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## NJ BILL SEEKING TO REDUCE STATUTE OF LIMITATIONS FOR MALPRACTICE CLAIMS ADVANCES

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On Monday, the Assembly Judiciary Committee voted to move forward Assembly Bill 4880, which, if ultimately passed would effectively reduce the current six-year statute of limitations for claims of professional malpractice (N.J.S.A. 2A:14-1) to two years. The professionals for which the proposed legislation would apply include, licensed accountants, lawyers, architects, engineers and land surveyors. In addition to the shortened limitations period, the Bill also seeks to eliminate the award of attorneys' fees against the enumerated professionals under certain circumstances.

Those in support of the proposed legislative amendment argue it will level the playing field with other professionals, such as doctors, who are subject to a two-year limitations period. It would also bring New Jersey in line with neighboring jurisdictions, like New York (three-year statute of limitations for non-medical professional negligence) and Pennsylvania (two years). Proponents also argue, the proposed legislation will foster economic activity in that the cost of professional liability insurance is, in some instances, prohibitively expensive and further, the insurance underwriting industry should react favorably by reducing premiums.

Those against the proposal contend it will negatively affect consumers by, in certain cases, precluding their rightful entitlement to recover damages against licensed professionals with whom they entrusted their services.

Our own analysis is that the Bill should be passed as it will afford a greater amount of protection concerning tort (non-contractual) claims against licensed design professionals. While the statute of limitations will not be affected for personal injury claims (remains at two years from the date of the accident), the measure would benefit members of the design professional community. For example, it is much more likely that records will be available and memories fresher regarding charges of malpractice. Additionally, as a result of a likely negative impact on lawsuits, professional liability insurance may become more widely available and more affordable. If you have not already done so, you may wish to contact your local member of the NJ Assembly and/or Senate and urge him or her to vote "Yes" on Bill A-4880.

The bill will next advance to the Assembly floor vote where it will need 41 votes by the General Assembly. If it receives the requisite votes, it will then proceed to the Senate.