

SENATE, No. 4031

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED NOVEMBER 4, 2021

Sponsored by:

Senator NELLIE POU

District 35 (Bergen and Passaic)

SYNOPSIS

Requires architects disclose insurance coverage.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning insurance for architects and amending
2 P.L.1989, c.275.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 4 of P.L.1989, c.275 (C.45:3-17) is amended to read
8 as follows:

9 4. a. Architectural services shall not be rendered or offered
10 through any business associations other than a sole proprietorship
11 of a licensed architect, a partnership of licensed architects, a
12 partnership of closely allied professionals including at least one
13 licensed architect, a professional service corporation established
14 pursuant to "The Professional Service Corporation Act," P.L.1969,
15 c.232 (C.14A:17-1 et seq.), a corporation authorized pursuant to
16 section 5 of P.L.1989, c.275 (C.45:3-18) or as prescribed in the
17 "Building Design Services Act," P.L.1989, c.277 (C.45:4B-1 et
18 seq.).

19 b. Nothing in this section shall prohibit a licensed architect
20 from rendering architectural services as an agent, director, member,
21 officer, shareholder, associate, employee or partner of a person
22 whose principal business is space planning services, interior design
23 services or the substantial equivalent thereof; provided that the
24 architect, at all times, exercises independent professional judgment
25 in the rendering of architectural services, and adheres to the
26 standards set forth in section 1 of P.L. 1989, c. 275 (C.45:3-1.1).

27 c. An architect shall, prior to entering into an agreement for
28 architectural services, disclose to any other party to the contract for
29 architectural services the type of professional liability insurance
30 under which the architect is covered.

31 d. Any architect entering into a public contract for architectural
32 services according to the provisions of chapter 34 of Title 52 of the
33 Revised Statutes, P.L.1971, c.198 (C.40A:11-1 et seq.),
34 N.J.S.18A:18A-1 et seq., or P.L.1986, c.43 (C.18A:64-52 et seq.)
35 shall carry errors and omissions insurance.

36 (cf: P.L.1997, c.403, s.2)

37

38 2. This act shall take effect immediately.

39

40

41

STATEMENT

42

43 This bill provides that an architect shall disclose to any other
44 party to a contract for architectural services the type of professional
45 liability insurance carried by the architect. The disclosure shall be

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

S4031 POU

3

1 made prior to the parties entering into an agreement for
2 architectural services.

3 In addition, the bill requires that any architect entering into a
4 public contract for architectural services is required to carry errors
5 and omissions insurance.