By: Hughes (Bumgarner)

A BILL TO BE ENTITLED

1	AN ACT
2	relating to liability for land surveying services in or in
3	connection with certain construction or services contracts.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 130.001, Civil Practice and Remedies
6	Code, is amended to read as follows:
7	Sec. 130.001. <u>DEFINITIONS</u> [DEFINITION]. In this chapter <u>:</u>
8	(1) "Construction ["construction] contract" means a
9	contract or agreement made and entered into by an owner,
10	contractor, subcontractor, registered architect, licensed
11	engineer, <u>land surveyor,</u> or supplier concerning the design,
12	construction, alteration, repair, or maintenance of a building,
13	structure, appurtenance, road, highway, bridge, dam, levee, or
14	other improvement to or on real property, including moving,
15	demolition, and excavation connected with the real property.
16	(2) "Land surveyor" means a registered professional
17	land surveyor or licensed state land surveyor as those terms are
18	defined by Section 1071.002, Occupations Code.
19	SECTION 2. Sections 130.002(a), (b), (c), (d), and (f),
20	Civil Practice and Remedies Code, are amended to read as follows:
21	(a) A covenant or promise in, in connection with, or
22	collateral to a construction contract is void and unenforceable if
23	the covenant or promise provides for a contractor who is to perform
24	the work that is the subject of the construction contract to

1 indemnify or hold harmless a registered architect, licensed 2 engineer, or land surveyor, or an agent, servant, or employee of a 3 registered architect, [or] licensed engineer, or land surveyor from 4 liability for damage that:

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(1) is caused by or results from:

(A) defects in plans, designs, or specifications
7 prepared, approved, or used by the architect, [or] engineer, or
8 <u>land surveyor</u>; or

9 (B) negligence of the architect, [or] engineer, 10 <u>or land surveyor</u> in the rendition or conduct of professional duties 11 called for or arising out of the construction contract and the 12 plans, designs, or specifications that are a part of the 13 construction contract; and

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(2) arises from:

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(A) personal injury or death;

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(B) property injury; or

17 (C) any other expense that arises from personal18 injury, death, or property injury.

(b) A covenant or promise in, in connection with, 19 or 20 collateral to a construction contract other than a contract for a single family or multifamily residence is void and unenforceable if 21 the covenant or promise provides for a registered architect, [or] 22 licensed engineer, or land surveyor whose engineering, [or] 23 24 architectural, or land surveying design services are the subject of 25 the construction contract to indemnify or hold harmless an owner or owner's agent or employee from liability for damage that is caused 26 27 by or results from the negligence of an owner or an owner's agent or

1 employee.

2 (c) Except as provided by Subsection (d), (e), or (f), a covenant or promise in, in connection with, or collateral to a 3 construction contract for engineering, [or] architectural, or land 4 surveying services related to an improvement to real property is 5 void and unenforceable to the extent the covenant or promise 6 7 provides that a licensed engineer, [or] registered architect, or land surveyor must defend a party, including a third party, against 8 9 a claim based wholly or partly on the negligence of, fault of, or breach of contract by the owner, the owner's agent, the owner's 10 11 employee, or another entity over which the owner exercises control. A covenant or promise in, in connection with, or 12 13 collateral to a contract for engineering, [or] architectural, or land surveying services related to an improvement to real property 14 may provide for the reimbursement of an owner's reasonable 15 16 attorney's fees in proportion to the engineer's, [or] architect's, or land surveyor's liability. 17

18 (d) Notwithstanding Subsection (c), an owner that is a party contract for engineering, [or] architectural, or land 19 to а 20 surveying services related to an improvement to real property may 21 require in the contract that the engineer, [or] architect, or land surveyor name the owner as an additional insured under any of the 22 engineer's, [or] architect's, or land surveyor's insurance coverage 23 to the extent additional insureds are allowed under the policy and 24 provide any defense to the owner provided by the policy to a named 25 insured. 26

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(f) Subsection (c) does not apply to a covenant to defend a

party, including a third party, for a claim of negligent hiring of
 the architect, [or] engineer, or land surveyor.

3 SECTION 3. The heading to Section 130.0021, Civil Practice 4 and Remedies Code, is amended to read as follows:

5 Sec. 130.0021. ARCHITECT'S, [OR] ENGINEER'S, OR LAND
6 <u>SURVEYOR'S</u> STANDARD OF CARE.

SECTION 4. Sections 130.0021(a) and (b), Civil Practice and
Remedies Code, are amended to read as follows:

9 (a) A construction contract for architectural, [or] engineering, or land surveying services or a contract related to 10 11 the construction or repair of an improvement to real property that contains architectural, [or] engineering, or land surveying 12 13 services as a component part must require that the architectural, [or] engineering, or land surveying services be performed with the 14 professional skill and care ordinarily provided by competent 15 architects, [or] engineers, or land surveyors practicing under the 16 same or similar circumstances and professional license. 17

(b) If a contract described by Subsection (a) contains a provision establishing a different standard of care than the standard described by Subsection (a):

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(1) the provision is void and unenforceable; and

(2) the standard of care described by Subsection (a)
applies to the performance of the architectural, [or] engineering,
or land surveying services.

25 SECTION 5. Section 130.004(b), Civil Practice and Remedies 26 Code, is amended to read as follows:

27 (b) Except as provided by Section 130.002(b) or (c) or

Section 130.0021, this chapter does not prohibit or make void or
 unenforceable a covenant or promise to:

3 (1) indemnify or hold harmless an owner of an interest4 in real property and persons employed solely by that owner; or

5 (2) allocate, release, liquidate, limit, or exclude 6 liability in connection with a construction contract between an 7 owner or other person for whom a construction contract is being 8 performed and a registered architect, [or] licensed engineer, or 9 land surveyor.

SECTION 6. Section 130.005, Civil Practice and Remedies
Code, is amended to read as follows:

Sec. 130.005. APPLICATION OF CHAPTER. This chapter does not apply to a contract or agreement in which an architect, [or] engineer, or land surveyor, or an agent, servant, or employee of an architect, [or] engineer, or land surveyor, is indemnified from liability for:

17 (1) negligent acts other than those described by this18 chapter; or

19 (2) negligent acts of the contractor, any 20 subcontractor, any person directly or indirectly employed by the 21 contractor or a subcontractor, or any person for whose acts the 22 contractor or a subcontractor may be liable.

23 SECTION 7. Section 271.904, Local Government Code, is 24 amended to read as follows:

Sec. 271.904. ENGINEERING, [OR] ARCHITECTURAL, OR LAND
 <u>SURVEYING</u> SERVICES CONTRACTS: INDEMNIFICATION LIMITATIONS; DUTIES
 OF ENGINEER, [OR] ARCHITECT, OR LAND SURVEYOR. (a) A covenant or

promise in, in connection with, or collateral to a contract for 1 engineering, [or] architectural, or land surveying services to 2 which a governmental agency is a party is void and unenforceable if 3 4 the covenant or promise provides that a licensed engineer, [or] registered architect, or land surveyor whose work product is the 5 subject of the contract must indemnify or hold harmless the 6 7 governmental agency against liability for damage, other than liability for damage to the extent that the damage is caused by or 8 9 results from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or 10 11 supplier committed by the indemnitor or the indemnitor's agent, consultant under contract, or another entity over which the 12 13 indemnitor exercises control.

Except as provided by Subsection (c), a covenant or 14 (b) 15 promise in, in connection with, or collateral to a contract for 16 engineering, [or] architectural, or land surveying services to which a governmental agency is a party is void and unenforceable if 17 the covenant or promise provides that a licensed engineer, [or] 18 registered architect, or land surveyor whose work product is the 19 20 subject of the contract must defend a party, including a third party, against a claim based wholly or partly on the negligence of, 21 fault of, or breach of contract by the governmental agency, the 22 agency's agent, the agency's employee, or other entity, excluding 23 the engineer, [or] architect, or land surveyor or that person's 24 25 agent, employee, or subconsultant, over which the governmental agency exercises control. A covenant or promise may provide for 26 27 the reimbursement of a governmental agency's reasonable attorney's

1 fees in proportion to the engineer's, [or] architect's, or land
2 surveyor's liability.

3 (c) Notwithstanding Subsection (b), a governmental agency 4 may require in a contract for engineering, [or] architectural, or 5 <u>land surveying services to which the governmental agency is a party</u> 6 that the engineer, [or] architect, or <u>land surveyor</u> name the 7 governmental agency as an additional insured under the engineer's, 8 [or] architect's, or <u>land surveyor's</u> general liability insurance 9 policy and provide any defense provided by the policy.

10 (d) A contract for engineering, [or] architectural, or land 11 <u>surveying</u> services to which a governmental agency is a party must 12 require a licensed engineer, [or] registered architect, or land 13 <u>surveyor</u> to perform services:

(1) with the professional skill and care ordinarily
provided by competent engineers, [or] architects, or land surveyors
practicing under the same or similar circumstances and professional
license; and

(2) as expeditiously as is prudent considering the
ordinary professional skill and care of a competent engineer, [or]
architect, or land surveyor.

(e) In a contract for engineering, [or] architectural, or land surveying services to which a governmental agency is a party, a provision establishing a different standard of care than a standard described by Subsection (d) is void and unenforceable. If a contract contains a void and unenforceable provision, the standard of care described by Subsection (d) applies.

27 (f) In this section:

1 (1) "Governmental[, "governmental] agency" has the
2 meaning assigned by Section 271.003.

3 (2) "Land surveyor" means a registered professional 4 land surveyor or licensed state land surveyor as those terms are 5 defined by Section 1071.002, Occupations Code.

(g) Nothing in this section prohibits a governmental agency
in a contract for engineering, [or] architectural, or land
<u>surveying</u> services to which the governmental agency is a party from
including and enforcing conditions that relate to the scope, fees,
and schedule of a project in the contract.

11 SECTION 8. The change in law made by this Act applies only to a contract or covenant or promise in, in connection with, or 12 collateral to a construction contract entered into on or after the 13 effective date of this Act. A contract or covenant or promise in, 14 15 in connection with, or collateral to a construction contract 16 entered into before the effective date of this Act is governed by the law applicable to the contract or covenant or promise 17 18 immediately before the effective date of this Act, and that law is continued in effect for that purpose. 19

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SECTION 9. This Act takes effect September 1, 2025.