## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 2658 Session of 2020

INTRODUCED BY ISAACSON, GALLOWAY, RYAN, HOHENSTEIN, CALTAGIRONE, DELLOSO, DeLUCA, DRISCOLL, FREEMAN, HILL-EVANS, McCARTER, McNEILL, ROZZI, SANCHEZ, SCHWEYER, VITALI AND NEILSON, JULY 8, 2020

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JULY 8, 2020

## AN ACT

- Amending Title 68 (Real and Personal Property) of the
  Pennsylvania Consolidated Statutes, in general provisions
  relating to residential real property, further providing for
  definitions; and, in seller disclosures, further providing
  for application of chapter and providing for disclosure of
  construction defects.

  The General Assembly of the Commonwealth of Pennsylvania

  hereby enacts as follows:
- 9 Section 1. Section 7102 of Title 68 of the Pennsylvania
- 10 Consolidated Statutes is amended by adding definitions to read:
- 11 § 7102. Definitions.
- 12 Subject to additional definitions contained in subsequent
- 13 provisions of this part which are applicable to specific
- 14 provisions of this part, the following words and phrases when
- 15 used in this part shall have the meanings given to them in this
- 16 section unless the context clearly indicates otherwise:
- 17 \* \* \*
- 18 "Builder." A person lawfully performing or furnishing the
- 19 design, planning, supervision or observation of construction or

- 1 construction of an improvement to real property.
- 2 \* \* \*
- 3 "Construction defect." A material defect that results from a
- 4 <u>deficiency in the design, planning, supervision or observation</u>
- 5 of construction or construction of an improvement to real
- 6 property. The term includes a material defect that results from
- 7 the use of defective building materials or from the improper
- 8 <u>installation of building materials.</u>
- 9 \* \* \*
- 10 Section 2. Section 7302 of Title 68 is amended by adding a
- 11 subsection to read:
- 12 § 7302. Application of chapter.
- 13 \* \* \*
- 14 (a.1) Application of disclosure of construction defects.--
- 15 Section 7303.1 (relating to disclosure of construction defects)
- 16 shall apply only to residential real property.
- 17 \* \* \*
- 18 Section 3. Title 68 is amended by adding a section to read:
- 19 § 7303.1. Disclosure of construction defects.
- 20 (a) Notification. -- If a builder becomes aware of a
- 21 construction defect in an improvement to real property
- 22 constructed or facilitated by the builder, the builder shall
- 23 notify the owner of the real property. The builder shall also
- 24 notify the owner of any real property for which the builder
- 25 constructed or facilitated construction of an improvement, if
- 26 the builder has reasonable cause to suspect the existence of a
- 27 <u>substantially similar construction defect. The following shall</u>
- 28 apply:
- 29 <u>(1) The notification shall include all of the following:</u>
- 30 (i) A description of the construction defect or

1	suspected construction defect.
2	(ii) The reason that the builder knows or suspects
3	that the construction defect exists.
4	(iii) Contact information for the builder.
5	(2) The notification shall be made within 30 days after
6	the builder knows or has reasonable cause to suspect that the
7	construction defect exists.
8	(3) The builder shall provide the notification by
9	certified mail to the address of record for the owner of the
10	real property.
11	(4) The notification is not required if at least 15
12	years have elapsed since completion of construction of the
13	defective improvement.
14	(5) The notification shall not constitute evidence of
15	the builder's liability for the construction defect, nor
16	shall the notification relieve the builder from any liability
17	which may exist as the result of the construction defect.
18	(b) Failure to comply A builder who willfully or
19	negligently fails to notify an owner of real property as
20	required by this section shall be liable for the amount of
21	actual damages suffered by the owner as a result of the
22	builder's failure to notify the owner. This subsection shall not
23	be construed to restrict or expand the authority of a court to
24	impose punitive damages or apply other remedies applicable under
25	another provision of law.
26	(c) Statute of limitations An action for damages as the
27	result of a violation of this section must be commenced within
28	two years of the time that the owner of the real property
29	becomes aware of the builder's failure to comply with this

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30 <u>section</u>.

1 Section 4. This act shall take effect in 60 days.