

Roberta DiMezza

From: Joseph Giordano <JGiordano@GM2INC.COM>
Sent: Tuesday, June 4, 2024 9:00 AM
To: House Judiciary Committee
Subject: House Bill 8318

Follow Up Flag: Follow up
Flag Status: Completed

Dear Chair and Members of the Committee:

I am writing to strongly oppose the passage of House Bill 8318 entitled: An Act relating to Courts and Civil Procedure – Procedure Generally – Causes of Action. As the former President of a local civil engineering firm, I am keenly aware of the Professional Liability Insurance costs and complications associated with the civil engineering design industry. Below are some key points prepared by our Rhode Island engineering organization. I am reiterating these points here as part of my submittal.

- 1. Precedence and legal certainty.*** Under current RI law the outside limit to bring a claim is ten (10) years from substantial completion of a project. This proposed bill increases that period and provides that claims may be brought ten (10) years from the date of discovery up to 2033 which in some cases doubles the amount of time to bring a claim up to close to twenty (20) years after the project is complete.
- 2. Retroactive change in the law.*** The current statute has been in effect since 1975 and upheld and enforced by the Rhode Island Supreme court in numerous cases because the court found it balances parties need to seek redress for damages with the need for legal certainty and finality. Retroactively changing the law for a sole project creates the uncertainty that the statute of limitations and repose will change depending on current circumstances.
- 3. Impact on liability effecting insurance and insurability.*** Insurance companies base policy premiums and insurability on exposure under the law. Doubling the time of exposure will lead to increased insurance premiums and the potential for insurers to not provide coverage given the exposure. Some claims under the new ten (10) year window may result in some firms having no insurance coverage for claims especially with tail insurance.
- 4. Fundamental Fairness.*** The current statute of repose was enacted to prevent stale claims from being filed because with time, memories fade, witnesses die or become unavailable, evidence is lost and defects and issues can be the result of normal wear and tear and use of a structure. Because of this, 46 states have similar statutes of repose. Rhode Island's current statute is longer than most states already.

For the above reasons, I strongly oppose passage of House Bill 8318, and I strongly urge you to not move forward with this bill.

As you will see from my email address below, I am presently a Senior Vice President of a regional civil engineering design firm, which is one of Rhode Island's leading civil engineering consultants. Until three years ago, I was the President of a local firm, which also was a leading design firm for the Rhode Island Department of Transportation (RIDOT). Having merged with the larger firm of GM2 Associates, Inc., I now can submit this comment from two different perspectives, and from both points of view I can report that this Bill will place an unnecessary and unfair burden on our industry.

Thank you for considering of my position.

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