

Regular Session, 2004

HOUSE BILL NO. 410

BY REPRESENTATIVE BALDONE

CRIMINAL/PROCEDURE: Provides for corporate criminal liability in felony cases

1 AN ACT

2 To amend and reenact R.S. 14:24, relative to corporate criminal liability; to provide that a  
3 corporation may be a principal in a felony case; to provide for the types of prohibited  
4 acts; to provide for who may commit those acts; to provide for what circumstances  
5 will not be a defense; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 14:24 is hereby amended and reenacted to read as follows:

8 §24. Principals

9 A. All persons concerned in the commission of a crime, whether present or  
10 absent, and whether they directly commit the act constituting the offense, aid and  
11 abet in its commission, or directly or indirectly counsel or procure another to commit  
12 the crime, are principals.

13 B. A person which is a business corporation or a foreign business  
14 corporation, as defined in R.S. 12:1, may be convicted as a principal of any felony  
15 offense committed in furtherance of its affairs on the basis of conduct authorized,  
16 requested, commanded, ratified, or recklessly tolerated in violation of a duty to  
17 maintain effective supervision of corporate affairs by any of the following or a  
18 combination of them:

19 (1) The board of directors.

20 (2) An executive officer or any other agent in a position of comparable  
21 authority with respect to the formulation of corporate policy or the supervision in a  
22 managerial capacity of subordinate employees.

1           (3) Any person, whether or not an officer of the corporation, who controls  
2           the corporation or is responsibly involved in forming its policy.

3           (4) Any other person for whose act or omission the statute defining the  
4           offense provides corporate responsibility for offenses.

5           C. It shall not be a defense that a natural person upon whose conduct liability  
6           of the corporation for the offense is based has been acquitted, has not been  
7           prosecuted or convicted, or has been convicted of a different offense, or is immune  
8           from prosecution, or is otherwise not subject to justice.

---

#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

---

Baldone

HB No. 410

**Abstract:** Provides that a business corporation may be subject to criminal liability in a felony case. Provides for the actions and who commits them, that may subject a corporation to criminal liability. Provides for what circumstances do not qualify as a defense.

Present law defines principals in the commission of a crime.

Proposed law retains the provisions of present law and adds provisions that provide that a business corporation may be a principal in a felony case.

Proposed law further provides that a person which is a business corporation or a foreign business corporation, may be convicted as a principal of any felony offense committed in furtherance of its affairs on the basis of conduct authorized, requested, commanded, ratified, or recklessly tolerated in violation of a duty to maintain effective supervision of corporate affairs, by any of the following or a combination of them:

- (1) The board of directors.
- (2) An executive officer or any other agent in a position of comparable authority with respect to the formulation of corporate policy or the supervision in a managerial capacity of subordinate employees.
- (3) Any person, whether or not an officer of the corporation, who controls the corporation or is responsibly involved in forming its policy.
- (4) Any other person for whose act or omission the statute defining the offense provides corporate responsibility for offenses.

Proposed law provides what circumstances will not provide for a defense.

(Amends R.S. 14:24)