

State of Misconsin 2023 - 2024 LEGISLATURE

LRB-2530/1 JPC:cjs

2023 BILL

1 AN ACT to create 443.20 of the statutes; relating to: prohibiting certain

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indemnification provisions in contracts relating to design professional services.

Analysis by the Legislative Reference Bureau

This bill prohibits the enforcement of any provision in a contract between the state or a political subdivision and a private entity that is engaged in design professional services that requires the private entity to indemnify or defend the state or a political subdivision. Under the bill, design professional services is defined to mean any service performed by a design professional and services performed by others that arise out of or are related to services performed by a design professional. The term "design professional" includes architects, engineers-in-training, landscape architects, professional engineers, professional land surveyors, and Wisconsin registered interior designers. The bill excepts from the prohibitions described above any provision in which a private entity's indemnification obligation is limited to losses proximately caused by the negligent performance of design professional services by the private entity and does not exceed the proportion of a loss caused by the negligent performance and any provision required to be included in the state's or a political subdivision's contracts with the federal government.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 443.20 of the statutes is created to read:

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LRB-2530/1 JPC:cjs SECTION 1

1	443.20 Indemnification in civil contracts. (1) In this section:
2	(a) "Civil contract" means any contractual agreement between the state or a
3	political subdivision and a private entity.
4	(b) "Design professional" means any of the following:
5	1. Architect.
6	2. Engineer-in-training.
7	3. Landscape architect.
8	4. Professional engineer.
9	5. Professional land surveyor
10	6. Wisconsin registered interior designer.
11	(c) "Design professional services" means any service performed by a design
12	professional and services performed by others that arise out of or are related to
13	services performed by a design professional, including the following:
14	1. Studies.
15	2. Planning.
16	3. Surveys.
17	4. Project management.
18	5. Traffic management.
19	6. Preparatory work.
20	(2) Notwithstanding s. 895.447, any provision of a civil contract containing any
21	of the following, explicitly or in effect, is void and unenforceable:
22	(a) A provision requiring a private entity performing design professional
23	services to indemnify the state or any political subdivision, except as provided in sub.
24	(3) (a).

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1	(b) A provision requiring a private entity performing design professional
2	services to defend the state or any political subdivision in any legal action.
3	(3) The limitations under sub. (2) (a) do not apply to any of the following:
4	(a) Indemnification provisions in any civil contract in which a private entity's
5	indemnification obligation is limited to losses proximately caused by the negligent
6	performance of design professional services by the private entity and does not exceed
7	the proportion of a loss caused by the negligent performance.
8	(b) Provisions required to be included in the state's or a political subdivision's
9	contracts with the federal government to the extent the provisions conflict with sub.
10	(2).
11	(4) Nothing in this section may be construed as a waiver of any immunity or
12	other limitation of liability described in this chapter or ch. 895.
13	SECTION 2. Initial applicability.
14	(1) This act first applies to a civil contract, as defined under s. $443.20(1)(a)$,
15	entered into on the effective date of this subsection.
16	(END)