By the Committees on Judiciary; and Regulated Industries; and Senator Negron

590-04412-10 20101964c2

A bill to be entitled

An act relating to design professionals; creating s. 558.0035, F.S.; providing for limited liability for engineers, surveyors and mappers, architects, interior designers, and registered landscape architects as a result of construction defects resulting from the performance of a contract; providing exceptions; providing that the limitation of liability for the design professional does not apply if a contract requires professional liability insurance and the contracting party fails to maintain insurance, or if the liability of the design professional is limited in the contract to an amount less than the insurance coverage required by the contract; amending ss. 471.023, 472.021, 481.219, and 481.319, F.S.; conforming sections to the limitation of liability for certain design professionals provided in s. 558.0035, F.S.; providing cross-references to s. 558.0035, F.S.; providing that the act does not affect contracts or agreements entered into, or professional services performed, before July 1, 2010; providing an effective date.

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

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Section 1. Section 558.0035, Florida Statutes, is created to read:

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558.0035 Limitation of liability.-

(1) A claimant contracting for the professional services of

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a design professional does not have a cause of action in tort against the design professional for the recovery of economic damages resulting from a construction defect.

- (2) This section does not apply to claims for economic damages resulting from personal injury or damage to property other than the property that is the subject of the contract.
- (3) This section does not apply if the contract requires professional liability insurance and the contracting party fails to maintain insurance coverage as specified in the contract or if the liability of the design professional is limited in the contract to an amount less than the liability insurance coverage required by the contract.

Section 2. Subsection (3) of section 471.023, Florida Statutes, is amended to read:

471.023 Certification of business organizations.-

(3) Except as provided in s. 558.0035, the fact that a licensed engineer practices through a business organization does not relieve the licensee from personal liability for negligence, misconduct, or wrongful acts committed by him or her.

Partnerships and all partners shall be jointly and severally liable for the negligence, misconduct, or wrongful acts committed by their agents, employees, or partners while acting in a professional capacity. Any officer, agent, or employee of a business organization other than a partnership shall be personally liable and accountable only for negligent acts, wrongful acts, or misconduct committed by him or her or committed by any person under his or her direct supervision and control, while rendering professional services on behalf of the business organization. The personal liability of a shareholder

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or owner of a business organization, in his or her capacity as shareholder or owner, shall be no greater than that of a shareholder-employee of a corporation incorporated under chapter 607. The business organization shall be liable up to the full value of its property for any negligent acts, wrongful acts, or misconduct committed by any of its officers, agents, or employees while they are engaged on its behalf in the rendering of professional services.

Section 3. Subsection (3) of section 472.021, Florida Statutes, is amended to read:

472.021 Certification of partnerships and corporations.

(3) Except as provided in s. 558.0035, the fact that any registered surveyor and mapper practices through a corporation or partnership shall not relieve the registrant from personal liability for negligence, misconduct, or wrongful acts committed by him or her. Partnerships and all partners shall be jointly and severally liable for the negligence, misconduct, or wrongful acts committed by their agents, employees, or partners while acting in a professional capacity. Any officer, agent, or employee of a business organization other than a partnership shall be personally liable and accountable only for negligent acts, wrongful acts, or misconduct committed by him or her or committed by any person under his or her direct supervision and control while rendering professional services on behalf of the business organization. The personal liability of a shareholder or owner of a business organization, in his or her capacity as shareholder or owner, shall be no greater than that of a shareholder-employee of a corporation incorporated under chapter 607. The business organization shall be liable up to the full

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value of its property for any negligent acts, wrongful acts, or misconduct committed by any of its officers, agents, or employees while they are engaged on its behalf in the rendering of professional services.

Section 4. Subsection (11) of section 481.219, Florida Statutes, is amended to read:

481.219 Certification of partnerships, limited liability companies, and corporations.—

(11) No corporation, limited liability company, or partnership shall be relieved of responsibility for the conduct or acts of its agents, employees, or officers by reason of its compliance with this section. However, except as provided in s. 558.0035, the architect who signs and seals the construction documents and instruments of service shall be liable for the professional services performed, and the interior designer who signs and seals the interior design drawings, plans, or specifications shall be liable for the professional services performed.

Section 5. Subsection (6) of section 481.319, Florida Statutes, is amended to read:

481.319 Corporate and partnership practice of landscape architecture; certificate of authorization.—

(6) Except as provided in s. 558.0035, the fact that registered landscape architects practice landscape architecture through a corporation or partnership as provided in this section shall not relieve any landscape architect from personal liability for his or her professional acts.

Section 6. This act does not apply to contracts or agreements entered into, or professional services performed,

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