

S E N A T E - A S S E M B L Y

January 27, 2012

IN SENATE -- Introduced by Sen. RITCHIE -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

IN ASSEMBLY -- Introduced by M. of A. LAVINE -- Multi-Sponsored by -- M. of A. BRONSON, GABRYSZAK, GALEF, JAFFEE, McDONOUGH, P. RIVERA, STEVENSON, TITONE, WEPRIN -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the business corporation law, the education law and the limited liability company law, in relation to permitting certified interior designers to enter into joint enterprise or partnership of a design corporation

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Paragraph (a) of section 1503 of the business corporation
2 law, as amended by chapter 550 of the laws of 2011, is amended to read
3 as follows:

4 (a) Notwithstanding any other provision of law, one or more individ-
5 uals duly authorized by law to render the same professional service
6 within the state may organize, or cause to be organized, a professional
7 service corporation for pecuniary profit under this article for the
8 purpose of rendering the same professional service, except that one or
9 more individuals duly authorized by law to practice professional engi-
10 neering, architecture, landscape architecture, INTERIOR DESIGN or land
11 surveying within the state may organize, or cause to be organized, a
12 professional service corporation or a design professional service corpo-
13 ration for pecuniary profit under this article for the purpose of
14 rendering such professional services as such individuals are authorized
15 to practice.

16 S 2. Subdivision 4 of section 7209 of the education law, as amended by
17 chapter 550 of the laws of 2011, is amended to read as follows:

18 4. Engineers, land surveyors, architects, CERTIFIED INTERIOR DESIGN-
19 ERS, and landscape architects may join in the formation of a joint
20 enterprise, or a partnership or a professional service corporation or a

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

1 design professional service corporation or may form any desired combina-
2 tion of such professions and may use in the name of such corporation the
3 title of any of the professions which will be practiced. After the name
4 of each member his or her profession shall be indicated.

5 S 3. Subdivision 2 of section 7307 of the education law, as amended by
6 chapter 550 of the laws of 2011, is amended to read as follows:

7 2. Engineers, land surveyors, architects, CERTIFIED INTERIOR DESIGN-
8 ERS, and landscape architects may join in the formation of a joint
9 enterprise, or a partnership or a professional service corporation or a
10 design professional service corporation or may form any desired combina-
11 tion of such professions and may use in the name of such corporation the
12 title of any of the professions which will be practiced. After the name
13 of each member his or her profession shall be indicated.

14 S 4. Subdivision 2 of section 7327 of the education law, as amended by
15 chapter 550 of the laws of 2011, is amended to read as follows:

16 2. Engineers, land surveyors, architects, CERTIFIED INTERIOR DESIGN-
17 ERS, and landscape architects may join in the formation of a joint
18 enterprise, or a partnership or a professional service corporation or a
19 design professional service corporation or may form any desired combina-
20 tion of such professions and may use in the name of such corporation the
21 title of any of the professions which will be practiced. After the name
22 of each member his or her profession shall be indicated.

23 S 5. Section 8307 of the education law is renumbered section 8308 and
24 a new section 8307 is added to read as follows:

25 S 8307. SPECIAL PROVISIONS. ENGINEERS, LAND SURVEYORS, ARCHITECTS,
26 CERTIFIED INTERIOR DESIGNERS, AND LANDSCAPE ARCHITECTS MAY JOIN IN THE
27 FORMATION OF A JOINT ENTERPRISE, OR A PARTNERSHIP, OR A PROFESSIONAL
28 SERVICE CORPORATION, OR A LIMITED LIABILITY PARTNERSHIP OR MAY FORM ANY
29 DESIRED COMBINATION OF SUCH PROFESSIONS AND MAY USE IN THE NAME OF SUCH
30 CORPORATION OR PARTNERSHIP THE TITLE OF ANY OF THE PROFESSIONS WHICH
31 WILL BE PRACTICED. AFTER THE NAME OF EACH MEMBER HIS OR HER PROFESSION
32 SHALL BE INDICATED.

33 S 6. Subdivision (a) of section 1203 of the limited liability company
34 law, as separately amended by chapters 420 and 676 of the laws of 2002,
35 is amended to read as follows:

36 (a) Notwithstanding the education law or any other provision of law,
37 one or more professionals each of whom is authorized by law to render a
38 professional service within the state, or one or more professionals, at
39 least one of whom is authorized by law to render a professional service
40 within the state, may form, or cause to be formed, a professional
41 service limited liability company for pecuniary profit under this arti-
42 cle for the purpose of rendering the professional service or services as
43 such professionals are authorized to practice. With respect to a profes-
44 sional service limited liability company formed to provide medical
45 services as such services are defined in article 131 of the education
46 law, each member of such limited liability company must be licensed
47 pursuant to article 131 of the education law to practice medicine in
48 this state. With respect to a professional service limited liability
49 company formed to provide dental services as such services are defined
50 in article 133 of the education law, each member of such limited liabil-
51 ity company must be licensed pursuant to article 133 of the education
52 law to practice dentistry in this state. With respect to a professional
53 service limited liability company formed to provide veterinary services
54 as such services are defined in article 135 of the education law, each
55 member of such limited liability company must be licensed pursuant to
56 article 135 of the education law to practice veterinary medicine in this

1 state. With respect to a professional service limited liability company
2 formed to provide professional engineering, INTERIOR DESIGN, land
3 surveying, architectural and/or landscape architectural services as such
4 services are defined in article 145, article 147 [and], article 148 AND
5 ARTICLE 161 of the education law, each member of such limited liability
6 company must be licensed pursuant to article 145, article 147 [and/or],
7 article 148 AND/OR ARTICLE 161 of the education law to practice one or
8 more of such professions in this state. With respect to a professional
9 service limited liability company formed to provide licensed clinical
10 social work services as such services are defined in article 154 of the
11 education law, each member of such limited liability company shall be
12 licensed pursuant to article 154 of the education law to practice
13 licensed clinical social work in this state. With respect to a profes-
14 sional service limited liability company formed to provide creative arts
15 therapy services as such services are defined in article 163 of the
16 education law, each member of such limited liability company must be
17 licensed pursuant to article 163 of the education law to practice crea-
18 tive arts therapy in this state. With respect to a professional service
19 limited liability company formed to provide marriage and family therapy
20 services as such services are defined in article 163 of the education
21 law, each member of such limited liability company must be licensed
22 pursuant to article 163 of the education law to practice marriage and
23 family therapy in this state. With respect to a professional service
24 limited liability company formed to provide mental health counseling
25 services as such services are defined in article 163 of the education
26 law, each member of such limited liability company must be licensed
27 pursuant to article 163 of the education law to practice mental health
28 counseling in this state. With respect to a professional service limited
29 liability company formed to provide psychoanalysis services as such
30 services are defined in article 163 of the education law, each member of
31 such limited liability company must be licensed pursuant to article 163
32 of the education law to practice psychoanalysis in this state. In addi-
33 tion to engaging in such profession or professions, a professional
34 service limited liability company may engage in any other business or
35 activities as to which a limited liability company may be formed under
36 section two hundred one of this chapter. Notwithstanding any other
37 provision of this section, a professional service limited liability
38 company (i) authorized to practice law may only engage in another
39 profession or business or activities or (ii) which is engaged in a
40 profession or other business or activities other than law may only
41 engage in the practice of law, to the extent not prohibited by any other
42 law of this state or any rule adopted by the appropriate appellate divi-
43 sion of the supreme court or the court of appeals.

44 S 7. This act shall take effect immediately.