

STATE OF NEW YORK

6866

2017-2018 Regular Sessions

IN SENATE

September 6, 2017

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the limited liability company law and the partnership law, in relation to permitting licensed clinical social workers, licensed creative arts therapists, licensed marriage and family therapists, licensed mental health counselors and licensed psychoanalysts to form a single corporate structure

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
12 professional 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. With respect to a professional service limited liability
17 company formed to provide dental services as such services are defined
18 in article 133 of the education law, each member of such limited liabil-
19 ity company must be licensed pursuant to article 133 of the education
20 law to practice dentistry in this state. With respect to a professional
21 service limited liability company formed to provide veterinary services
22 as such services are defined in article 135 of the education law, each

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

LBD04863-01-7

1 member of such limited liability company must be licensed pursuant to
2 article 135 of the education law to practice veterinary medicine in this
3 state. With respect to a professional service limited liability company
4 formed to provide professional engineering, land surveying, architec-
5 tural, landscape architectural and/or geological services as such
6 services are defined in article 145, article 147 and article 148 of the
7 education law, each member of such limited liability company must be
8 licensed pursuant to article 145, article 147 and/or article 148 of the
9 education law to practice one or more of such professions in this state.

10 ~~[With respect to a professional service limited liability company formed~~
11 ~~to provide licensed clinical social work services as such services are~~
12 ~~defined in article 154 of the education law, each member of such limited~~
13 ~~liability company shall be licensed pursuant to article 154 of the~~
14 ~~education law to practice licensed clinical social work in this state.~~
15 ~~With respect to a professional service limited liability company formed~~
16 ~~to provide creative arts therapy services as such services are defined~~
17 ~~in article 163 of the education law, each member of such limited liabil-~~
18 ~~ity company must be licensed pursuant to article 163 of the education~~
19 ~~law to practice creative arts therapy in this state. With respect to a~~
20 ~~professional service limited liability company formed to provide~~
21 ~~marriage and family therapy services as such services are defined in~~
22 ~~article 163 of the education law, each member of such limited liability~~
23 ~~company must be licensed pursuant to article 163 of the education law to~~
24 ~~practice marriage and family therapy in this state. With respect to a~~
25 ~~professional service limited liability company formed to provide mental~~
26 ~~health counseling services as such services are defined in article 163~~
27 ~~of the education law, each member of such limited liability company must~~
28 ~~be licensed pursuant to article 163 of the education law to practice~~
29 ~~mental health counseling in this state. With respect to a professional~~
30 ~~service limited liability company formed to provide psychoanalysis~~
31 ~~services as such services are defined in article 163 of the education~~
32 ~~law, each member of such limited liability company must be licensed~~
33 ~~pursuant to article 163 of the education law to practice psychoanalysis~~
34 ~~in this state. With respect to a professional service limited liability~~
35 ~~company formed to provide applied behavior analysis services as such~~
36 ~~services are defined in article 167 of the education law, each member of~~
37 ~~such limited liability company must be licensed or certified pursuant to~~
38 ~~article 167 of the education law to practice applied behavior analysis~~
39 ~~in this state.]~~

40 In addition to engaging in such profession or
41 professions, a professional service limited liability company may engage
42 in any other business or activities as to which a limited liability
43 company may be formed under section two hundred one of this chapter.
44 Notwithstanding any other provision of this section, a professional
45 service limited liability company (i) authorized to practice law may
46 only engage in another profession or business or activities or (ii)
47 which is engaged in a profession or other business or activities other
48 than law may only engage in the practice of law, to the extent not
49 prohibited by any other law of this state or any rule adopted by the
50 appropriate appellate division of the supreme court or the court of
51 appeals.

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

55 (b) With respect to a professional service limited liability company
56 formed to provide medical services as such services are defined in arti-
57 cle 131 of the education law, each member of such limited liability

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

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

51 (a) "Foreign professional service limited liability company" means a
52 professional service limited liability company, whether or not denomi-
53 nated as such, organized under the laws of a jurisdiction other than
54 this state, (i) each of whose members and managers, if any, is a profes-
55 sional authorized by law to render a professional service within this
56 state and who is or has been engaged in the practice of such profession

1 in such professional service limited liability company or a predecessor
2 entity, or will engage in the practice of such profession in the profes-
3 sional service limited liability company within thirty days of the date
4 such professional becomes a member, or each of whose members and manag-
5 ers, if any, is a professional at least one of such members is author-
6 ized by law to render a professional service within this state and who
7 is or has been engaged in the practice of such profession in such
8 professional service limited liability company or a predecessor entity,
9 or will engage in the practice of such profession in the professional
10 service limited liability company within thirty days of the date such
11 professional becomes a member, or (ii) authorized by, or holding a
12 license, certificate, registration or permit issued by the licensing
13 authority pursuant to, the education law to render a professional
14 service within this state; except that all members and managers, if any,
15 of a foreign professional service limited liability company that
16 provides health services in this state shall be licensed in this state.
17 With respect to a foreign professional service limited liability company
18 which provides veterinary services as such services are defined in arti-
19 cle 135 of the education law, each member of such foreign professional
20 service limited liability company shall be licensed pursuant to article
21 135 of the education law to practice veterinary medicine. With respect
22 to a foreign professional service limited liability company which
23 provides medical services as such services are defined in article 131 of
24 the education law, each member of such foreign professional service
25 limited liability company must be licensed pursuant to article 131 of
26 the education law to practice medicine in this state. With respect to a
27 foreign professional service limited liability company which provides
28 dental services as such services are defined in article 133 of the
29 education law, each member of such foreign professional service limited
30 liability company must be licensed pursuant to article 133 of the educa-
31 tion law to practice dentistry in this state. With respect to a foreign
32 professional service limited liability company which provides profes-
33 sional engineering, land surveying, geologic, architectural and/or land-
34 scape architectural services as such services are defined in article
35 145, article 147 and article 148 of the education law, each member of
36 such foreign professional service limited liability company must be
37 licensed pursuant to article 145, article 147 and/or article 148 of the
38 education law to practice one or more of such professions in this state.

~~39 [With respect to a foreign professional service limited liability compa-
40 ny which provides licensed clinical social work services as such
41 services are defined in article 154 of the education law, each member of
42 such foreign professional service limited liability company shall be
43 licensed pursuant to article 154 of the education law to practice clin-
44 ical social work in this state. With respect to a foreign professional
45 service limited liability company which provides creative arts therapy
46 services as such services are defined in article 163 of the education
47 law, each member of such foreign professional service limited liability
48 company must be licensed pursuant to article 163 of the education law to
49 practice creative arts therapy in this state. With respect to a foreign
50 professional service limited liability company which provides marriage
51 and family therapy services as such services are defined in article 163
52 of the education law, each member of such foreign professional service
53 limited liability company must be licensed pursuant to article 163 of
54 the education law to practice marriage and family therapy in this state.
55 With respect to a foreign professional service limited liability company
56 which provides mental health counseling services as such services are~~

~~defined in article 163 of the education law, each member of such foreign professional service limited liability company must be licensed pursuant to article 163 of the education law to practice mental health counseling in this state. With respect to a foreign professional service limited liability company which provides psychoanalysis services as such services are defined in article 163 of the education law, each member of such foreign professional service limited liability company must be licensed pursuant to article 163 of the education law to practice psychoanalysis in this state. With respect to a foreign professional service limited liability company which provides applied behavior analysis services as such services are defined in article 167 of the education law, each member of such foreign professional service limited liability company must be licensed or certified pursuant to article 167 of the education law to practice applied behavior analysis in this state.]~~

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

(q) Each partner of a registered limited liability partnership formed to provide medical services in this state must be licensed pursuant to article 131 of the education law to practice medicine in this state and each partner of a registered limited liability partnership formed to provide dental services in this state must be licensed pursuant to article 133 of the education law to practice dentistry in this state. Each partner of a registered limited liability partnership formed to provide veterinary services in this state must be licensed pursuant to article 135 of the education law to practice veterinary medicine in this state. Each partner of a registered limited liability partnership formed to provide professional engineering, land surveying, geological services, architectural and/or landscape architectural services in this state 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. ~~[Each partner of a registered limited liability partnership formed to provide licensed clinical social work services in this state must be licensed pursuant to article 154 of the education law to practice clinical social work in this state. Each partner of a registered limited liability partnership formed to provide creative arts therapy services in this state must be licensed pursuant to article 163 of the education law to practice creative arts therapy in this state. Each partner of a registered limited liability partnership formed to provide marriage and family therapy services in this state must be licensed pursuant to article 163 of the education law to practice marriage and family therapy in this state. Each partner of a registered limited liability partnership formed to provide mental health counseling services in this state must be licensed pursuant to article 163 of the education law to practice mental health counseling in this state. Each partner of a registered limited liability partnership formed to provide psychoanalysis services in this state must be licensed pursuant to article 163 of the education law to practice psychoanalysis in this state. Each partner of a registered limited liability partnership formed to provide applied behavior analysis service in this state must be licensed or certified pursuant to article 167 of the education law to practice applied behavior analysis in this state.]~~

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

(q) Each partner of a foreign limited liability partnership which provides medical services in this state must be licensed pursuant to article 131 of the education law to practice medicine in the state and each partner of a foreign limited liability partnership which provides dental services in the state must be licensed pursuant to article 133 of the education law to practice dentistry in this state. Each partner of a foreign limited liability partnership which provides veterinary service in the state shall be licensed pursuant to article 135 of the education law to practice veterinary medicine in this state. Each partner of a foreign limited liability partnership which provides professional engineering, land surveying, geological services, architectural and/or landscape architectural services in this state 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. ~~[Each partner of a foreign limited liability partnership which provides licensed clinical social work services in this state must be licensed pursuant to article 154 of the education law to practice licensed clinical social work in this state. Each partner of a foreign limited liability partnership which provides creative arts therapy services in this state must be licensed pursuant to article 163 of the education law to practice creative arts therapy in this state. Each partner of a foreign limited liability partnership which provides marriage and family therapy services in this state must be licensed pursuant to article 163 of the education law to practice marriage and family therapy in this state. Each partner of a foreign limited liability partnership which provides mental health counseling services in this state must be licensed pursuant to article 163 of the education law to practice mental health counseling in this state. Each partner of a foreign limited liability partnership which provides psychoanalysis services in this state must be licensed pursuant to article 163 of the education law to practice psychoanalysis in this state. Each partner of a foreign limited liability partnership which provides applied behavior analysis services in this state must be licensed or certified pursuant to article 167 of the education law to practice applied behavior analysis in this state.]~~

§ 6. This act shall take effect immediately.