A bill to be entitled

1 2 An act relating to design professionals; amending s. 3 558.002, F.S.; providing and renumbering definitions; 4 creating s. 558.0035, F.S.; providing that certain 5 contracts executed by a business entity may specify 6 that certain architects, interior designers, landscape 7 architects, engineers, and surveyors may not be held 8 individually liable for negligence in the performance 9 of professional services provided under those contracts; specifying that a contract that prohibits 10 11 individual liability must meet certain requirements; 12 amending ss. 471.023, 472.021, 481.219, and 481.319, F.S.; conforming provisions to changes made by the 13 act; providing an effective date. 14 15 16 Be It Enacted by the Legislature of the State of Florida: 17 18 Section 1. Present subsections (3) through (11) of section 19 558.002, Florida Statutes, are renumbered as subsections (4) 20 through (12), respectively, and new subsection (3) is added to that section, to read: 21 22 558.002 Definitions.-As used in this chapter, the term: 23 "Business entity" means any corporation, limited (3) 24 liability company, partnership, limited partnership, 25 proprietorship, firm, enterprise, franchise, association, self-26 employed individual, or trust, whether fictitiously named or 27 not, doing business in this state. Section 2. Section 558.0035, Florida Statutes, is created 28

CODING: Words stricken are deletions; words underlined are additions.

29	to read:
30	558.0035 Contractual limitation on liabilityA contract
31	executed by a business entity may provide that an individual
32	employee or agent of that business entity may not be held
33	individually liable for negligence arising from the performance
34	of professional services under the contract, on condition that
35	the following requirements are met:
36	(1) The business entity executes the contract with a
37	claimant or with another entity for the provision of
38	professional services on behalf of the claimant;
39	(2) The contract includes a prominent statement, in
40	uppercase font that is at least 5 point sizes larger than the
41	rest of the text, that, pursuant to this act, an individual
42	employee or agent may not be held individually liable for
43	negligence;
44	(3) The contract does not name an individual employee or
45	agent as a party to the contract;
46	(4) The business entity maintains professional liability
47	insurance required under the contract;
48	(5) The conduct of the design professional giving rise to
49	the damages occurs within the course and scope of the contract;
50	and
51	(6) The harm is solely economic in nature and does not
52	extend to persons or property not subject to the contract.
53	Section 3. Subsection (3) of section 471.023, Florida
54	Statutes, is amended to read:
55	471.023 Certification of business organizations
56	(3) Except as provided in s. 558.0035, the fact that a

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57 licensed engineer practices through a business organization does 58 not relieve the licensee from personal liability for negligence, 59 misconduct, or wrongful acts committed by him or her. 60 Partnerships and all partners shall be jointly and severally 61 liable for the negligence, misconduct, or wrongful acts 62 committed by their agents, employees, or partners while acting in a professional capacity. Any officer, agent, or employee of a 63 business organization other than a partnership shall be 64 personally liable and accountable only for negligent acts, 65 wrongful acts, or misconduct committed by him or her or 66 committed by any person under his or her direct supervision and 67 68 control, while rendering professional services on behalf of the 69 business organization. The personal liability of a shareholder 70 or owner of a business organization, in his or her capacity as 71 shareholder or owner, shall be no greater than that of a 72 shareholder-employee of a corporation incorporated under chapter 73 607. The business organization shall be liable up to the full value of its property for any negligent acts, wrongful acts, or 74 misconduct committed by any of its officers, agents, or 75 76 employees while they are engaged on its behalf in the rendering 77 of professional services.

78 Section 4. Subsection (3) of section 472.021, Florida79 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 does shall not relieve the registrant from
personal liability for negligence, misconduct, or wrongful acts

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

105 481.219 Certification of partnerships, limited liability 106 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

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113 professional services performed, and the interior designer who 114 signs and seals the interior design drawings, plans, or 115 specifications shall be liable for the professional services 116 performed.

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

119 481.319 Corporate and partnership practice of landscape 120 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.

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Section 7. This act shall take effect July 1, 2013.