

## Crafting Your Note to Iowa House Members on HF3 – Statute of Repose

Our call to action several weeks ago was to members of the House and Senate Judiciary Committees. Now it will go to the floor of the House for debate. If you can add a personal story or way to express that this affects you directly, that would be better than copying and pasting the following talking points. It's already passed the Senate, so we only need to contact House members. These are here to help you add to the argument:

*Address them as "Representative (last name)"*

- Nationally 93% of all claims happen by month 96 and over 99% by 120 months.
- Reducing the statute-of-repose will spur more development and support more jobs.
- Surrounding states (MN, WI, SD, NE, IL, MO, KS) all have ten years or less. We are at a disadvantage when competing with border cities.
- From a small business standpoint, we believe that our members could see a 20% reduction in insurance premiums due to a competitive environment. Nearly 70% of the insurance companies stopped offering builders risk insurance products during the recession and as a result of our 15 year Repose.
- A large insurance company is called 2/10 Warranty group - two year limitations and ten years repose is the national standard. They once had a five year extension, but it failed miserably.
- It will help with housing affordability
- Support HF3 as it is written, covering all real property.
- Iowa is out of the mainstream for construction litigation claims. We have a 15 year statute of repose for improvements to real property (i.e. buildings, highways, bridges, etc.), which is the longest in the nation. Just compare us to neighboring states - all are at ten years or less, plus many other states have recently reduced theirs to as low as four.
- Most claims occur within the first three years. The reduction will have very little impact on the consumer.
- Cases are difficult to manage at the end of that 15 years - people die, companies are sold or closed, documents are lost, memories fade, etc.
- These laws encourage timely resolution of disputes and promote justice by disposing of old claims and shifting liability to those in control of the property.
- Without these laws construction professionals could be liable for their work indefinitely.
- A shorter statute of repose would be a significant benefit to construction professionals in Iowa. An eight-year statute of repose perhaps strikes a better balance between the need for the law to afford a redress for an injury and the need to limit liability for construction professionals after a certain amount of time has passed.
- A reduction in the repose period would not impact construction project owners' ability to assert breach of contract, breach of warranty, fraud or any other claims.
- Studies have shown that bad building practices and deficiencies can reasonably be discovered within 5 years. Certainly there are instances in which it takes longer, but the question remains as to what is a fair and reasonable timeline. 15 years is not fair and reasonable.