WHO ARE WE?
An organization of 90 engineering and professional service firms in the State of Maryland

WHO DO WE REPRESENT?
Over 7,000 employees including:
- Engineers
- Architects
- Land Surveyors
- Scientists
- Technical Specialists
- Planners

WHAT IS THE ISSUE?
Many states are recognizing the need to protect design professionals from unnecessary and uninsurable contracting risk. In Maryland, some modifications to statutory language will be needed to ensure the obligation to indemnify and pay defense costs for claims involving architectural and engineering projects are fairly allocated to the responsible party/parties.

DUTY TO DEFEND - EQUITY AND FAIRNESS

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WHY ARE THESE CHANGES IMPORTANT?
- Currently, design professionals could be held responsible for paying for another party’s negligence, through no fault of their own. Small businesses could be bankrupted from resulting expenses without any fault.
- By clarifying statutory language, there is reduced risk of escalating costs to cover additional business risk that is not insurable.
- Other states have added similar protections for design professionals to their statutes.

Legislative Action Required
Amend Section 5-401 of the Courts and judicial Proceeding Article, Annotated Code of MD to void an upfront duty to defend and make indemnification unenforceable unless the design professional is the proximate cause of the injury/loss/damage. This would fairly assign liability to the responsible party.