

10363

I N A S S E M B L Y

May 24, 2012

Introduced by M. of A. PRETLOW -- read once and referred to the Committee on Higher Education

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 separately amended by chapters 420 and 676 of the laws
3 of 2002, is amended 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 article
10 for the purpose of rendering the professional service or services as
11 such professionals are authorized to practice. With respect to a professional
12 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 liability
19 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
23 member of such limited liability company must be licensed pursuant to
24 article 135 of the education law to practice veterinary medicine in this
25 state. With respect to a professional service limited liability company

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

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1 formed to provide professional engineering, land surveying, architec-
2 tural and/or landscape architectural services as such services are
3 defined in article 145, article 147 and article 148 of the education
4 law, each member of such limited liability company must be licensed
5 pursuant to article 145, article 147 and/or article 148 of the education
6 law to practice one or more of such professions in this state. [With
7 respect to a professional service limited liability company formed to
8 provide licensed clinical social work services as such services are
9 defined in article 154 of the education law, each member of such limited
10 liability company shall be licensed pursuant to article 154 of the
11 education law to practice licensed clinical social work in this state.
12 With respect to a professional service limited liability company formed
13 to provide creative arts therapy services as such services are defined
14 in article 163 of the education law, each member of such limited liabil-
15 ity company must be licensed pursuant to article 163 of the education
16 law to practice creative arts therapy in this state. With respect to a
17 professional service limited liability company formed to provide
18 marriage and family therapy services as such services are defined in
19 article 163 of the education law, each member of such limited liability
20 company must be licensed pursuant to article 163 of the education law to
21 practice marriage and family therapy in this state. With respect to a
22 professional service limited liability company formed to provide mental
23 health counseling services as such services are defined in article 163
24 of the education law, each member of such limited liability company must
25 be licensed pursuant to article 163 of the education law to practice
26 mental health counseling in this state. With respect to a professional
27 service limited liability company formed to provide psychoanalysis
28 services as such services are defined in article 163 of the education
29 law, each member of such limited liability company must be licensed
30 pursuant to article 163 of the education law to practice psychoanalysis
31 in this state.] In addition to engaging in such profession or
32 professions, a professional service limited liability company may engage
33 in any other business or activities as to which a limited liability
34 company may be formed under section two hundred one of this chapter.
35 Notwithstanding any other provision of this section, a professional
36 service limited liability company (i) authorized to practice law may
37 only engage in another profession or business or activities or (ii)
38 which is engaged in a profession or other business or activities other
39 than law may only engage in the practice of law, to the extent not
40 prohibited by any other law of this state or any rule adopted by the
41 appropriate appellate division of the supreme court or the court of
42 appeals.

43 S 2. Subdivision (b) of section 1207 of the limited liability company
44 law, as separately amended by chapters 420 and 676 of the laws of 2002,
45 is amended to read as follows:

46 (b) With respect to a professional service limited liability company
47 formed to provide medical services as such services are defined in arti-
48 cle 131 of the education law, each member of such limited liability
49 company must be licensed pursuant to article 131 of the education law to
50 practice medicine in this state. With respect to a professional service
51 limited liability company formed to provide dental services as such
52 services are defined in article 133 of the education law, each member of
53 such limited liability company must be licensed pursuant to article 133
54 of the education law to practice dentistry in this state. With respect
55 to a professional service limited liability company formed to provide
56 veterinary services as such services are defined in article 135 of the

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

35 S 3. Subdivision (a) of section 1301 of the limited liability company
36 law, as separately amended by chapters 420 and 676 of the laws of 2002,
37 is amended to read as follows:

38 (a) "Foreign professional service limited liability company" means a
39 professional service limited liability company, whether or not denomi-
40 nated as such, organized under the laws of a jurisdiction other than
41 this state, (i) each of whose members and managers, if any, is a profes-
42 sional authorized by law to render a professional service within this
43 state and who is or has been engaged in the practice of such profession
44 in such professional service limited liability company or a predecessor
45 entity, or will engage in the practice of such profession in the profes-
46 sional service limited liability company within thirty days of the date
47 such professional becomes a member, or each of whose members and manag-
48 ers, if any, is a professional at least one of such members is author-
49 ized by law to render a professional service within this state and who
50 is or has been engaged in the practice of such profession in such
51 professional service limited liability company or a predecessor entity,
52 or will engage in the practice of such profession in the professional
53 service limited liability company within thirty days of the date such
54 professional becomes a member, or (ii) authorized by, or holding a
55 license, certificate, registration or permit issued by the licensing
56 authority pursuant to, the education law to render a professional

1 service within this state; except that all members and managers, if any,
2 of a foreign professional service limited liability company that
3 provides health services in this state shall be licensed in this state.
4 With respect to a foreign professional service limited liability company
5 which provides veterinary services as such services are defined in arti-
6 cle 135 of the education law, each member of such foreign professional
7 service limited liability company shall be licensed pursuant to article
8 135 of the education law to practice veterinary medicine. With respect
9 to a foreign professional service limited liability company which
10 provides medical services as such services are defined in article 131 of
11 the education law, each member of such foreign professional service
12 limited liability company must be licensed pursuant to article 131 of
13 the education law to practice medicine in this state. With respect to a
14 foreign professional service limited liability company which provides
15 dental services as such services are defined in article 133 of the
16 education law, each member of such foreign professional service limited
17 liability company must be licensed pursuant to article 133 of the educa-
18 tion law to practice dentistry in this state. With respect to a foreign
19 professional service limited liability company which provides profes-
20 sional engineering, land surveying, architectural and/or landscape
21 architectural services as such services are defined in article 145,
22 article 147 and article 148 of the education law, each member of such
23 foreign professional service limited liability company must be licensed
24 pursuant to article 145, article 147 and/or article 148 of the education
25 law to practice one or more of such professions in this state. [With
26 respect to a foreign professional service limited liability company
27 which provides licensed clinical social work services as such services
28 are defined in article 154 of the education law, each member of such
29 foreign professional service limited liability company shall be licensed
30 pursuant to article 154 of the education law to practice clinical social
31 work in this state. With respect to a foreign professional service
32 limited liability company which provides creative arts therapy services
33 as such services are defined in article 163 of the education law, each
34 member of such foreign professional service limited liability company
35 must be licensed pursuant to article 163 of the education law to prac-
36 tice creative arts therapy in this state. With respect to a foreign
37 professional service limited liability company which provides marriage
38 and family therapy services as such services are defined in article 163
39 of the education law, each member of such foreign professional service
40 limited liability company must be licensed pursuant to article 163 of
41 the education law to practice marriage and family therapy in this state.
42 With respect to a foreign professional service limited liability company
43 which provides mental health counseling services as such services are
44 defined in article 163 of the education law, each member of such foreign
45 professional service limited liability company must be licensed pursuant
46 to article 163 of the education law to practice mental health counseling
47 in this state. With respect to a foreign professional service limited
48 liability company which provides psychoanalysis services as such
49 services are defined in article 163 of the education law, each member of
50 such foreign professional service limited liability company must be
51 licensed pursuant to article 163 of the education law to practice
52 psychoanalysis in this state.]

53 S 4. Subdivision (q) of section 121-1500 of the partnership law, as
54 separately amended by chapters 420 and 676 of the laws of 2002, is
55 amended to read as follows:

1 (q) Each partner of a registered limited liability partnership formed
2 to provide medical services in this state must be licensed pursuant to
3 article 131 of the education law to practice medicine in this state and
4 each partner of a registered limited liability partnership formed to
5 provide dental services in this state must be licensed pursuant to arti-
6 cle 133 of the education law to practice dentistry in this state. Each
7 partner of a registered limited liability partnership formed to provide
8 veterinary services in this state must be licensed pursuant to article
9 135 of the education law to practice veterinary medicine in this state.
10 Each partner of a registered limited liability partnership formed to
11 provide professional engineering, land surveying, architectural and/or
12 landscape architectural services in this state must be licensed pursuant
13 to article 145, article 147 and/or article 148 of the education law to
14 practice one or more of such professions in this state. [Each partner of
15 a registered limited liability partnership formed to provide licensed
16 clinical social work services in this state must be licensed pursuant to
17 article 154 of the education law to practice clinical social work in
18 this state. Each partner of a registered limited liability partnership
19 formed to provide creative arts therapy services in this state must be
20 licensed pursuant to article 163 of the education law to practice crea-
21 tive arts therapy in this state. Each partner of a registered limited
22 liability partnership formed to provide marriage and family therapy
23 services in this state must be licensed pursuant to article 163 of the
24 education law to practice marriage and family therapy in this state.
25 Each partner of a registered limited liability partnership formed to
26 provide mental health counseling services in this state must be licensed
27 pursuant to article 163 of the education law to practice mental health
28 counseling in this state. Each partner of a registered limited liability
29 partnership formed to provide psychoanalysis services in this state must
30 be licensed pursuant to article 163 of the education law to practice
31 psychoanalysis in this state.]

32 S 5. Subdivision (q) of section 121-1502 of the partnership law, as
33 amended by chapter 230 of the laws of 2004, is amended to read as
34 follows:

35 (q) Each partner of a foreign limited liability partnership which
36 provides medical services in this state must be licensed pursuant to
37 article 131 of the education law to practice medicine in the state and
38 each partner of a foreign limited liability partnership which provides
39 dental services in the state must be licensed pursuant to article 133 of
40 the education law to practice dentistry in this state. Each partner of a
41 foreign limited liability partnership which provides veterinary service
42 in the state shall be licensed pursuant to article 135 of the education
43 law to practice veterinary medicine in this state. Each partner of a
44 foreign limited liability partnership which provides professional engi-
45 neering, land surveying, architectural and/or landscape architectural
46 services in this state must be licensed pursuant to article 145, article
47 147 and/or article 148 of the education law to practice one or more of
48 such professions. [Each partner of a foreign limited liability partner-
49 ship which provides licensed clinical social work services in this state
50 must be licensed pursuant to article 154 of the education law to prac-
51 tice licensed clinical social work in this state. Each partner of a
52 foreign limited liability partnership which provides creative arts ther-
53 apy services in this state must be licensed pursuant to article 163 of
54 the education law to practice creative arts therapy in this state. Each
55 partner of a foreign limited liability partnership which provides
56 marriage and family therapy services in this state must be licensed

1 pursuant to article 163 of the education law to practice marriage and
2 family therapy in this state. Each partner of a foreign limited liabil-
3 ity partnership which provides mental health counseling services in this
4 state must be licensed pursuant to article 163 of the education law to
5 practice mental health counseling in this state. Each partner of a
6 foreign limited liability partnership which provides psychoanalysis
7 services in this state must be licensed pursuant to article 163 of the
8 education law to practice psychoanalysis in this state.]

9 S 6. This act shall take effect immediately.