

February 23, 2016

The Honorable Senator Lois Wolk
State Capitol, Room 5114
Sacramento, CA 95814-4900

Re: Senate Bill 885 - SUPPORT

Dear Senator Wolk:

My firm employs **XX** people in California. The purpose of this letter is to express my strong support for your Senate Bill 855, a bill that prohibits contracts that require state licensed design professionals, including engineers, land surveyors, architects, and landscape architects, to defend claims made against other persons or entities involved in construction projects.

California has long had a strong public policy of promoting fair and equitable contracts that prevent risk to the public. The obligations imposed on design professionals however are particularly risky to the public and onerous to the design professional.

- **No Insurance:** A designer's professional liability policy does not cover an agreement to defend a third party and does not afford additional insured status to a design professional's client.
- **Personal Liability:** Licensed design professionals are required to seal construction drawings by stamping them, which creates personal liability for the design professional, regardless of the corporate or business entity formation of the firm.

Requiring a design professional to provide an immediate defense to a third party creates an uninsured exposure that places the public at risk, and individual's personal assets at risk, and it sets a false expectation for a public agency or private developer that it will be defended in a lawsuit. If this status quo continues, design professionals may seek to charge higher fees to cover their exposure, driving up the cost of public and private projects, and whittling down the number of design firms willing to take the risk.

SB 885 seeks to create less risk for the public through a more balanced contractual landscape, albeit one in which the design professional still faces personal liability and still has to be responsible for its mistakes. It's really about putting design professionals on an even footing with other trades who have access to insurance that the design professional does not have.

On behalf of the engineering community in California, I thank you for bringing forward this extremely useful piece of legislation.

Sincerely,