

**ACT 465
HOUSE BILL NUMBER 765
BY MR. LYNN**

AN ACT

To enact Chapter 20 of Title 12 of the Louisiana Revised Statutes of 1950, comprised of R.S. 12:1171 through R.S. 12:1181, to provide for the organization of architectural-engineering corporations, to provide for the authority of the Louisiana State Board of Architectural Examiners and the State Board of Registration for Professional Engineers and Land Surveyors to regulate the practices of architecture and engineering with respect to the use of the corporate form and compliance with the Chapter, and otherwise to provide with respect thereto.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 20 of Title 12 of the Louisiana Revised Statutes of 1950, comprised of R.S. 12:1171 through R.S. 12:1181, is here by enacted to read as follows:

CHAPTER 20. ARCHITECTURAL-ENGINEERING CORPORATIONS

1171. Terms defined

As used in this chapter:

- A. "Architectural-Engineering Corporation" means a corporation organized pursuant to this Chapter for the practice of architecture as provided for by R.S. 37:141 through R.S. 37:158, and for the practice of engineering as provided for by R.S. 37:681 through R.S. 37:703, and which is certified to be in compliance therewith by the Louisiana State Board of Architectural Examiners and the State Board of Registration for Professional Engineers and Land Surveyors.
- B. All terms used in this Chapter shall have the same meaning as provided in Chapter 1.
- C. A corporation formed under Chapter 1 of this Title for the purpose of practicing architecture and engineering shall be subject to all of the provisions of Chapter 1, as the same may from time to time be amended, except to the extent that such provisions are inconsistent with the provisions of this Chapter.

1172. The corporate name

The corporate name may consist of any name approved by the Secretary of State, however, it may only contain the full or last name or names of one or more shareholders duly licensed to practice architecture or engineering in this state. In all cases the corporate name shall end with language sufficient to identify the corporation as a corporation, such as, but not by way of limitation, "Incorporated", "Inc.", " Limited", or "Ltd."

1173. Corporate Authority

- A. An architectural-engineering corporation licensed by the State Board of Architectural Examiners and registered with the Board of Registration for Professional Engineers and Land Surveyors may offer and provide architectural services and engineering services in this state.
- B. In order to become licensed to practice architecture and to receive a certificate of registration to practice engineering, such a corporation on an annual basis shall file with the State Board of Architectural Examiners and with the State Board of Registration for Professional Engineers and Land Surveyors written requests for such licensure and registration, designating therein the supervising professional architect who shall perform all professional architectural services or who shall directly supervise the performance of all architectural services by said corporation, and further designating the supervising professional engineer who shall perform all professional civil, mechanical or electrical engineering services or those services in any other designated branch of professional engineering which the State Board of Registration for Professional Engineers and Land Surveyors and the State Board of Architectural Examiners may jointly specify, or who shall directly supervise the performance of all such engineering services by said corporation. Only those persons may be designated as supervising professional architects or engineers who previously have been licensed by the State Board of Architectural Examiners pursuant to the provisions of R.S. 37:141 through R.S. 37:158, or who previously have been registered by the State Board of Registration for Professional Engineers and Land Surveyors designated as practicing civil, mechanical or electrical engineering or any other branch of professional engineering which the State Board of Registration for Professional Engineers and Land Surveyors and the State Board of Architectural Examiners may jointly specify pursuant to the provisions of R.S. 37:681 through R.S. 37:703, who are in compliance with said provisions, who

are full-time active employees of the corporation and whose primary occupation is with that corporation.

- C. The corporation shall authorize such registered supervisory architects or engineers to appear for and act on behalf of the corporation in connection with the execution and performance of all contracts to provide architectural services and civil, mechanical or electrical engineering services and those of any other designated branch of professional engineering which the State Board of Registration for Professional Engineers and Land Surveyors and the State Board of Architectural Examiners may jointly specify.
- D. In the event that such registered supervisory architect ceases to become a full-time active employee of the corporation or is no longer employed by the corporation on a primary basis, the authority of the corporation thereafter to practice architecture is suspended until such time as the corporation designates another supervising architect pursuant to subsection B hereof.
- E. In the event that such registered engineer ceases to become a full-time active employee of the corporation or is no longer employed by the corporation on a primary basis, the authority of the corporation thereafter to practice engineering in the designated branches of civil, mechanical or electrical engineering or any other designated branch of professional engineering which the State Board of Registration for Professional Engineers and Land Surveyors and the State Board of Architectural Examiners may jointly specify, is suspended until such time as the corporation designates another supervising engineer pursuant to subsection B hereof.

1174. Directors, officers and agents

- A. A subscriber to or holder of shares of an architectural-engineering corporation shall be under no liability to the corporation with respect to such shares, other than the obligation of complying with the terms of the subscription therefor, and said obligation shall continue whether or not his rights or shares have been assigned or transferred.
- B. A shareholder shall not be personally liable for any debt of liability of the corporation.
- C. Nothing in this Chapter shall be construed as in derogation of any rights which any person may have against an incorporator, subscriber, shareholder, director, officer, employee, or agent of the corporation because of any fraud practiced upon him, or because of any breach of professional duty, or other negligent or wrongful act, by such person, or in derogation of any right which the corporation may have against any of such persons because of any fraud practiced upon it by him.

1175. Shareholders' agreements

- A. Any lawful provision regulating the affairs of an architectural-engineering corporation or the rights and liabilities of its shareholders, which is not required to be set forth in the Articles of Incorporation, may be set forth in an agreement among all of the shareholders.

1176. Directors

- A. The numbers and qualifications of directors shall be determined by a majority vote of the shareholders.

1177. Officers

- A. There shall be a president, a secretary and such other officers as the shareholders may elect. If there is only one shareholder, all offices may be combined in his person.

1178. Contracts

- A. An architectural-engineering corporation shall be entitled to enter into contracts to provide architectural services and engineering services and such other contracts as may be consistent with the practice of architecture or engineering.
- B. Architectural services rendered on behalf of an architectural-engineering corporation must be performed by or under the direct supervision of a natural person duly licensed to practice architecture in this state.
- C. Civil, mechanical or electrical engineering services or those of any other designated branch of professional engineering which the state Board of Registration for Professional Engineers and Land Surveyors and the State Board of Architectural Examiners may jointly specify, and which are rendered on behalf of an architectural-engineering corporation, must be performed by or under the direct supervision of a natural person duly registered to practice engineering in this state and having been designated as practicing in that respective branch of engineering.
- D. A contract to provide any services by an architectural-engineering corporation which at any time during the existence of the contract fails to comply with the requisites of this Chapter shall be voidable by any other party thereto.

1179. Regulations

- A. Within fifteen days after receipt of the annual written request by an architectural-engineering corporation for licensure as an architect or registration as an engineer as the case may be, the State Board of Architectural Examiners and State Board of Registration for Professional Engineers and Land Surveyors shall act upon the request.
- B. To the extent that it engages in the practice of architecture, an architectural-engineering corporation shall be subject to the discipline of the Louisiana State Board of Architectural Examiners and to its authority to adopt rules and regulations governing the practice of architecture.
- C. To the extent that it engages in the business of the practice of engineering, an architectural-engineering corporation shall be subject to the discipline of the State Board of Registration for Professional Engineers and Land Surveyors, and to its authority to adopt rules and regulations governing the practice of engineering.

1180. Compliance by existing corporation

- A. If upon the effective date of this Chapter, a previously existing engineering corporation or professional architectural corporation desires to operate as an architectural-engineering corporation, it may do so by compliance with the provisions of this Chapter and shall be entitled but not required to form a separate corporation for that purpose.

1181. Short Title

- A. This Chapter shall be known and may be referred to by the short title "Architectural-Engineering Corporation Law."

Section 2. This Act shall become effective upon signature by the Governor or, if not signed by the Governor, upon expiration of the time for bills to become law without signature by the Governor, as provided in Article III, Section 18 of the Constitution of Louisiana.