No. 1998-31

AN ACT

HB 1291

Amending the act of December 14, 1982 (P.L.1227, No.281), entitled "An act regulating the practice of architecture in the Commonwealth of Pennsylvania; providing for the examination and licensure of architects by a State Architects Licensure Board; and providing penalties," adding definitions; further providing for firm practice, for permitted practices and for unauthorized practice; and making editorial changes.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 3 of the act of December 14, 1982 (P.L.1227, No.281), known as the Architects Licensure Law, is amended by adding definitions to read:

Section 3. Definitions.

The following words and phrases when used in this act shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

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"Design-build." A project delivery method whereby a design-build entity signs a single contract to provide a combination of architectural and construction services to a client.

"Design-build entity." An entity which provides by single contract to a client a combination of architectural and construction services.

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- Section 2. Sections 13, 15 and 18(b) of the act are amended to read: Section 13. Firm practice.
- (a) An individual architect or a group of architects in Pennsylvania may practice architecture in one of the following forms of architectural firms:
 - (1) sole proprietorship;
 - (2) partnership;
 - (3) professional association;
 - (4) professional corporation; [or]
 - (5) business corporation[.];
 - (6) limited liability company; or
 - (7) limited liability partnership.
- (b) A partnership may engage in the practice of architecture in Pennsylvania provided it complies with the provisions of [59 Pa.C.S. Ch. 3] 15 Pa.C.S. Ch. 83 (relating to general partnerships) and that it also satisfies the following requirements:

- (1) At least two-thirds of the partners are licensed under the laws of any state to practice architecture, engineering or landscape architecture.
- (2) At least one-third of the partners are licensed under the laws of any state to practice architecture.
- (c) A professional association may engage in the practice of architecture in Pennsylvania provided it complies with the provisions of [the act of August 7, 1961 (P.L.941, No.416), known as the "Professional Association Act,"] 15 Pa.C.S. Ch. 93 (relating to professional associations) and must also satisfy the following requirements:
 - (1) At least two-thirds of the members of the board of governors are licensed under the laws of any state to practice architecture, engineering or landscape architecture.
 - (2) At least one-third of the members of the board of governors are licensed under the laws of any state to practice architecture.
- (d) A professional corporation shall comply with the provisions of [the act of July 9, 1970 (P.L.461, No.160), known as the "Professional Corporation Law."] 15 Pa.C.S. Ch. 29 (relating to professional corporations).
- (e) A business corporation may engage in the practice of architecture in Pennsylvania, provided that it complies with [the act of May 5, 1933 (P.L.364, No.106), known as the "Business Corporation Law,"] the provisions of 15 Pa.C.S. Pt. II Subpt. B (relating to business corporations) and that it also satisfies the following requirements:
 - (1) At least two-thirds of the directors are licensed under the laws of any state to practice architecture, engineering or landscape architecture.
 - (2) At least one-third of the directors are licensed under the laws of any state to practice architecture.
 - (3) At least two-thirds of all classes of voting stock issued and outstanding at any one time shall be owned by an individual or individuals licensed under the laws of any state to practice architecture, engineering or landscape architecture.
 - (4) At least one-third of all classes of voting stock issued and outstanding at any one time shall be owned by an individual or individuals licensed under the laws of any state to practice architecture.
- (f) A limited liability company may engage in the practice of architecture in this Commonwealth provided that it complies with the provisions of 15 Pa.C.S. Ch. 89 (relating to limited liability companies) and that it also satisfies the following requirements:
 - (1) At least two-thirds of the members if managed by members or at least two-thirds of the managers if managed by managers are licensed under the laws of any state to practice architecture, engineering or landscape architecture.
 - (2) At least one-third of the members if managed by members or at least one-third of the managers if managed by managers are licensed under the laws of any state to practice architecture.

- (3) At least two-thirds of all classes of voting membership at any one time shall be owned by an individual or individuals licensed under the laws of any state to practice architecture, engineering or landscape architecture.
- (4) At least one-third of all classes of voting membership at any one time shall be owned by an individual or individuals licensed under the laws of any state to practice architecture.
- (g) A partnership which has elected to be a limited liability partnership and to be governed by the provisions of 15 Pa.C.S. Ch. 82 (relating to registered limited liability partnerships) may engage in the practice of architecture in this Commonwealth provided it complies with the provisions of 15 Pa.C.S. Ch. 82 and that it also satisfies the following requirements:
 - (1) At least two-thirds of the partners are licensed under the laws of any state to practice architecture, engineering or landscape architecture.
 - (2) At least one-third of the partners are licensed under the laws of any state to practice architecture.
- [(f)] (h) A partnership, professional association [or], corporation, limited liability company or limited liability partnership engaged in the practice of architecture having fewer than three partners, governors, shareholders or directors, members or managers under this section shall have at least one partner, governor, shareholder or director, member or manager who is an individual duly certified to practice architecture in the Commonwealth pursuant to this act.
- [(g)] (i) Each project undertaken by a firm engaged in the practice of architecture in the Commonwealth of Pennsylvania must be under the personal supervision of a partner in the case of a partnership or limited liability partnership, a member of the board of governors in the case of a professional association, a shareholder in the case of a professional corporation, [or] a director in the case of a business corporation[,] or member or manager in the case of limited liability company who holds a certificate to engage in the practice of architecture in this Commonwealth pursuant to this act. The seal of such individuals must appear on all drawings, specifications and other design documents issued by the firm for such projects.
- [(h)] (j) The board shall by promulgation of rules and regulations, require any partnership, professional association, professional corporation [or], business corporation, limited liability company or limited liability partnership practicing architecture in this State to file with the board information concerning its officers, directors, partners, professional association board of governors, beneficial owners, members or managers and such other aspects of its organization as the board deems appropriate. In the administration of this subsection, the board may require each partnership, professional association, professional corporation [or], business corporation, limited liability company or limited liability partnership to pay an annual filing fee

in the amount determined by the board by promulgation of rules and regulations.

- [(i)] (k) No corporation, professional association [or], partnership, limited liability company or limited liability partnership may perform any act relating to the practice of architecture which an individual architect is prohibited from doing.
- [(j)] (l) Nothing in this section shall be construed to prevent the practice of architecture by an individual as an employee of a person, partnership or corporation which is not an architectural firm, provided such individual holds a certificate to practice architecture in the Commonwealth in conformity with the provisions of this act and the architect's seal is affixed to all documents prepared by him or under his personal supervision for use in this Commonwealth.
- (m) An architectural firm authorized to practice under subsections (a) through (i) will be allowed to offer design-build services consistent with the provisions of section 15(9).

Section 15. Permitted practices.

Nothing contained in this act shall be construed to prohibit:

- (1) Persons acting under the personal supervision of an architect from carrying out their normal duties in the preparation of drawings, specifications and other design and construction documents or in administering construction contracts or in performing construction management services.
- (2) Engineers registered under the act of May 23, 1945 (P.L.913, No.367), known as the "Professional Engineers Registration Law," as amended, from performing the services for which they are duly licensed or from performing such services included in the practice of architecture as may be incidental to their engineering work.
- (3) The preparation of any shop drawings or the performance of construction management services by persons customarily engaged in construction work.
- (4) The preparation of any drawings or other design documents [by an individual for a single-family residence of any size or cost which is to be used by such individual as his or her home.] for detached one-family or two-family dwellings not more than three stories in height and their accessory structures.
- (5) The preparation of any drawings or other design documents for any utility or farm structure when such utility or farm structure is used in connection with a farm residence.
- (6) The preparation of any drawings or other design documents for the remodeling or alteration of a building not involving structural or egress changes or additions thereto, provided that the author of such plans or other design documents shall not receive any compensation as the author thereof.

- (7) Officers and employees of the Government of the United States, while engaged within this Commonwealth, in the practice of architecture for said government.
- (8) Any person while in the regular employment of any railroad, telephone or telegraph company engaged in interstate commerce.
- (9) Design-build services strictly in accordance with the following practices: a design-build entity not authorized to practice under section 13(a) through (i) may offer design-build services if the architectural services in the design-build process are provided in accordance with the following:
 - (i) An architectural firm which has been authorized to practice architecture in this Commonwealth under section 13(a) through (i) shall independently contract with a design-build entity and is responsible for all material aspects of the practice of architecture as defined in section 3.
 - (ii) At the time a design-build entity offers a written design-build proposal for a specific project, the design-build entity shall give a written disclosure to the client stating an architect will be engaged by and will be contractually responsible to the design-build entity offering design-build services and will not be responsible to the client.
 - (iii) The design-build entity shall agree that the architect will have direct supervision of the architectural work.
 - (iv) The contract between the design-build entity and the client shall set forth the name of the architectural firm which will be contractually responsible to the design-build entity for providing architectural services.

Section 18. Unauthorized practice prohibited.

(b) Except as provided in section 9(c) and (d), no partnership, professional association [or], corporation, limited liability company or limited liability partnership shall engage in the practice or offer to engage in the practice of architecture in this Commonwealth, or use any title, sign, card or device implying that such partnership, professional association [or], corporation, limited liability company or limited partnership is competent to engage in the practice of architecture, unless such partnership, professional association [or], corporation, limited liability company or limited liability partnership complies with section 13.

Section 3. This act shall take effect in 60 days.

APPROVED—The 18th day of February, A.D. 1998.

THOMAS J. RIDGE