

## Department of Planning and Budget 2006 Fiscal Impact Statement

**1. Bill Number:** HB558

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Oder

**3. Committee:** General Laws

**4. Title:** Condominium Act; actions for breach of warranty; notice of declarant

**5. Summary/Purpose:** The bill provides that no cause of action for breach of warranty shall be commenced on or after January 1, 2007, unless a written statement by the claimant or his agent, attorney or representative, of the nature of the alleged defect has been sent to the declarant, by registered or certified mail, at his last known address, as reflected in the records of the Real Estate Board, more than six months prior to the commencement of the action giving the declarant an opportunity to cure the alleged defect within a reasonable time. The bill provides that sending the required notice shall toll the statute of limitations for commencing a breach of warranty action for a period not to exceed six months. The bill also contains technical amendments.

**6. Fiscal impact:** The bill does not have a fiscal impact for either the Real Estate Board or the Department of Professional and Occupational Regulation.

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** None.

**9. Specific agency or political subdivisions affected:** Real Estate Board, Department of Professional and Occupational Regulation.

**10. Technical amendment necessary:** No.

**11. Other comments:** The bill includes an enactment clause that specifies it applies only to breach of warranty claim arising on or after January 1, 2007.

**Date:** 1/31/06 kbs

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cc: Secretary of Commerce and Trade