Bill No. CS/HB 575 (2013)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE	ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

1 Committee/Subcommittee hearing bill: Business & Professional 2 Regulation Subcommittee 3 Representative Passidomo offered the following: 4 5 Amendment (with title amendment) 6 Remove everything after the enacting clause and insert: 7 Section 1. Subsection (7) of section 558.002, Florida 8 Statutes, is amended to read: 9 558.002 Definitions.-As used in this chapter, the term: "Design professional" means a person, as defined in s. 10 (7) 1.01, licensed in this state as an architect, interior designer, 11 landscape architect, engineer, or surveyor, or geologist. 12 Section 2. Section 558.0035, Florida Statutes, is created 13 14 to read: 15 558.0035 Design professionals; contractual limitation on 16 liability.-17 (1) A design professional employed by a business entity or an agent of the business entity is not individually liable for 18 19 damages resulting from negligence occurring within the course 20 and scope of a professional services contract if: 034363 - h575-strike.docx

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Bill No. CS/HB 575 (2013) Amendment No. 1 21 (a) The contract is made between the business entity and a 22 claimant or with another entity for the provision of 23 professional services to the claimant; 24 The contract does not name as a party to the contract (b) 25 the individual employee or agent who will perform the 26 professional services; 27 The contract includes a prominent statement, in (C) 28 uppercase font that is at least 5 point sizes larger than the rest of the text, that, pursuant to this section, an individual 29 30 employee or agent may not be held individually liable for 31 negligence; 32 (d) The business entity maintains any professional 33 liability insurance required under the contract; and 34 (e) Any damages are solely economic in nature and the damages do not extend to personal injuries or property not 35 36 subject to the contract. 37 (2) As used in this section, the term "business entity" 38 means any corporation, limited liability company, partnership, 39 limited partnership, proprietorship, firm, enterprise, franchise, association, self-employed individual, or trust, 40 41 whether fictitiously named or not, doing business in this state. 42 Section 3. Subsection (3) of section 471.023, Florida 43 Statutes, is amended to read: 471.023 Certification of business organizations.-44 Except as provided in s. 558.0035, the fact that a 45 (3) licensed engineer practices through a business organization does 46 47 not relieve the licensee from personal liability for negligence, 48 misconduct, or wrongful acts committed by him or her. 034363 - h575-strike.docx Published On: 3/26/2013 7:32:24 PM Page 2 of 7

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Amendment No. 1 49 Partnerships and all partners shall be jointly and severally liable for the negligence, misconduct, or wrongful acts 50 51 committed by their agents, employees, or partners while acting 52 in a professional capacity. Any officer, agent, or employee of a 53 business organization other than a partnership shall be 54 personally liable and accountable only for negligent acts, 55 wrongful acts, or misconduct committed by him or her or 56 committed by any person under his or her direct supervision and control, while rendering professional services on behalf of the 57 58 business organization. The personal liability of a shareholder or owner of a business organization, in his or her capacity as 59 60 shareholder or owner, shall be no greater than that of a shareholder-employee of a corporation incorporated under chapter 61 62 607. The business organization shall be liable up to the full value of its property for any negligent acts, wrongful acts, or 63 64 misconduct committed by any of its officers, agents, or employees while they are engaged on its behalf in the rendering 65 of professional services. 66

67 Section 4. Subsection (3) of section 472.021, Florida68 Statutes, is amended to read:

69

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 <u>does</u> 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

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Amendment No. 1 77 while acting in a professional capacity. An Any officer, agent, 78 or employee of a business organization other than a partnership 79 shall be personally liable and accountable only for negligent 80 acts, wrongful acts, or misconduct committed by him or her or 81 committed by a any person under his or her direct supervision 82 and control while rendering professional services on behalf of 83 the business organization. The personal liability of a 84 shareholder or owner of a business organization, in his or her capacity as shareholder or owner, shall be no greater than that 85 of a shareholder-employee of a corporation incorporated under 86 87 chapter 607. The business organization shall be liable up to the 88 full value of its property for any negligent acts, wrongful acts, or misconduct committed by any of its officers, agents, or 89 90 employees while they are engaged on its behalf in the rendering 91 of professional services.

92 Section 5. Subsection (11) of section 481.219, Florida 93 Statutes, is amended to read:

94 481.219 Certification of partnerships, limited liability95 companies, and corporations.-

96 No corporation, limited liability company, or (11)97 partnership shall be relieved of responsibility for the conduct 98 or acts of its agents, employees, or officers by reason of its 99 compliance with this section. However, except as provided in s. 558.0035, the architect who signs and seals the construction 100 documents and instruments of service shall be liable for the 101 professional services performed, and the interior designer who 102 103 signs and seals the interior design drawings, plans, or

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104 specifications shall be liable for the professional services 105 performed.

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

108 481.319 Corporate and partnership practice of landscape 109 architecture; certificate of authorization.-

(6) Except as provided in s. 558.0035, the fact that <u>a</u> registered landscape <u>architect practices</u> architects practice landscape architecture through a corporation or partnership as provided in this section <u>does</u> shall 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:

492.111 Practice of professional geology by a firm, 118 119 corporation, or partnership; certificate of authorization.-The 120 practice of, or offer to practice, professional geology by individual professional geologists licensed under the provisions 121 122 of this chapter through a firm, corporation, or partnership offering geological services to the public through individually 123 124 licensed professional geologists as agents, employees, officers, 125 or partners thereof is permitted subject to the provisions of 126 this chapter, provided that:

(4) Except as provided in s. 558.0035, 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
committed by her or him. <u>The</u> partnership and all partners <u>are</u>

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Amendment No. 1 132 shall be jointly and severally liable for the negligence, 133 misconduct, or wrongful acts committed by their agents, 134 employees, or partners while acting in a professional capacity. 135 Any officer, agent, or employee of a corporation is shall be 136 personally liable and accountable only for negligent acts, 137 wrongful acts, or misconduct committed by her or him or 138 committed by any person under her or his direct supervision and 139 control, while rendering professional services on behalf of the 140 corporation. The personal liability of a shareholder of a 141 corporation, in her or his capacity as shareholder, may shall be 142 no greater than that of a shareholder-employee of a corporation 143 incorporated under chapter 607. The corporation is shall be liable up to the full value of its property for any negligent 144 145 acts, wrongful acts, or misconduct committed by any of its officers, agents, or employees while they are engaged on behalf 146 147 of the corporation in the rendering of professional services. Section 8. This act shall take effect July 1, 2013. 148 149 150 151 TITLE AMENDMENT 152 153 Remove everything before the enacting clause and insert: 154 An act relating to design professionals; amending s. 558.002,

154 An act relating to design professionals; amending s. 558.002, 155 F.S.; redefining the term "design professional" to include 156 geologists; creating s. 558.0035, F.S.; specifying conditions 157 under which a design professional employed by a business entity 158 or an agent of the business entity may not be held individually 159 liable for damages resulting from negligence occurring within

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Amendment No. 1 160 the course and scope of a professional services contract;

- 161 defining the term "business entity"; amending ss. 471.023,
- 162 472.021, 481.219, 481.319, and 492.111, F.S.; conforming
- 163 provisions to changes made by the act; providing an effective
- 164 date.

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