

AGC-Texas Building Branch

Legislative Position Paper

Shortening the Statute of Repose

HB 3069 by Rep. Holland in House Judiciary & Civil Jurisprudence

AGC Supports

Background

In Texas, building owners have 12 years to sue architects, engineers, and contractors for defects. This is known as the "statute of repose." The alleged defects must be found within 10 years of the building's completion, and building owners get an additional 2 years to sue for defects discovered in the 10th year.

This is too long to allow such lawsuits, because several factors affect whether the claim is factual or just a play for insurance money (e.g., how well the building owner has maintained its building).

Twenty-two US states allow only 4-8 years to sue for such defects. Two of Texas' neighbors – Louisiana and Arkansas – allow 5 years to sue, not 12.

Proposed legislation

This bill would shorten the time building owners can sue for defects from 10 years to 5 years for public projects. Building owners would have an additional year (instead of 2 years) to sue for defects discovered in the 5^{th} year.

Supported by:

- Texas Society of Architects
- AGC-Texas Building Branch
- American Council of Engineering Companies of Texas
- Associated Builders and Contractors of Texas
- Texas Construction Association