By the Committee on Regulated Industries; and Senator Negron

580-03627-10 20101964c1 A bill to be entitled

1 2

3

567

8

10 11

12 13

141516

252627

28

29

23

24

An act relating to design professionals; amending s. 725.08, F.S.; limiting the liability of design professionals for certain economic damages resulting from the performance of professional services that are the subject of a contract under certain circumstances; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 725.08, Florida Statutes, is amended to read:

725.08 Design professional contracts; <u>limitations on</u> <u>limitation in</u> indemnification <u>and liability</u>.—

- (1) Notwithstanding the provisions of s. 725.06, if a design professional provides professional services to or for a public agency, the agency may require in a professional services contract with the design professional that the design professional indemnify and hold harmless the agency, and its officers and employees, from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the design professional and other persons employed or <u>used utilized</u> by the design professional in the performance of the contract.
- (2) Except as specifically provided in subsection (1), a professional services contract entered into with a public agency may not require that the design professional defend, indemnify, or hold harmless the agency, its employees, officers, directors,

580-03627-10 20101964c1

or agents from any liability, damage, loss, claim, action, or proceeding, and any such contract provision \underline{is} shall be void as against the public policy of this state.

- (3) Notwithstanding any other law, a party to a professional services contract does not have a cause of action in tort against a design professional for the recovery of purely economic damages that are caused by the design professional's negligence or malpractice committed in the performance of the professional services contract if the design professional maintains, as specified in the contract, insurance covering the design professional's liability for the performance of the professional services rendered under the contract or the design professional is protected by statutory liability limitations for public agencies and their employees, and if the professional services contract does not purport to limit the liability of the design professional to less than the insurance coverage specified in the contract. This subsection does not:
- (a) Apply to claims for economic damages resulting from personal injury or damage to property other than the property that is the subject of the professional services contract.
- (b) Affect contracts or agreements entered into, or professional services performed, before the effective date of this subsection.
 - (4) As used in this section, the term:
- (a) (3) "Professional services contract" means a written or oral agreement relating to the planning, design, construction, administration, study, evaluation, consulting, or other professional and technical support services furnished in connection with any actual or proposed construction,

580-03627-10 20101964c1

improvement, alteration, repair, maintenance, operation, management, relocation, demolition, excavation, or other facility, land, air, water, or utility development or improvement.

- (b) (4) "Design professional" means an individual or entity licensed by the state who holds a current certificate of registration under chapter 481 to practice architecture or landscape architecture, under chapter 472 to practice land surveying and mapping, or under chapter 471 to practice engineering, and who enters into a professional services contract.
- (5) This section does not affect contracts or agreements entered into before the effective date of this section.
 - Section 2. This act shall take effect July 1, 2010.