2013 A bill to be entitled 1 2 An act relating to design professionals; amending s. 3 558.002, F.S.; revising a definition; creating s. 4 558.0035, F.S.; specifying conditions under which a 5 design professional employed by a business entity or an agent of the business entity may not be held 6 7 individually liable for damages resulting from 8 negligence occurring within the course and scope of a 9 professional services contract; defining the term "business entity"; amending ss. 471.023, 472.021, 10 481.219, 481.319, and 492.111, F.S.; conforming 11 12 provisions to changes made by the act; providing an 13 effective date. 14 15 Be It Enacted by the Legislature of the State of Florida: 16 Subsection (7) of section 558.002, Florida 17 Section 1. 18 Statutes, is amended to read: 558.002 Definitions.-As used in this chapter, the term: 19 20 "Design professional" means a person, as defined in s. (7)1.01, licensed in this state as an architect, interior designer, 21 22 landscape architect, engineer, or surveyor, or geologist. 23 Section 2. Section 558.0035, Florida Statutes, is created 24 to read: 25 558.0035 Design professionals; contractual limitation on 26 liability.-27 (1) A design professional employed by a business entity or an agent of the business entity is not individually liable for 28

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29	damages resulting from negligence occurring within the course
30	and scope of a professional services contract if:
31	(a) The contract is made between the business entity and a
32	claimant or with another entity for the provision of
33	professional services to the claimant;
34	(b) The contract does not name as a party to the contract
35	the individual employee or agent who will perform the
36	professional services;
37	(c) The contract includes a prominent statement, in
38	uppercase font that is at least 5 point sizes larger than the
39	rest of the text, that, pursuant to this section, an individual
40	employee or agent may not be held individually liable for
41	negligence;
42	(d) The business entity maintains the professional
43	liability insurance required under the contract; and
44	(e) Any damages are solely economic in nature and the
45	damages do not extend to personal injuries or property not
46	subject to the contract.
47	(2) As used in this section, the term "business entity"
48	means a corporation, limited liability company, partnership,
49	limited partnership, proprietorship, firm, enterprise,
50	franchise, association, self-employed individual, or trust,
51	whether fictitiously named or not, doing business in this state.
52	Section 3. Subsection (3) of section 471.023, Florida
53	Statutes, is amended to read:
54	471.023 Certification of business organizations
55	(3) Except as provided in s. 558.0035, the fact that a
56	licensed engineer practices through a business organization does

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57 not relieve the licensee from personal liability for negligence, 58 misconduct, or wrongful acts committed by him or her. 59 Partnerships and all partners shall be jointly and severally 60 liable for the negligence, misconduct, or wrongful acts 61 committed by their agents, employees, or partners while acting 62 in a professional capacity. Any officer, agent, or employee of a business organization other than a partnership shall be 63 personally liable and accountable only for negligent acts, 64 65 wrongful acts, or misconduct committed by him or her or committed by any person under his or her direct supervision and 66 control, while rendering professional services on behalf of the 67 68 business organization. The personal liability of a shareholder 69 or owner of a business organization, in his or her capacity as 70 shareholder or owner, shall be no greater than that of a 71 shareholder-employee of a corporation incorporated under chapter 72 607. The business organization shall be liable up to the full 73 value of its property for any negligent acts, wrongful acts, or misconduct committed by any of its officers, agents, or 74 employees while they are engaged on its behalf in the rendering 75 76 of professional services.

Section 4. Subsection (3) of section 472.021, FloridaStatutes, is amended to read:

79 472.021 Certification of partnerships and corporations.80 (3) Except as provided in s. 558.0035, the fact that any
81 registered surveyor and mapper practices through a corporation
82 or partnership <u>does shall</u> not relieve the registrant from
83 personal liability for negligence, misconduct, or wrongful acts
84 committed by him or her. Partnerships and all partners shall be

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85 jointly and severally liable for the negligence, misconduct, or 86 wrongful acts committed by their agents, employees, or partners 87 while acting in a professional capacity. An Any officer, agent, 88 or employee of a business organization other than a partnership 89 shall be personally liable and accountable only for negligent 90 acts, wrongful acts, or misconduct committed by him or her or committed by a any person under his or her direct supervision 91 and control while rendering professional services on behalf of 92 93 the business organization. The personal liability of a shareholder or owner of a business organization, in his or her 94 95 capacity as shareholder or owner, shall be no greater than that 96 of a shareholder-employee of a corporation incorporated under 97 chapter 607. The business organization shall be liable up to the 98 full value of its property for any negligent acts, wrongful 99 acts, or misconduct committed by any of its officers, agents, or 100 employees while they are engaged on its behalf in the rendering of professional services. 101

Section 5. Subsection (11) of section 481.219, Florida Statutes, is amended to read:

104 481.219 Certification of partnerships, limited liability 105 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, <u>except as provided in s.</u> <u>558.0035</u>, 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

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signs and seals the interior design drawings, plans, or specifications shall be liable for the professional services performed.

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

118 481.319 Corporate and partnership practice of landscape 119 architecture; certificate of authorization.-

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

Section 7. Subsection (4) of section 492.111, Florida Statutes, is amended to read:

128 492.111 Practice of professional geology by a firm, 129 corporation, or partnership; certificate of authorization.-The practice of, or offer to practice, professional geology by 130 individual professional geologists licensed under the provisions 131 132 of this chapter through a firm, corporation, or partnership 133 offering geological services to the public through individually 134 licensed professional geologists as agents, employees, officers, 135 or partners thereof is permitted subject to the provisions of this chapter, provided that: 136

(4) <u>Except as provided in s. 558.0035</u>, the fact that a
licensed professional geologist practices through a corporation
or partnership <u>does</u> shall not relieve the registrant from
personal liability for negligence, misconduct, or wrongful acts

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141 committed by her or him. The partnership and all partners are 142 shall be jointly and severally liable for the negligence, 143 misconduct, or wrongful acts committed by their agents, 144 employees, or partners while acting in a professional capacity. 145 Any officer, agent, or employee of a corporation is shall be 146 personally liable and accountable only for negligent acts, wrongful acts, or misconduct committed by her or him or 147 148 committed by any person under her or his direct supervision and 149 control, while rendering professional services on behalf of the 150 corporation. The personal liability of a shareholder of a 151 corporation, in her or his capacity as shareholder, may shall be 152 no greater than that of a shareholder-employee of a corporation 153 incorporated under chapter 607. The corporation is shall be 154 liable up to the full value of its property for any negligent 155 acts, wrongful acts, or misconduct committed by any of its 156 officers, agents, or employees while they are engaged on behalf 157 of the corporation in the rendering of professional services. 158 Section 8. This act shall take effect July 1, 2013.

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