

LAWS OF NEW YORK, 2016

CHAPTER 260

AN ACT to amend the business corporation law and the limited liability company law, in relation to the incorporation of certain businesses for the purpose of practicing professional geology; and to amend chapter 475 of the laws of 2014 amending the education law, the business corporation law and other laws relating to providing for the licensing of the profession of geology, in relation to the effectiveness thereof

Became a law August 19, 2016, with the approval of the Governor.

Passed by a majority vote, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 1503 of the business corporation law is amended by adding two new paragraphs (b-6) and (b-7) to read as follows:

(b-6) (1) Prior to the first day of March, two thousand eighteen, the state education department and the department of state shall allow an existing business corporation organized under article four of this chapter to become a professional corporation as defined in this article for the purpose of practicing professional geology, provided that the surviving corporation meet all of the requirements to become a professional corporation, including that the name of a professional corporation shall end with the words "professional corporation" or the abbreviation "P.C." by amending its certificate of incorporation so that it contains the following:

(i) the names and residence addresses of all individuals who will be the original shareholders, directors and officers of the professional service corporation;

(ii) a statement that the professional service corporation is formed pursuant to this section; and

(iii) a statement that the amendment shall not effect a dissolution of the corporation, but shall be deemed a continuation of its corporate existence, without affecting its then existing property rights or liabilities or the liabilities of its members or officers as such, but thereafter it shall have only such rights, powers and privileges, and be subject only to such other duties and liabilities, as a corporation created for the same purposes under this article.

(2) The certificate of amendment shall have attached thereto a certificate or certificates issued by the licensing authority certifying that each of the proposed shareholders, directors and officers listed:

(i) is authorized by law to practice a profession which the corporation is organized to practice and, if applicable, that one or more of such individuals is authorized to practice each profession which the corporation will be authorized to practice; and

(ii) has been deemed to be of good moral character as may be established by the regulations of the commissioner of education.

(3) The certificate of amendment shall also have attached thereto a tax clearance issued by the department of taxation and finance certify-

EXPLANATION--Matter in *italics* is new; matter in brackets [-] is old law to be omitted.

ing that the existing business corporation is current with respect to payment of its state tax liabilities.

(4) Notwithstanding any provision of law to the contrary, any corporation formed under this section shall be required to comply with all applicable laws, rules, or regulations relating to the practice of a profession under title eight of the education law.

(b-7) (1) Prior to the first day of March, two thousand eighteen, the state education department and the department of state shall allow an existing business corporation organized under article four of this chapter to become a design professional service corporation as defined in this article for the purpose of practicing professional geology, provided that the surviving corporation meet all of the requirements to become a design professional service corporation, including that the name shall end with the words "design professional service corporation" or the abbreviation "D.P.C." by amending its certificate of incorporation so that it contains the following:

(i) the names and residence addresses of all individuals or ESOPs who will be the original shareholders, directors and officers of the professional service corporation;

(ii) a statement that the design professional service corporation is formed pursuant to this section;

(iii) the profession or profession of each shareholder, director and officer who is a design professional of the original design professional service corporation;

(iv) the names of the officers and directors who will be the president, the chairperson of the board of directors and the chief executive officer or officers of the original design professional service corporation;

(v) the ownership interest of each shareholder of the original design professional service corporation; and

(vi) a statement that the amendment shall not effect a dissolution of the corporation, but shall be deemed a continuation of its corporate existence, without affecting its then existing property rights or liabilities or the liabilities of its members or officers as such, but thereafter it shall have only such rights, powers and privileges, and be subject only to such other duties and liabilities, as a corporation created for the same purposes under this article.

(2) The certificate of amendment shall have attached thereto a certificate or certificates issued by the licensing authority certifying that each of the proposed shareholders, directors and officers listed:

(i) is authorized by law to practice a profession which the corporation is organized to practice and, if applicable, that one or more of such individuals is authorized to practice each profession which the corporation will be authorized to practice; and

(ii) has been deemed to be of good moral character as may be established by the regulations of the commissioner of education.

(3) The certificate of amendment shall also have attached thereto a tax clearance issued by the department of taxation and finance certifying that the existing business corporation is current with respect to payment of its state tax liabilities.

(4) Notwithstanding any provision of law to the contrary, any corporation formed under this section shall be required to comply with all applicable laws, rules, or regulations relating to the practice of a profession under title eight of the education law.

§ 2. The limited liability company law is amended by adding a new section 1105 to read as follows:

§ 1105. Limited liability geology company. (a) Prior to the first day of March, two thousand eighteen, the state education department and the department of state shall allow an existing limited liability company organized under article two of this chapter to become a professional service limited liability company as defined in article twelve of this chapter for the purpose of practicing professional geology, provided the limited liability company meet all of the requirements to become a professional service limited liability company, including that the name of a professional service limited liability company shall end with the words "Professional Limited Liability Company" or "Limited Liability Company", or the abbreviations "P.L.L.C.", "PLLC", "L.L.C.", or "LLC" by amending its articles of organization so that it contains the following:

(1) the names and residence addresses of all individuals who are to be the original members and the original managers, if any;

(2) a statement that the professional limited liability company is formed pursuant to section twelve hundred three of the limited liability company law; and

(3) a statement that the amendment shall not effect a dissolution of the limited liability company, but shall be deemed a continuation of its existence, without affecting its then existing property rights or liabilities or the liabilities of its members or officers as such, but thereafter it shall have only such rights, powers and privileges, and be subject only to such other duties and liabilities, as a professional service limited liability company created for the same purposes under this article.

(b) The certificate of amendment shall have attached thereto a certificate or certificates issued by the licensing authority certifying that each of the proposed members and managers listed:

(1) is authorized by law to practice a profession which the professional service limited liability company is organized to practice and, if applicable, that one or more of such individuals is authorized to practice each profession which the professional service limited liability company will be authorized to practice; and

(2) has been deemed to be of good moral character as may be established by the regulations of the commissioner of education.

(c) The certificate of amendment shall also have attached thereto a tax clearance issued by the department of taxation and finance certifying that the existing limited liability company is current with respect to payment of its state tax liabilities.

(d) Notwithstanding any provision of law to the contrary, any company formed under this section shall be required to comply with all applicable laws, rules, or regulations relating to the practice of a profession under title eight of the education law.

§ 3. Section 28 of chapter 475 of the laws of 2014 amending the education law, the business corporation law and other laws relating to providing for the licensing of the profession of geology, as amended by chapter 9 of the laws of 2015, is amended to read as follows:

§ 28. This act shall take effect two years after the date on which it shall have become a law; provided however that:

a. the authority of the commissioner to promulgate regulations and the board of regents to appoint board members, and take any other action necessary for the implementation of this act shall take effect immediately; and

b. provided further that section ten of this act and section 7204-b of the education law as added by section three of this act shall take

effect March 1, 2018.

CHAP. 260

4

§ 4. This act shall take effect immediately; provided, however, that sections one and two of this act shall take effect on the same date and in the same manner as chapter 475 of the laws of 2014 takes effect.

The Legislature of the STATE OF NEW YORK ss:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOHN J. FLANAGAN
Temporary President of the Senate

CARL E. HEASTIE
Speaker of the Assembly