

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1284
Committee Substitute Favorable 4/26/07

Short Title: Breach/Construction Contract Accrual Date.

(Public)

Sponsors:

Referred to:

April 3, 2007

A BILL TO BE ENTITLED

1
2 AN ACT TO PROVIDE THAT A CAUSE OF ACTION FOR BREACH OF
3 CONTRACT OR BREACH OF WARRANTY ARISING OUT OF THE
4 PERFORMANCE OF A CONSTRUCTION PROJECT TO IMPROVE REAL
5 PROPERTY IS DEEMED TO ACCRUE AT THE TIME OF THE OCCURRENCE
6 OF THE BREACH OR UPON SUBSTANTIAL COMPLETION OF THE
7 CONSTRUCTION, WHICHEVER OCCURS LATER.

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** G.S. 1-15 is amended by adding a new subsection to read:

10 "(d) A cause of action for breach of contract or breach of warranty, whether
11 express or implied, arising out of the performance of a construction project to improve
12 real property shall be deemed to accrue at the time of the occurrence of the breach or
13 upon substantial completion of the construction, whichever is later. As used in this
14 subsection, 'substantial completion' has the same meaning as in G.S. 1-50."

15 **SECTION 2.** This act is effective when it becomes law, applies to actions
16 filed on or after that date, and does not revive claims previously barred under G.S. 1-15.