

**NO ON SB 77****Testimony of Building Owners & Manager Association of Metro Detroit**

Founded in 1908, Building Owners & Managers (BOMA) of Metropolitan Detroit is a professional trade association whose nearly 400 members either own or manage commercial real estate, or provide goods and services to the industry.

BOMA urges your opposition to Senate Bill 77, a bill that would shorten the limitation period for recovery of damages from a design or construction defect on real property.

Senate Bill 77 would amend MCL 600.5839 to shorten the limitation period for claims involving improvements to property from 6 years to two (2) years for claims against design professionals and three (3) years for claims against contractors. SB 77 could substantially affect the rights of building owners and occupants in offices, schools and hospitals among other structures. Often times design and construction defects do not materialize or become known until more than two or three years have passed following completion of construction. Inadequate performance by a designer or contractor may remain undiscovered for several years until a failure or some other event triggers an investigation.<sup>1</sup> Shortening the limitations and repose periods could be detrimental to building owners and operators who are charged with maintaining and improving existing facilities, leaving them with no recourse for defects discovered after the shorter period of limitations has passed. A property owner's claims against a designer or constructor for damage to the improvement itself and for breach of contract are likewise subject to the six year period of repose; it is not reasonable to reduce the protections available to a property owner for defective design or construction.

SB 77 does not provide any benefit to the economy, will not generate any jobs, and will unnecessarily reduce the remedies available to building owners and occupants for injuries suffered as a result of defective designs or construction.

If you have any questions or would like additional information about BOMA, or our opposition to SB 77, please do not hesitate to call us at (248) 848-3714 or email at [jlanglois@bomadet.org](mailto:jlanglois@bomadet.org).

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<sup>1</sup> As a recent example, the Interstate 35 West bridge that collapsed in Minneapolis, Minnesota, in 2007 was designed and constructed in 1967. *In re: Individual 35W Bridge Litigation*, Master File Docket No. 27-CV-09-7519, Hennepin County, Minnesota, Fourth Judicial District.