1 A bill to be entitled 2 An act relating to design professionals; creating s. 3 558.0035, F.S.; specifying conditions under which a 4 design professional employed by a business entity or 5 an agent of the business entity may not be held 6 individually liable for damages resulting from 7 negligence occurring within the course and scope of a 8 professional services contract; defining the term 9 "business entity"; amending ss. 471.023, 472.021, 481.219, and 481.319, F.S.; conforming provisions to 10 changes made by the act; providing an effective date. 11 12 13 Be It Enacted by the Legislature of the State of Florida: 14 15 Section 1. Section 558.0035, Florida Statutes, is created 16 to read: 558.0035 Design professionals; contractual limitation on 17 18 liability.-(1) A design professional employed by a business entity or 19 20 an agent of the business entity is not individually liable for damages resulting from negligence occurring within the course 21 22 and scope of a professional services contract if: 23 The contract is made between the business entity and a (a) 24 claimant or another entity for the provision of professional 25 services to the claimant. 26 (b) The contract does not name an individual employee or 27 agent as a party to the contract. 28 The contract includes a prominent statement, in (C)

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29 uppercase font that is at least 5 point sizes larger than the 30 rest of the text, that, pursuant to this section, an individual 31 employee or agent may not be held individually liable for 32 negligence. 33 The business entity maintains professional liability (d) 34 insurance required under the contract. 35 (e) Any damages are solely economic in nature and the 36 damages do not extend to persons or property not subject to the 37 contract. (2) As used in this section, the term "business entity" 38 39 means any corporation, limited liability company, partnership, 40 limited partnership, proprietorship, firm, enterprise, 41 franchise, association, self-employed individual, or trust, 42 whether fictitiously named or not, doing business in this state. Subsection (3) of section 471.023, Florida 43 Section 2. 44 Statutes, is amended to read: 471.023 Certification of business organizations.-45 Except as provided in s. 558.0035, the fact that a 46 (3) 47 licensed engineer practices through a business organization does 48 not relieve the licensee from personal liability for negligence, 49 misconduct, or wrongful acts committed by him or her. 50 Partnerships and all partners shall be jointly and severally liable for the negligence, misconduct, or wrongful acts 51 52 committed by their agents, employees, or partners while acting 53 in a professional capacity. Any officer, agent, or employee of a 54 business organization other than a partnership shall be 55 personally liable and accountable only for negligent acts, 56 wrongful acts, or misconduct committed by him or her or

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57 committed by any person under his or her direct supervision and 58 control, while rendering professional services on behalf of the 59 business organization. The personal liability of a shareholder 60 or owner of a business organization, in his or her capacity as 61 shareholder or owner, shall be no greater than that of a 62 shareholder-employee of a corporation incorporated under chapter 607. The business organization shall be liable up to the full 63 64 value of its property for any negligent acts, wrongful acts, or 65 misconduct committed by any of its officers, agents, or employees while they are engaged on its behalf in the rendering 66 of professional services. 67

68 Section 3. Subsection (3) of section 472.021, Florida69 Statutes, is amended to read:

70

472.021 Certification of partnerships and corporations.-

71 (3) Except as provided in s. 558.0035, the fact that any 72 registered surveyor and mapper practices through a corporation 73 or partnership does shall not relieve the registrant from personal liability for negligence, misconduct, or wrongful acts 74 75 committed by him or her. Partnerships and all partners shall be 76 jointly and severally liable for the negligence, misconduct, or 77 wrongful acts committed by their agents, employees, or partners 78 while acting in a professional capacity. An Any officer, agent, 79 or employee of a business organization other than a partnership 80 shall be personally liable and accountable only for negligent acts, wrongful acts, or misconduct committed by him or her or 81 82 committed by a any person under his or her direct supervision and control while rendering professional services on behalf of 83 the business organization. The personal liability of a 84

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85 shareholder or owner of a business organization, in his or her 86 capacity as shareholder or owner, shall be no greater than that 87 of a shareholder-employee of a corporation incorporated under 88 chapter 607. The business organization shall be liable up to the 89 full value of its property for any negligent acts, wrongful 90 acts, or misconduct committed by any of its officers, agents, or employees while they are engaged on its behalf in the rendering 91 of professional services. 92

93 Section 4. Subsection (11) of section 481.219, Florida94 Statutes, is amended to read:

95 481.219 Certification of partnerships, limited liability96 companies, and corporations.-

97 No corporation, limited liability company, or (11)98 partnership shall be relieved of responsibility for the conduct 99 or acts of its agents, employees, or officers by reason of its compliance with this section. However, except as provided in s. 100 558.0035, the architect who signs and seals the construction 101 documents and instruments of service shall be liable for the 102 professional services performed, and the interior designer who 103 104 signs and seals the interior design drawings, plans, or 105 specifications shall be liable for the professional services 106 performed.

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

109 481.319 Corporate and partnership practice of landscape 110 architecture; certificate of authorization.-

111 (6) <u>Except as provided in s. 558.0035</u>, the fact that <u>a</u> 112 registered landscape <u>architect practices</u> <del>architects practice</del>

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113 landscape architecture through a corporation or partnership as

114 provided in this section <u>does</u> shall not relieve the any

115 landscape architect from personal liability for his or her

- 116 professional acts.
- 117

Section 6. This act shall take effect July 1, 2013.