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**AGC Testimony on SB 487 (Lien Act Corrections)**  
**Senate Economic Development & Regulatory Reform Committee**  
**May 9, 2007**

Thank you Mr. Chairman. My name is Bart Carrigan and I am the President of AGC Michigan. We are Michigan's chapter of the Associated General Contractors of America. Our members include the largest general contractors and construction managers from all of your districts. Companies like Barton Malow, Walbridge Aldinger, Christman, Clark and Granger.

On behalf of our more than 400 members, I am pleased to express our strong support for SB 487 which amends Sections 110 and 115 of the Construction Lien Act. These are corrective changes to amendments made last year, and they are extremely important to our state's commercial construction contractors and to large construction owners like GM, Dow, Pfizer, the casinos and others.

Even modest changes to existing law can have far-reaching implications on an industry as heavily regulated as construction. Last year during the close of session, we were told that the Lien Act Amendments would strictly apply to residential construction work. Unfortunately, the final language did not limit the amendments to residential construction and confusion resulted.

Construction owners like GM, Dow, Pfizer, the casinos and others including BOMA members were dismayed, as were our contractor members who often act as the owner's designee on lien law paperwork. The DLEG representative worked with us as well as they could in confirming the changes were not intended for non-residential contractors, and many owners like GM and the casinos were told by a DLEG letter that they were not affected. But without these corrections, our member firms and their owner clients will have significant obligations with which to comply.

That is why we are supporting these corrections. Senator Garcia's Bill will make the necessary changes to alleviate this problem and we urge you to report out this bill.

Again I thank you and I have nothing further.