



2020 South Dakota Legislature
House Bill 1114
ENROLLED

AN ACT

ENTITLED An Act to authorize additional abbreviations in naming corporations, limited liability companies, and limited liability partnerships.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 47-11-2 be AMENDED:

47-11-2. Corporate name.

A corporate name shall end with the word "chartered," or, the word "limited," or the abbreviation "Ltd.," or the words "professional association," or the abbreviation "P.C." or "PC". Corporations that were utilizing the designation "P.A." on July 1, 1974, but no others, may continue to use that designation. A limited liability company name shall include the word "professional limited liability company" or the abbreviation "Prof. L.L.C.", "Prof. LLC", "P.L.L.C.", or "PLLC".

Section 2. That § 47-11A-4 be AMENDED:

47-11A-4. Words or abbreviations required in corporate name--Ethical standards.

The name of a corporation formed under § 47-11A-1 shall contain the words "professional company" or "professional corporation" or abbreviations thereof, such as "Prof. Co.," "Prof. Corp.," "P.C.," or "PC". The name of a limited liability company formed under § 47-11A-1 shall contain the words "professional limited liability company" or the abbreviation "Prof. L.L.C.", "Prof. LLC", "P.L.L.C.", or "PLLC". In addition, the name of the corporation or limited liability company shall always meet the ethical standards established for the names of chiropractic firms by the canons of professional ethics of the South Dakota Chiropractors Association as if all the stockholders of the corporation or members of the limited liability company were partners.

Section 3. That § 47-11B-2 be AMENDED:

47-11B-2. Corporate name--Ethical standards.

The corporate name shall contain the words "professional company" or "professional corporation" or abbreviations thereof, such as "Prof. Co.", "Prof. Corp.", "P.C.", "PC", or "Prof. Ltd." The name of a professional limited liability company shall contain the words "professional limited liability company" or the abbreviation "Prof. L.L.C.", "Prof. LLC", "P.L.L.C.", or "PLLC". In addition, the name of the corporation or limited liability company shall always meet the ethical standards established by the State Board of Examiners in Optometry by duly adopted rules and regulations.

Section 4. That § 47-11C-2 be AMENDED:

47-11C-2. Corporate name--Ethical standards.

The corporate name shall contain the words "professional company" or "professional corporation" or abbreviations thereof, such as "Prof. Co.," "Prof. Corp.," "P.C.," "PC", or "Prof. Ltd." A limited liability company name shall contain the words "professional limited liability company" or the abbreviation "Prof. L.L.C.", "Prof. LLC", "P.L.L.C.", or "PLLC". In addition, the name of the corporation or limited liability company shall always meet the ethical standards established by the State Board of Podiatry Examiners by duly adopted rules and regulations.

Section 5. That § 47-11D-2 be AMENDED:

47-11D-2. Corporate name.

The name of a corporation shall contain the words, professional company, or professional corporation, or abbreviations thereof, such as Prof. Co., Prof. Corp., P.C., PC, or Prof. Ltd. The name of a limited liability company formed under § 47-11D-1 shall contain the words, professional limited liability company, or the abbreviation, Prof. L.L.C., Prof. LLC, P.L.L.C., or PLLC.

Section 6. That § 47-11E-4 be AMENDED:

47-11E-4. Name of corporation or limited liability company.

The name of a corporation formed pursuant to § 47-11E-1 shall contain the words, professional company or professional corporation or abbreviations thereof, such as Prof. Co., Prof. Corp., P.C., or PC. The name of a limited liability company formed under § 47-11E-1 shall contain the words, professional limited liability company, or the abbreviation, Prof. L.L.C., Prof. LLC, P.L.L.C., or PLLC. The name of the corporation or limited liability

company shall always meet the ethical standards established for the names of nursing firms by the canons of professional ethics of the South Dakota Board of Nursing as if all the stockholders of the corporation were partners.

Section 7. That § 47-11F-11 be AMENDED:

47-11F-11. Corporate name.

The corporate name of a corporation formed pursuant to this chapter shall end with the words, Professional Corporation, or the abbreviation, P.C. or PC, or the word, Limited, or the abbreviation, Ltd. The name of any limited liability company shall end with the words, Professional Limited Liability Company, or the abbreviation, Prof. L.L.C., Prof. LLC, P.L.L.C., or PLLC, or the words, Limited Liability Company, or the abbreviation, L.L.C. or LLC. The name of any limited liability partnership shall end with the words, Professional Limited Liability Partnership, or the abbreviation, P.L.L.P. or PLLP, or the words, Limited Liability Partnership, or the abbreviation, L.L.P. or LLP.

Section 8. That § 47-13-2 be AMENDED:

47-13-2. Corporate name.

The corporate name shall end with the word "chartered," or the word "limited," or the abbreviation "Ltd.," or the words "professional association," or the abbreviation "P.C." or "PC". Corporations that were utilizing the designation "P.A." on July 1, 1974, but no others, may continue to use that designation. The name of a limited liability company shall contain the words "professional limited liability company" or the abbreviation "Prof. L.L.C.", "Prof. LLC", "P.L.L.C.", or "PLLC".

Section 9. That § 47-13A-2 be AMENDED:

47-13A-2. Contents of articles of incorporation.

The articles of incorporation of such corporations shall contain provisions complying with the following requirements:

- (1) The name of a corporation shall contain the words "professional company" or "professional corporation" or abbreviations thereof, such as "Prof. Co.," "Prof. Corp.," "P.C.," or "PC". The name of a limited liability company shall contain the words "professional limited liability company" or the abbreviation "Prof. L.L.C.", "Prof. LLC", "P.L.L.C.", "PLLC". In addition, the name of the corporation shall always meet the ethical standards established for the names of law firms by the Rules of

Professional Conduct of the Supreme Court of South Dakota as if all the stockholders of the corporation were partners.

- (2) The corporation shall be organized solely for the purpose of conducting the practice of law only through persons qualified to practice law in the State of South Dakota.
- (3) The corporation may exercise the powers and privileges conferred upon corporations by the laws of the State of South Dakota only in furtherance of and subject to its corporate purpose.
- (4) All shareholders of the corporation shall be persons duly licensed by the Supreme Court of the State of South Dakota to practice law in the State of South Dakota, and who at all times own their shares in their own right. They shall be individuals who, except for illness, accident, time spent in the armed services, on vacations, and on leaves of absence not to exceed one year, are actively engaged in the practice of law in the offices of the corporation.
- (5) Provisions shall be made requiring any shareholder who ceases to be eligible to be a shareholder to dispose of all his shares forthwith either to the corporation or to any person having the qualifications prescribed in subdivision (4).
- (6) The president shall be a shareholder and a director, and to the extent possible all other directors and officers shall be persons having the qualifications prescribed in subdivision (4). Lay directors and officers may not exercise any authority whatsoever over professional matters.
- (7) Repealed by SL 2005, ch 240, § 9.

Section 10. That § 47-13B-4 be AMENDED:

47-13B-4. Corporate name.

The name of the corporation shall contain words "professional company," or "professional corporation" or abbreviations thereof, such as "Prof. Co.," "Prof. Corp.," "P.C.," "PC," "Incorporated," "Corporation," "Corp.," "Association," "Ltd.," "Chartered," or "Inc." The name of a limited liability company shall contain the words "professional limited liability company" or the abbreviation "Prof. L.L.C.," "Prof. LLC", "P.L.L.C.", or "PLLC". In addition, any name of a corporation or limited liability company shall always meet the ethical standards established for the names of professional accounting firms by the board of the State of South Dakota, and in accordance with the code of professional ethics of the American Institute of Certified Public Accountants.

An Act to authorize additional abbreviations in naming corporations, limited liability companies, and limited liability partnerships.

I certify that the attached Act originated in
the:
House as Bill No. 1114

Received at this Executive Office
this ____ day of _____,
2020 at _____ M.

Chief Clerk

By _____
for the Governor

Speaker of the House

The attached Act is hereby
approved this _____ day of
_____, A.D., 2020

Attest:

Chief Clerk

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

President of the Senate

Attest:

Filed _____, 2020
at _____ o'clock __ M.

Secretary of the Senate

Secretary of State

House Bill No. 1114
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State