

# LEGISLATIVE FISCAL ESTIMATE TO

[First Reprint]  
**ASSEMBLY, No. 2188**

## **STATE OF NEW JERSEY**

DATED: MAY 19, 1997

Assembly Bill No. 2188 (1R) of 1996 would provide that civil actions for damages caused by a deficiency in the design, planning, supervision or construction of an improvement to real property may not be brought by the State and local public agencies more than 10 years after the performing or furnishing of the services or construction.

The Office of Legislative Services (OLS) cannot estimate how often a governmental entity would bring an action to redress deficiencies in an improvement to real property that only become apparent more than 10 years after governmental acceptance of the improvement. Aside from the State's claim for \$31.24 million against the Cruz Construction Company, Inc. (Cruz) for the construction of an alleged defective water pipeline, it is unknown if similar claims may have been or might be initiated by other governmental entities. Therefore, the "cost" of this bill cannot be readily determined.

However, OLS would note that enactment of this bill would appear to deny the ability of the State to continue its \$31.24 million claim against Cruz given the retrospective as well as prospective effect of the amendment proposed by this bill.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.