED CONSTRUCTION
6 DEFECTS FOR THE PURPOSE OF TOLLING APPLICABLE STATUTES OF LIMITATIONS AND
7 STATUTES OF REPOSE, INCLUDING SECTION 12-552.

8 P. BY WRITTEN AGREEMENT OF THE SELLER AND PURCHASER, THE TIME
9 PERIODS PROVIDED IN THIS SECTION MAY BE EXTENDED.

10 Q. FOR THE SALE OF A DWELLING THAT OCCURS WITHIN THE STATUTORY
11 PERIOD SET FORTH IN SECTION 12-552, THE ESCROW AGENT, AS DEFINED IN
12 SECTION 6-801, SHALL PROVIDE NOTICE TO THE PURCHASER OF THE PROVISIONS OF
13 THIS SECTION AND SECTIONS 12-1361 AND 12-1362. THIS SUBSECTION DOES NOT
14 CREATE A FIDUCIARY DUTY OR PROVIDE ANY PERSON OR ENTITY WITH A PRIVATE
15 RIGHT OR CAUSE OF ACTION OR ADMINISTRATIVE ACTION.

16 R. A PURCHASER WHO FILES A CONTESTED DWELLING ACTION UNDER THIS
17 ARTICLE MUST FILE AN AFFIDAVIT WITH THE PURCHASER'S COMPLAINT, UNDER
18 PENALTY OF PERJURY, THAT THE PURCHASER HAS READ THE ENTIRE COMPLAINT,
19 AGREES WITH ALL OF THE ALLEGATIONS AND FACTS CONTAINED IN THE COMPLAINT
20 AND, UNLESS AUTHORIZED BY STATUTE OR RULE, IS NOT RECEIVING AND HAS NOT
21 BEEN PROMISED ANYTHING OF VALUE IN EXCHANGE FOR FILING THE DWELLING
22 ACTION.

23 S. IF THE SELLER DOES NOT COMPLY WITH THE REQUIREMENTS OF THIS
24 SECTION AND THE FAILURE IS NOT DUE TO ANY FAULT OF THE PURCHASER OR AS A
25 RESULT OF AN UNFORESEEN CONDITION, INCLUDING AN UNFORESEEN WEATHER
26 CONDITION OR GOVERNMENT DELAY, THE PURCHASER MAY COMMENCE A DWELLING
27 ACTION.

28 T. IF THE PURCHASER FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS
29 SECTION BEFORE BRINGING A DWELLING ACTION, THE DWELLING ACTION SHALL BE
30 DISMISSED. IF THE DWELLING ACTION IS DISMISSED AFTER THE STATUTE OF
31 LIMITATIONS OR STATUTE OF REPOSE, INCLUDING SECTION 12-552, THAT APPLIES
32 TO THE PURCHASER, ANY SUBSEQUENT DWELLING ACTION BROUGHT BY THE PURCHASER
33 IS TIME BARRED AS TO THE SELLER AND THE SELLER'S CONSTRUCTION PROFESSIONAL
34 INVOLVED IN THE CONSTRUCTION OR DESIGN OF THE DWELLING.

35 U. IF A TIMELY REMEDY OFFER WAS MADE AND REPAIRS WERE SUBSTANTIALLY
36 COMPLETED, THE PURCHASER'S DAMAGES ARE LIMITED TO THE FOLLOWING:

- 37 1. THE REASONABLE COST OF COMPLETING OR CORRECTING REPAIRS.
- 38 2. TEMPORARY HOUSING, STORAGE AND RELOCATION COSTS.
- 39 3. THE AMOUNT OF THE ACTUAL PROPERTY DAMAGE.
- 40 4. THE REASONABLE COST OF INSPECTING THE COMPLETED REPAIRS.

41 V. FOR THE PURPOSES OF THIS SECTION, "REASONABLE DETAIL" INCLUDES
42 ALL OF THE FOLLOWING:

- 43 1. AN ITEMIZED LIST THAT DESCRIBES EACH ALLEGED CONSTRUCTION DEFECT
44 WITH SUFFICIENT DETAIL TO ALLOW THE SELLER OR SELLER'S CONSTRUCTION
45 PROFESSIONAL TO IDENTIFY THE ALLEGED CONSTRUCTION DEFECT.

1 2. THE LOCATION THAT EACH ALLEGED CONSTRUCTION DEFECT HAS BEEN
2 OBSERVED BY THE PURCHASER IN EACH DWELLING THAT IS THE SUBJECT OF THE
3 NOTICE.

4 3. THE IMPAIRMENT TO THE DWELLING THAT HAS OCCURRED AS A RESULT OF
5 EACH OF THE ALLEGED CONSTRUCTION DEFECTS OR IS REASONABLY LIKELY TO OCCUR
6 IF THE ALLEGED CONSTRUCTION DEFECTS ARE NOT REPAIRED OR REPLACED.

7 4. THE STREET ADDRESS FOR EACH DWELLING THAT IS THE SUBJECT OF THE
8 NOTICE.

9 Sec. 5. Section 32-1162, Arizona Revised Statutes, is amended to
10 read:

11 32-1162. Statute of limitations; remedy violations

12 A. A person may file a written complaint pursuant to section
13 32-1155 with the registrar alleging a licensee has committed a violation
14 of this chapter. The complaint must be filed:

15 1. For new home builds or other new building construction, EXCEPT
16 REAL PROPERTY REGULATED UNDER TITLE 33, CHAPTER 9, within two years after
17 the earlier of the close of escrow or actual occupancy.

18 2. For all other projects, EXCEPT REAL PROPERTY REGULATED UNDER
19 TITLE 33, CHAPTER 9, within two years after the completion of the specific
20 project.

21 3. FOR REAL PROPERTY REGULATED UNDER TITLE 33, CHAPTER 9, WITHIN
22 FIVE YEARS AFTER THE EARLIER OF THE CLOSE OF ESCROW OR ACTUAL OCCUPANCY.

23 B. For licensure regulatory purposes under this chapter, a
24 licensee's qualifying party is responsible for any violation of this
25 chapter committed by the licensee during the period of time that the
26 qualifying party is named on the license. This subsection does not impose
27 personal liability on the qualifying party for a licensee's violation of
28 this chapter.

29 C. For licensure regulatory purposes under this chapter, a person
30 named on a license is responsible for any violation of this chapter
31 committed by the licensee during the period of time that person was named
32 on the license. This subsection does not impose personal liability on a
33 person named on a license for a licensee's violation of this chapter.

34 D. A licensee doing business as a sole proprietor may be personally
35 liable to the registrar for the purposes of enforcing this chapter,
36 including subrogation proceedings brought by this state pursuant to
37 section 32-1138.

38 Sec. 6. Title 33, chapter 9, article 3, Arizona Revised Statutes,
39 is amended by adding section 33-1242.01, to read:

40 33-1242.01. Association's construction defect claims;
41 inspection; meeting; vote; definitions

42 A. IN A CIVIL ACTION BROUGHT PURSUANT TO SECTION 12-552, SUBSECTION
43 B, G OR H, AND AFTER THE TIME PERIODS IN AND REQUIREMENTS PRESCRIBED IN
44 SECTIONS 12-1363.01 AND 33-2002 ARE COMPLETE, THE BOARD OF DIRECTORS SHALL
45 FIRST OBTAIN THE APPROVAL BY A VOTE OF AT LEAST TWO-THIRDS OF THE UNIT

1 OWNERS BEFORE THE BOARD OF DIRECTORS MAY INSTITUTE, DEFEND OR INTERVENE IN
2 LITIGATION OR ADMINISTRATIVE PROCEEDINGS. THE BOARD OF DIRECTORS MAY
3 INITIATE THE ACTION ONLY IF AUTHORIZED BY A VOTE OF THE UNIT OWNERS
4 PURSUANT TO THIS SECTION.

5 B. BEFORE HOLDING A MEETING OF THE UNIT OWNERS TO VOTE ON THE
6 MATTER PURSUANT TO THIS SECTION, THE ASSOCIATION SHALL:

7 1. DESCRIBE THE SPECIFIC UNITS OR COMMON ELEMENTS THAT ARE SUBJECT
8 TO THE ALLEGED CONSTRUCTION DEFECT.

9 2. DESCRIBE THE PHYSICAL CONDITION OF THE UNITS OR COMMON ELEMENTS
10 THAT ARE SUBJECT TO THE CLAIM.

11 3. DESCRIBE ANY MODIFICATIONS, MAINTENANCE OR REPAIRS TO THE UNITS
12 THAT WERE PERFORMED BY THE UNIT OWNERS OR THE ASSOCIATION.

13 4. PROVIDE COPIES OF ANY WRITTEN INSPECTION REPORTS PERFORMED BY
14 THE ASSOCIATION AND THE CONDOMINIUM DEVELOPER AT LEAST FIVE BUSINESS DAYS
15 BEFORE THE DATE OF THE MEETING TO VOTE.

16 5. PROVIDE ANY COPIES OF WRITTEN CASH OFFERS, COMPLETED REPAIRS OR
17 OFFERED REPAIRS BY THE CONDOMINIUM DEVELOPER TO REMEDY ANY DEFECT ALLEGED
18 AS PRESCRIBED IN SECTION 12-1363.01 TO THE UNIT OWNERS.

19 C. BEFORE A VOTE OF THE UNIT OWNERS, THE ASSOCIATION SHALL DELIVER
20 BY CERTIFIED MAIL OR BY ELECTRONIC MEANS WRITTEN NOTICE OF THE ANTICIPATED
21 COMMENCEMENT OF A CONSTRUCTION DEFECT ACTION TO EACH UNIT OWNER. THE
22 NOTICE SHALL ALSO BE PROVIDED BY CERTIFIED MAIL TO:

23 1. THE DEVELOPER OF THE CONDOMINIUM.

24 2. ANY CONSTRUCTION PROFESSIONAL IDENTIFIED IN THE PROPOSED
25 CONSTRUCTION DEFECT ACTION.

26 D. THE DEVELOPER OF THE CONDOMINIUM AND ANY CONSTRUCTION
27 PROFESSIONAL IDENTIFIED IN THE PROPOSED CONSTRUCTION DEFECT ACTION HAVE
28 THE RIGHT TO ATTEND AND PARTICIPATE IN THE MEETING AS PROVIDED BY THIS
29 SECTION.

30 E. THE NOTICE TO UNIT OWNERS PURSUANT TO SUBSECTION C OF THIS
31 SECTION MUST CALL FOR A MEETING OF THE UNIT OWNERS TO BE HELD NOT LESS
32 THAN FIFTEEN DAYS AND NOT MORE THAN THIRTY DAYS AFTER THE DATE THE NOTICE
33 IS MAILED. THE NOTICE MUST CONTAIN:

34 1. A DESCRIPTION OF THE NATURE OF THE CONSTRUCTION DEFECT ACTION, A
35 DESCRIPTION OF THE ALLEGED DEFECT OR DEFECTS AND THE RELIEF SOUGHT.

36 2. A DISCLOSURE THAT THE CONSTRUCTION DEFECT CLAIM MAY RESULT IN
37 INCREASED COSTS TO THE ASSOCIATION IN MAINTENANCE OR REPAIR OR CAUSE AN
38 INCREASE IN ASSESSMENTS OR SPECIAL ASSESSMENTS TO COVER THE COST OF
39 REPAIRS.

40 3. A DISCLOSURE THAT THE CONSTRUCTION DEFECT CLAIM MAY RESULT IN
41 INCREASED COSTS TO THE ASSOCIATION TO COVER LITIGATION COSTS, INCLUDING
42 ATTORNEY FEES.

1 4. THE FEE ARRANGEMENT AGREED TO BY THE BOARD OF DIRECTORS AND THE
2 ATTORNEYS REPRESENTING THE ASSOCIATION, INCLUDING THE PERCENTAGE OF THE
3 RECOVERY FROM THE DEFENDANT THAT THE ATTORNEYS MAY RECEIVE.

4 F. THE MEETING TO CONSIDER INSTITUTING, DEFENDING OR INTERVENING IN
5 LITIGATION PURSUANT TO SECTION 12-552 AND IN COMPLIANCE WITH THIS SECTION
6 SHALL INCLUDE A PRESENTATION BY THE ASSOCIATION OR ITS ATTORNEYS OF THE
7 ALLEGED CONSTRUCTION DEFECTS.

8 G. THE CONDOMINIUM DEVELOPER AND THE CONSTRUCTION PROFESSIONALS
9 AGAINST WHOM THE CONSTRUCTION DEFECT IS ALLEGED HAVE THE RIGHT TO:

10 1. ATTEND THE MEETING REQUIRED BY THIS SECTION.

11 2. MAKE A PRESENTATION REGARDING THE CONDITION OF THE PROPERTY, ANY
12 INVESTIGATION COMPLETED, ANY PROPOSED SCOPE OF REPAIR OR REMEDIATION,
13 INCLUDING ANY REMEDY OFFER MADE UNDER SECTION 12-1363.01, AND ANY
14 AVAILABLE ALTERNATIVE DISPUTE RESOLUTION PROCESS.

15 3. RESPOND TO QUESTIONS ASKED BY UNIT OWNERS.

16 4. REQUEST ACCESS FOR ADDITIONAL INSPECTIONS OR REQUEST A
17 SUBSEQUENT VOTE OF THE UNIT OWNERS ON THE REMEDY OFFER OR ANY MODIFIED
18 REMEDY OFFER MADE IN WRITING BY THE DEVELOPER OR CONSTRUCTION
19 PROFESSIONAL. THE ASSOCIATION MAY DENY REQUESTS MADE PURSUANT TO THIS
20 PARAGRAPH.

21 H. THE ASSOCIATION SHALL MAINTAIN A RECORD OF ALL VOTES UNTIL THE
22 CONCLUSION OF THE CONSTRUCTION DEFECT ACTION, INCLUDING ANY APPEALS. THE
23 ASSOCIATION MAY NOT COMMENCE A CONSTRUCTION DEFECT ACTION UNLESS
24 AUTHORIZED BY AN AFFIRMATIVE VOTE OF AT LEAST TWO-THIRDS OF THE UNIT
25 OWNERS OF THE ASSOCIATION WHO ARE ELIGIBLE TO VOTE AND WHOSE VOTES ARE
26 COLLECTED AT, AND NOT LATER THAN, THE MEETING REQUIRED BY THIS SECTION.
27 THE ASSOCIATION MAY NOT ADOPT A VOTE REQUIREMENT THAT IS GREATER THAN THE
28 TWO-THIRDS REQUIREMENT PRESCRIBED BY THIS SUBSECTION FOR THE PURPOSES OF
29 COMMENCING A CONSTRUCTION DEFECT ACTION.

30 I. THIS SECTION APPLIES IN ADDITION TO ANY APPLICABLE PROVISIONS OF
31 TITLE 12, CHAPTER 8, ARTICLE 14 AND CHAPTER 18 OF THIS TITLE.

32 J. FOR THE PURPOSES OF THIS SECTION:

33 1. "CONSTRUCTION DEFECT" MEANS A MATERIAL DEFICIENCY IN THE DESIGN,
34 CONSTRUCTION, MANUFACTURE, REPAIR, ALTERATION, REMODELING OR LANDSCAPING
35 OF A UNIT OR COMMON ELEMENT THAT IS THE RESULT OF ONE OF THE FOLLOWING:

36 (a) A VIOLATION OF CONSTRUCTION CODES APPLICABLE TO THE
37 CONSTRUCTION OF THE UNIT OR COMMON ELEMENT.

38 (b) THE USE OF DEFECTIVE MATERIALS, PRODUCTS, COMPONENTS OR
39 EQUIPMENT IN THE DESIGN, CONSTRUCTION, MANUFACTURE, REPAIR, ALTERATION,
40 REMODELING OR LANDSCAPING OF THE UNIT OR COMMON ELEMENT.

41 (c) THE FAILURE TO ADHERE TO GENERALLY ACCEPTED WORKMANSHIP
42 STANDARDS IN THE COMMUNITY.

1 2. "CONSTRUCTION PROFESSIONAL" MEANS AN ARCHITECT, CONTRACTOR,
2 SUBCONTRACTOR, DEVELOPER, BUILDER, BUILDER VENDOR, SUPPLIER, ENGINEER OR
3 INSPECTOR PERFORMING OR FURNISHING THE DESIGN, SUPERVISION, INSPECTION,
4 CONSTRUCTION OR OBSERVATION OF THE CONSTRUCTION OF ANY IMPROVEMENT TO REAL
5 PROPERTY.

6 Sec. 7. Effective date

7 This act is effective from and after December 31, 2026.