



Design Professional Service Corporations (D.P.C.) by Michael Vardaro

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New York is on the verge of amending its laws regulating professional corporations to permit a new "Design Professional Service Corporation" (D.P.C.). This new form would require that "greater than seventy-five percent" of the outstanding shares be owned by licensed design professional. In addition "greater than seventy-five percent" of the officers and directors must be licensed. Thus, there is a less than 25% interest that can be made up of non-licensed individuals. (The president, CEO and chairman must also be licensed individuals).

The bill (A-4581) passed the New York State Assembly on Monday, June 6, 2011, having previously been passed in a Senate vote on March 10, 2011. The bill now gets presented to Governor Cuomo for signature. If he signs it, as many believe he will, the law will take effect on January 1, 2012. Currently, New York Law does not permit non-licensed individuals or entities to own any portion of a firm that provides professional architecture, engineering, landscape architecture, or land surveying services in New York.

ATTORNEYS

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