

May 15, 2025

Re: Policy Advisory Opinion Regarding The Limits on Foreign Based Engineering Firms
Offering Services in Texas (Policy Advisory Request No. 72)

The Texas Board of Professional Engineers and Land Surveyors (Board) met in public session on May 15, 2005 and approved this policy advisory opinion regarding the limits on foreign based engineering firms offering services in Texas. The anonymous request was received by the Board on March 1, 2025.

The requestor seeks guidance on the following issues:

- Is it permissible for a foreign engineering company that is not registered with the Board and does not have Texas-licensed professional engineers on staff to offer services in Texas? The only presence of the company in Texas is a sales and administration office and the company would subcontract engineering services to a local Texas based engineering firm registered with the Board.
- Is it permissible for a foreign engineering company registered with the Board to offer services in Texas if it only has a minimal staff of Texas-licensed professional engineers on staff and can that company then subcontract engineering services to a local Texas based engineering firm registered with the Board?

The Texas Engineering Practice Act (the Act) and Board rules do not differentiate between engineering firms based on where they are located. As such, there are not different requirements for firms based in Texas, based in another state, or based outside of the United States. As such, the following requirements apply to all engineering firms in Texas:

- Per the Act, a business may not engage in or offer to engage in the practice of engineering for Texas-based projects unless the firm is registered with Board and the practice of engineering is carried out by a professional engineer employed by the firm (See Sections 1001.301 and 1001.405).
- Professional engineers are allowed to accept an assignment which includes phases outside the engineer's area of competence if those other phases are performed by qualified licensed professionals, consultants, associates, or employees (See Section 137.59 of the Board's rules).

Analysis:

In the first scenario presented, an engineering company that is not registered with the Board and does not employ any Texas-licensed professional engineers, regardless of where the company is located, may not offer engineering services for engineering projects located in Texas.

In the second scenario, any engineering firm that is registered in Texas and employs Texas-licensed professional engineers (a prerequisite to being a registered firm) can offer engineering services in Texas. Further, it would not be a violation of Board rules for a registered firm A to subcontract engineering services to another registered engineering firm B in Texas. If an engineer working for Firm A supervises the engineering work done by Firm B and is competent in the

engineering work being done, the engineer working for Firm A could sign and seal the work. The engineer working for Firm B that actually does the work could also sign and seal the work and provide it to Firm A under their contractual arrangement to provide services.

Conclusion:

No new Policy Advisory Opinion will be developed for this request as the Act and Board rules adequately address the questions posed.

If you have any further questions, please contact Mr. Michael Sims, P.E., Director of Compliance & Enforcement at 512.440.7723.

Sincerely,

A handwritten signature in black ink, appearing to read "Lance Kinney", with a stylized flourish at the end.

Lance Kinney, Ph.D., P.E.
Executive Director

LK:MZS