

MAINE STATE LEGISLATURE

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L.D. 311

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 231, L.D. 311, Bill, "An Act to Clarify Professional Liability"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 13 MRSA §708, as enacted by PL 1969, c. 411, is repealed.

Sec. 2. 13 MRSA §708-A is enacted to read:

§708-A. Interpretation; liability

1. Relationship between a professional and a recipient of services. This chapter does not modify the liability of a person rendering professional service and a person receiving professional service.

2. Shareholder liability for debts and claims. Except as provided in subsection 3, the liability of shareholders for the debts of and claims against a professional corporation is the same as that of shareholders of a business corporation.

3. Shareholder liability arising from rendering professional service. A shareholder is jointly and severally liable for claims arising from the rendering of a professional service by a professional corporation if that shareholder:

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COMMITTEE AMENDMENT "A" to H.P. 231, L.D. 311

A. Personally and directly participated in rendering that portion of a professional service that was performed negligently or in breach of any other legal duty; or

B. Supervised or controlled that portion of a professional service rendered by another person that was performed negligently or in breach of any other legal duty.'

STATEMENT OF FACT

This amendment replaces the bill, but carries out the purpose of the original bill. This amendment rewrites the liability section of the Professional Service Corporation Act to clearly state the effect the Act has on the relationship between the provider and the recipient of professional service, the liability for the debts of and claims against the professional service corporation and the liability of shareholders when there is a claim that professional service was rendered negligently or in breach of any other legal duty. This amendment makes clear that a shareholder is not liable for a claim that a professional service was rendered negligently or in breach of a legal duty unless that shareholder was involved in the rendering of the service in either of 2 ways:

1. The shareholder personally and directly participated in rendering that portion of the service that gave rise to the claim; or

2. The shareholder supervised or controlled that portion of the professional service rendered by another person that was performed negligently or in breach of any other legal duty.