

STATE OF NEW YORK

5715

2017-2018 Regular Sessions

IN SENATE

April 26, 2017

Introduced by Sen. FUNKE -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the limited liability company law and the partnership law, in relation to permitting licensed clinical social workers, licensed psychiatrists and licensed psychologists

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision (a) of section 1203 of the limited liability
2 company law, as amended by chapter 475 of the laws of 2014, is amended
3 to read as follows:
4 (a) Notwithstanding the education law or any other provision of law,
5 one or more professionals each of whom is authorized by law to render a
6 professional service within the state, or one or more professionals, at
7 least one of whom is authorized by law to render a professional service
8 within the state, may form, or cause to be formed, a professional
9 service limited liability company for pecuniary profit under this arti-
10 cle for the purpose of rendering the professional service or services as
11 such professionals are authorized to practice. With respect to a profes-
12 sional service limited liability company formed to provide medical
13 services as such services are defined in article 131 of the education
14 law, each member of such limited liability company must be licensed
15 pursuant to article 131 of the education law to practice medicine in
16 this state except as provided herein. With respect to a professional
17 service limited liability company formed to provide dental services as
18 such services are defined in article 133 of the education law, each
19 member of such limited liability company must be licensed pursuant to
20 article 133 of the education law to practice dentistry in this state.
21 With respect to a professional service limited liability company formed
22 to provide veterinary services as such services are defined in article
23 135 of the education law, each member of such limited liability company

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD09112-01-7

1 must be licensed pursuant to article 135 of the education law to prac-
2 tice veterinary medicine in this state. With respect to a professional
3 service limited liability company formed to provide professional engi-
4 neering, land surveying, architectural, landscape architectural and/or
5 geological services as such services are defined in article 145, article
6 147 and article 148 of the education law, each member of such limited
7 liability company must be licensed pursuant to article 145, article 147
8 and/or article 148 of the education law to practice one or more of such
9 professions in this state. With respect to a professional service limit-
10 ed liability company formed to provide licensed clinical social work
11 services as such services are defined in article 154 of the education
12 law, each member of such limited liability company shall be licensed
13 pursuant to article 154 of the education law to practice licensed clin-
14 ical social work in this state or licensed pursuant to article 131 of
15 the education law to practice psychiatry in this state or licensed
16 pursuant to article 153 of the education law to practice psychology in
17 this state. With respect to a professional service limited liability
18 company formed to provide creative arts therapy services as such
19 services are defined in article 163 of the education law, each member of
20 such limited liability company must be licensed pursuant to article 163
21 of the education law to practice creative arts therapy in this state.
22 With respect to a professional service limited liability company formed
23 to provide marriage and family therapy services as such services are
24 defined in article 163 of the education law, each member of such limited
25 liability company must be licensed pursuant to article 163 of the educa-
26 tion law to practice marriage and family therapy in this state. With
27 respect to a professional service limited liability company formed to
28 provide mental health counseling services as such services are defined
29 in article 163 of the education law, each member of such limited liabil-
30 ity company must be licensed pursuant to article 163 of the education
31 law to practice mental health counseling in this state. With respect to
32 a professional service limited liability company formed to provide
33 psychoanalysis services as such services are defined in article 163 of
34 the education law, each member of such limited liability company must be
35 licensed pursuant to article 163 of the education law to practice
36 psychoanalysis in this state. With respect to a professional service
37 limited liability company formed to provide applied behavior analysis
38 services as such services are defined in article 167 of the education
39 law, each member of such limited liability company must be licensed or
40 certified pursuant to article 167 of the education law to practice
41 applied behavior analysis in this state. In addition to engaging in such
42 profession or professions, a professional service limited liability
43 company may engage in any other business or activities as to which a
44 limited liability company may be formed under section two hundred one of
45 this chapter. Notwithstanding any other provision of this section, a
46 professional service limited liability company (i) authorized to prac-
47 tice law may only engage in another profession or business or activities
48 or (ii) which is engaged in a profession or other business or activities
49 other than law may only engage in the practice of law, to the extent not
50 prohibited by any other law of this state or any rule adopted by the
51 appropriate appellate division of the supreme court or the court of
52 appeals.

53 § 2. Subdivision (b) of section 1207 of the limited liability company
54 law, as amended by chapter 475 of the laws of 2014, is amended to read
55 as follows:

1 (b) With respect to a professional service limited liability company
2 formed to provide medical services as such services are defined in arti-
3 cle 131 of the education law, each member of such limited liability
4 company must be licensed pursuant to article 131 of the education law to
5 practice medicine in this state except as provided herein. With respect
6 to a professional service limited liability company formed to provide
7 dental services as such services are defined in article 133 of the
8 education law, each member of such limited liability company must be
9 licensed pursuant to article 133 of the education law to practice
10 dentistry in this state. With respect to a professional service limited
11 liability company formed to provide veterinary services as such services
12 are defined in article 135 of the education law, each member of such
13 limited liability company must be licensed pursuant to article 135 of
14 the education law to practice veterinary medicine in this state. With
15 respect to a professional service limited liability company formed to
16 provide professional engineering, land surveying, architectural, land-
17 scape architectural and/or geological services as such services are
18 defined in article 145, article 147 and article 148 of the education
19 law, each member of such limited liability company must be licensed
20 pursuant to article 145, article 147 and/or article 148 of the education
21 law to practice one or more of such professions in this state. With
22 respect to a professional service limited liability company formed to
23 provide licensed clinical social work services as such services are
24 defined in article 154 of the education law, each member of such limited
25 liability company shall be licensed pursuant to article 154 of the
26 education law to practice licensed clinical social work in this state or
27 licensed pursuant to article 131 of the education law to practice
28 psychiatry in this state or licensed pursuant to article 153 of the
29 education law to practice psychology in this state. With respect to a
30 professional service limited liability company formed to provide crea-
31 tive arts therapy services as such services are defined in article 163
32 of the education law, each member of such limited liability company must
33 be licensed pursuant to article 163 of the education law to practice
34 creative arts therapy in this state. With respect to a professional
35 service limited liability company formed to provide marriage and family
36 therapy services as such services are defined in article 163 of the
37 education law, each member of such limited liability company must be
38 licensed pursuant to article 163 of the education law to practice
39 marriage and family therapy in this state. With respect to a profes-
40 sional service limited liability company formed to provide mental health
41 counseling services as such services are defined in article 163 of the
42 education law, each member of such limited liability company must be
43 licensed pursuant to article 163 of the education law to practice mental
44 health counseling in this state. With respect to a professional service
45 limited liability company formed to provide psychoanalysis services as
46 such services are defined in article 163 of the education law, each
47 member of such limited liability company must be licensed pursuant to
48 article 163 of the education law to practice psychoanalysis in this
49 state. With respect to a professional service limited liability company
50 formed to provide applied behavior analysis services as such services
51 are defined in article 167 of the education law, each member of such
52 limited liability company must be licensed or certified pursuant to
53 article 167 of the education law to practice applied behavior analysis
54 in this state.

§ 3. Subdivision (a) of section 1301 of the limited liability company law, as amended by chapter 475 of the laws of 2014, is amended to read as follows:

(a) "Foreign professional service limited liability company" means a professional service limited liability company, whether or not denominated as such, organized under the laws of a jurisdiction other than this state, (i) each of whose members and managers, if any, is a professional authorized by law to render a professional service within this state and who is or has been engaged in the practice of such profession in such professional service limited liability company or a predecessor entity, or will engage in the practice of such profession in the professional service limited liability company within thirty days of the date such professional becomes a member, or each of whose members and managers, if any, is a professional at least one of such members is authorized by law to render a professional service within this state and who is or has been engaged in the practice of such profession in such professional service limited liability company or a predecessor entity, or will engage in the practice of such profession in the professional service limited liability company within thirty days of the date such professional becomes a member, or (ii) authorized by, or holding a license, certificate, registration or permit issued by the licensing authority pursuant to, the education law to render a professional service within this state; except that all members and managers, if any, of a foreign professional service limited liability company that provides health services in this state shall be licensed in this state. With respect to a foreign professional service limited liability company which provides veterinary services as such services are defined in article 135 of the education law, each member of such foreign professional service limited liability company shall be licensed pursuant to article 135 of the education law to practice veterinary medicine. With respect to a foreign professional service limited liability company which provides medical services as such services are defined in article 131 of the education law, each member of such foreign professional service limited liability company must be licensed pursuant to article 131 of the education law to practice medicine in this state except as provided herein. With respect to a foreign professional service limited liability company which provides dental services as such services are defined in article 133 of the education law, each member of such foreign professional service limited liability company must be licensed pursuant to article 133 of the education law to practice dentistry in this state. With respect to a foreign professional service limited liability company which provides professional engineering, land surveying, geologic, architectural and/or landscape architectural services as such services are defined in article 145, article 147 and article 148 of the education law, each member of such foreign professional service limited liability company must be licensed pursuant to article 145, article 147 and/or article 148 of the education law to practice one or more of such professions in this state. With respect to a foreign professional service limited liability company which provides licensed clinical social work services as such services are defined in article 154 of the education law, each member of such foreign professional service limited liability company shall be licensed pursuant to article 154 of the education law to practice clinical social work in this state or licensed pursuant to article 131 of the education law to practice psychiatry in this state or licensed pursuant to article 153 of the education law to practice psychology in this state. With respect to a foreign profes-

1 sional service limited liability company which provides creative arts
2 therapy services as such services are defined in article 163 of the
3 education law, each member of such foreign professional service limited
4 liability company must be licensed pursuant to article 163 of the educa-
5 tion law to practice creative arts therapy in this state. With respect
6 to a foreign professional service limited liability company which
7 provides marriage and family therapy services as such services are
8 defined in article 163 of the education law, each member of such foreign
9 professional service limited liability company must be licensed pursuant
10 to article 163 of the education law to practice marriage and family
11 therapy in this state. With respect to a foreign professional service
12 limited liability company which provides mental health counseling
13 services as such services are defined in article 163 of the education
14 law, each member of such foreign professional service limited liability
15 company must be licensed pursuant to article 163 of the education law to
16 practice mental health counseling in this state. With respect to a
17 foreign professional service limited liability company which provides
18 psychoanalysis services as such services are defined in article 163 of
19 the education law, each member of such foreign professional service
20 limited liability company must be licensed pursuant to article 163 of
21 the education law to practice psychoanalysis in this state. With respect
22 to a foreign professional service limited liability company which
23 provides applied behavior analysis services as such services are defined
24 in article 167 of the education law, each member of such foreign profes-
25 sional service limited liability company must be licensed or certified
26 pursuant to article 167 of the education law to practice applied behav-
27 ior analysis in this state.

28 § 4. Subdivision (q) of section 121-1500 of the partnership law, as
29 amended by chapter 475 of the laws of 2014, is amended to read as
30 follows:

31 (q) Each partner of a registered limited liability partnership formed
32 to provide medical services in this state must be licensed pursuant to
33 article 131 of the education law to practice medicine in this state
34 except as provided herein and each partner of a registered limited
35 liability partnership formed to provide dental services in this state
36 must be licensed pursuant to article 133 of the education law to prac-
37 tice dentistry in this state. Each partner of a registered limited
38 liability partnership formed to provide veterinary services in this
39 state must be licensed pursuant to article 135 of the education law to
40 practice veterinary medicine in this state. Each partner of a registered
41 limited liability partnership formed to provide professional engineer-
42 ing, land surveying, geological services, architectural and/or landscape
43 architectural services in this state must be licensed pursuant to arti-
44 cle 145, article 147 and/or article 148 of the education law to practice
45 one or more of such professions in this state. Each partner of a regis-
46 tered limited liability partnership formed to provide licensed clinical
47 social work services in this state must be licensed pursuant to article
48 154 of the education law to practice clinical social work in this state
49 or licensed pursuant to article 131 of the education law to practice
50 psychiatry in this state or licensed pursuant to article 153 of the
51 education law to practice psychology in this state. Each partner of a
52 registered limited liability partnership formed to provide creative arts
53 therapy services in this state must be licensed pursuant to article 163
54 of the education law to practice creative arts therapy in this state.
55 Each partner of a registered limited liability partnership formed to
56 provide marriage and family therapy services in this state must be

1 licensed pursuant to article 163 of the education law to practice
2 marriage and family therapy in this state. Each partner of a registered
3 limited liability partnership formed to provide mental health counseling
4 services in this state must be licensed pursuant to article 163 of the
5 education law to practice mental health counseling in this state. Each
6 partner of a registered limited liability partnership formed to provide
7 psychoanalysis services in this state must be licensed pursuant to arti-
8 cle 163 of the education law to practice psychoanalysis in this state.
9 Each partner of a registered limited liability partnership formed to
10 provide applied behavior analysis service in this state must be licensed
11 or certified pursuant to article 167 of the education law to practice
12 applied behavior analysis in this state.

13 § 5. Subdivision (q) of section 121-1502 of the partnership law, as
14 amended by chapter 475 of the laws of 2014, is amended to read as
15 follows:

16 (q) Each partner of a foreign limited liability partnership which
17 provides medical services in this state must be licensed pursuant to
18 article 131 of the education law to practice medicine in the state
19 except as provided herein and each partner of a foreign limited liabil-
20 ity partnership which provides dental services in the state must be
21 licensed pursuant to article 133 of the education law to practice
22 dentistry in this state. Each partner of a foreign limited liability
23 partnership which provides veterinary service in the state shall be
24 licensed pursuant to article 135 of the education law to practice veter-
25 inary medicine in this state. Each partner of a foreign limited liabil-
26 ity partnership which provides professional engineering, land surveying,
27 geological services, architectural and/or landscape architectural
28 services in this state must be licensed pursuant to article 145, article
29 147 and/or article 148 of the education law to practice one or more of
30 such professions. Each partner of a foreign limited liability partner-
31 ship which provides licensed clinical social work services in this state
32 must be licensed pursuant to article 154 of the education law to prac-
33 tice licensed clinical social work in this state or licensed pursuant to
34 article 131 of the education law to practice psychiatry in this state or
35 licensed pursuant to article 153 of the education law to practice
36 psychology in this state. Each partner of a foreign limited liability
37 partnership which provides creative arts therapy services in this state
38 must be licensed pursuant to article 163 of the education law to prac-
39 tice creative arts therapy in this state. Each partner of a foreign
40 limited liability partnership which provides marriage and family therapy
41 services in this state must be licensed pursuant to article 163 of the
42 education law to practice marriage and family therapy in this state.
43 Each partner of a foreign limited liability partnership which provides
44 mental health counseling services in this state must be licensed pursu-
45 ant to article 163 of the education law to practice mental health coun-
46 seling in this state. Each partner of a foreign limited liability part-
47 nership which provides psychoanalysis services in this state must be
48 licensed pursuant to article 163 of the education law to practice
49 psychoanalysis in this state. Each partner of a foreign limited liabil-
50 ity partnership which provides applied behavior analysis services in
51 this state must be licensed or certified pursuant to article 167 of the
52 education law to practice applied behavior analysis in this state.

53 § 6. This act shall take effect immediately.