

5956

2013-2014 Regular Sessions

I N A S S E M B L Y

March 11, 2013

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

AN ACT to amend the limited liability company law, the business corporation law, the partnership law, the public health law and the education law, in relation to allowing doctors of chiropractic licensed under title VIII, article 132 of the education law to form limited liability companies

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 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. 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  
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. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, WITH  
43 RESPECT TO A LIMITED LIABILITY COMPANY FORMED TO PROVIDE INTEGRATED,  
44 MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC SERVICES, AS SUCH SERVICES  
45 ARE RESPECTIVELY DEFINED UNDER ARTICLES 131 AND 132 OF THE EDUCATION  
46 LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY COMPANY MUST BE LICENSED  
47 PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE  
48 HIS OR HER PROFESSION IN THIS STATE, (II) EACH MEMBER SHALL ONLY PRAC-  
49 TICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE PROFES-  
50 SIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCA-  
51 TION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES  
52 WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER THIS  
53 SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY  
54 OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE  
55 PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) THE CLINICAL JUDGMENT,  
56 MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131

1 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE  
2 LIMITED LIABILITY COMPANY SHALL BE CONTROLLING, (B) MEMBERS LICENSED  
3 UNDER ARTICLE 132 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-  
4 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE  
5 OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS  
6 LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL  
7 LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE BEYOND THE  
8 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN  
9 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
10 ARTICLE 131.

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

14 (b) With respect to a professional service limited liability company  
15 formed to provide medical services as such services are defined in arti-  
16 cle 131 of the education law, each member of such limited liability  
17 company must be licensed pursuant to article 131 of the education law to  
18 practice medicine in this state. With respect to a professional service  
19 limited liability company formed to provide dental services as such  
20 services are defined in article 133 of the education law, each member of  
21 such limited liability company must be licensed pursuant to article 133  
22 of the education law to practice dentistry in this state. With respect  
23 to a professional service limited liability company formed to provide  
24 veterinary services as such services are defined in article 135 of the  
25 education law, each member of such limited liability company must be  
26 licensed pursuant to article 135 of the education law to practice veter-  
27 inary medicine in this state. With respect to a professional service  
28 limited liability company formed to provide professional engineering,  
29 land surveying, architectural and/or landscape architectural services as  
30 such services are defined in article 145, article 147 and article 148 of  
31 the education law, each member of such limited liability company must be  
32 licensed pursuant to article 145, article 147 and/or article 148 of the  
33 education law to practice one or more of such professions in this state.  
34 With respect to a professional service limited liability company formed  
35 to provide licensed clinical social work services as such services are  
36 defined in article 154 of the education law, each member of such limited  
37 liability company shall be licensed pursuant to article 154 of the  
38 education law to practice licensed clinical social work in this state.  
39 With respect to a professional service limited liability company formed  
40 to provide creative arts therapy services as such services are defined  
41 in article 163 of the education law, each member of such limited liabil-  
42 ity company must be licensed pursuant to article 163 of the education  
43 law to practice creative arts therapy in this state. With respect to a  
44 professional service limited liability company formed to provide  
45 marriage and family therapy services as such services are defined in  
46 article 163 of the education law, each member of such limited liability  
47 company must be licensed pursuant to article 163 of the education law to  
48 practice marriage and family therapy in this state. With respect to a  
49 professional service limited liability company formed to provide mental  
50 health counseling services as such services are defined in article 163  
51 of the education law, each member of such limited liability company must  
52 be licensed pursuant to article 163 of the education law to practice  
53 mental health counseling in this state. With respect to a professional  
54 service limited liability company formed to provide psychoanalysis  
55 services as such services are defined in article 163 of the education  
56 law, each member of such limited liability company must be licensed

1 pursuant to article 163 of the education law to practice psychoanalysis  
2 in this state. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,  
3 WITH RESPECT TO A PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY FORMED  
4 TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC  
5 SERVICES, AS SUCH SERVICES ARE RESPECTIVELY DEFINED UNDER ARTICLES 131  
6 AND 132 OF THE EDUCATION LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY  
7 COMPANY MUST BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE  
8 EDUCATION LAW TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) EACH  
9 MEMBER SHALL ONLY PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR  
10 HER RESPECTIVE PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTI-  
11 CLE 132 OF THE EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF  
12 PROFESSIONAL PRACTICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY  
13 ORGANIZED UNDER THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE  
14 OF PRACTICE OF ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS  
15 OR HER RESPECTIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) THE  
16 CLINICAL JUDGMENT, MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR  
17 MORE ARTICLE 131 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PROFES-  
18 SIONAL SERVICE LIMITED LIABILITY COMPANY SHALL BE CONTROLLING, (B)  
19 MEMBERS LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW, SHALL NOT,  
20 DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITI-  
21 MATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, AND  
22 (C) INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A  
23 PROFESSIONAL LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE  
24 BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCA-  
25 TION LAW, EVEN IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL  
26 LICENSED UNDER ARTICLE 131.

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

30 (a) "Foreign professional service limited liability company" means a  
31 professional service limited liability company, whether or not denomi-  
32 nated as such, organized under the laws of a jurisdiction other than  
33 this state, (i) each of whose members and managers, if any, is a profes-  
34 sional authorized by law to render a professional service within this  
35 state and who is or has been engaged in the practice of such profession  
36 in such professional service limited liability company or a predecessor  
37 entity, or will engage in the practice of such profession in the profes-  
38 sional service limited liability company within thirty days of the date  
39 such professional becomes a member, or each of whose members and manag-  
40 ers, if any, is a professional at least one of such members is author-  
41 ized by law to render a professional service within this state and who  
42 is or has been engaged in the practice of such profession in such  
43 professional service limited liability company or a predecessor entity,  
44 or will engage in the practice of such profession in the professional  
45 service limited liability company within thirty days of the date such  
46 professional becomes a member, or (ii) authorized by, or holding a  
47 license, certificate, registration or permit issued by the licensing  
48 authority pursuant to, the education law to render a professional  
49 service within this state; except that all members and managers, if any,  
50 of a foreign professional service limited liability company that  
51 provides health services in this state shall be licensed in this state.  
52 With respect to a foreign professional service limited liability company  
53 which provides veterinary services as such services are defined in arti-  
54 cle 135 of the education law, each member of such foreign professional  
55 service limited liability company shall be licensed pursuant to article  
56 135 of the education law to practice veterinary medicine. With respect

1 to a foreign professional service limited liability company which  
2 provides medical services as such services are defined in article 131 of  
3 the education law, each member of such foreign professional service  
4 limited liability company must be licensed pursuant to article 131 of  
5 the education law to practice medicine in this state. With respect to a  
6 foreign professional service limited liability company which provides  
7 dental services as such services are defined in article 133 of the  
8 education law, each member of such foreign professional service limited  
9 liability company must be licensed pursuant to article 133 of the educa-  
10 tion law to practice dentistry in this state. With respect to a foreign  
11 professional service limited liability company which provides profes-  
12 sional engineering, land surveying, architectural and/or landscape  
13 architectural services as such services are defined in article 145,  
14 article 147 and article 148 of the education law, each member of such  
15 foreign professional service limited liability company must be licensed  
16 pursuant to article 145, article 147 and/or article 148 of the education  
17 law to practice one or more of such professions in this state. With  
18 respect to a foreign professional service limited liability company  
19 which provides licensed clinical social work services as such services  
20 are defined in article 154 of the education law, each member of such  
21 foreign professional service limited liability company shall be licensed  
22 pursuant to article 154 of the education law to practice clinical social  
23 work in this state. With respect to a foreign professional service  
24 limited liability company which provides creative arts therapy services  
25 as such services are defined in article 163 of the education law, each  
26 member of such foreign professional service limited liability company  
27 must be licensed pursuant to article 163 of the education law to prac-  
28 tice creative arts therapy in this state. With respect to a foreign  
29 professional service limited liability company which provides marriage  
30 and family therapy services as such services are defined in article 163  
31 of the education law, each member of such foreign professional service  
32 limited liability company must be licensed pursuant to article 163 of  
33 the education law to practice marriage and family therapy in this state.  
34 With respect to a foreign professional service limited liability company  
35 which provides mental health counseling services as such services are  
36 defined in article 163 of the education law, each member of such foreign  
37 professional service limited liability company must be licensed pursuant  
38 to article 163 of the education law to practice mental health counseling  
39 in this state. With respect to a foreign professional service limited  
40 liability company which provides psychoanalysis services as such  
41 services are defined in article 163 of the education law, each member of  
42 such foreign professional service limited liability company must be  
43 licensed pursuant to article 163 of the education law to practice  
44 psychoanalysis in this state. WITH RESPECT TO A FOREIGN PROFESSIONAL  
45 SERVICE LIMITED LIABILITY COMPANY FORMED TO PROVIDE INTEGRATED,  
46 MULTI-DISCIPLINARY MEDICAL AND CHIROPRACTIC SERVICES, AS SUCH SERVICES  
47 ARE RESPECTIVELY DEFINED UNDER ARTICLE 131 AND ARTICLE 132 OF THE EDUCA-  
48 TION LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY COMPANY MUST BE  
49 LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO  
50 PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) EACH MEMBER SHALL  
51 ONLY PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPEC-  
52 TIVE PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 132 OF  
53 THE EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL  
54 PRACTICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER  
55 THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF  
56 ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPEC-

1 TIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) THE CLINICAL JUDG-  
2 MENT, MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131  
3 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE  
4 LIMITED LIABILITY COMPANY SHALL BE CONTROLLING, (B) MEMBERS LICENSED  
5 UNDER ARTICLE 132 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-  
6 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE  
7 OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS  
8 LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL  
9 LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE BEYOND THE  
10 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN  
11 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
12 ARTICLE 131.

13 S 4. Paragraph (a) of section 1503 of the business corporation law, as  
14 amended by chapter 550 of the laws of 2011, is amended to read as  
15 follows:

16 (a) Notwithstanding any other provision of law, (I) one or more indi-  
17 viduals duly authorized by law to render the same professional service  
18 within the state may organize, or cause to be organized, a professional  
19 service corporation for pecuniary profit under this article for the  
20 purpose of rendering the same professional service, except that one or  
21 more individuals duly authorized by law to practice professional engi-  
22 neering, architecture, landscape architecture or land surveying within  
23 the state may organize, or cause to be organized, a professional service  
24 corporation or a design professional service corporation for pecuniary  
25 profit under this article for the purpose of rendering such professional  
26 services as such individuals are authorized to practice, AND, (II) ONE  
27 OR MORE INDIVIDUALS DULY LICENSED TO PRACTICE MEDICINE AND ONE OR MORE  
28 CHIROPRACTORS LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW, WHO MAY  
29 BE BOARD CERTIFIED OR QUALIFIED BY HIS OR HER RESPECTIVE PROFESSIONAL  
30 SPECIALTY BOARDS, MAY ORGANIZE, OR CAUSE TO BE ORGANIZED, FOR BUSINESS  
31 PURPOSES ONLY, A MULTIDISCIPLINARY PROFESSIONAL SERVICE CORPORATION  
32 FORMED FOR PECUNIARY PROFIT UNDER THIS ARTICLE FOR THE PURPOSE OF  
33 RENDERING INTEGRATED AND NON-INTEGRATED PROFESSIONAL SERVICES WITHIN  
34 SUCH A CORPORATION AS SUCH INDIVIDUALS ARE AUTHORIZED TO PRACTICE INDI-  
35 VIDUALLY IN HIS OR HER RESPECTIVE PROFESSIONS, PROVIDED THAT THE CLIN-  
36 ICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN ENTITY ORGANIZED  
37 UNDER THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRAC-  
38 TICE OF ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER  
39 RESPECTIVE PROFESSIONAL ENABLING LAW; THAT THE CLINICAL JUDGMENT,  
40 MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131  
41 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PRACTICE SHALL BE CONTROL-  
42 LING; THAT MEMBERS LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW,  
43 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLINICAL JUDGMENT  
44 OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE  
45 131; AND THAT INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR  
46 DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO  
47 PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE  
48 EDUCATION LAW IN A PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY, EVEN  
49 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
50 ARTICLE 131.

51 S 5. Subdivision (q) of section 121-1500 of the partnership law, as  
52 separately amended by chapters 420 and 676 of the laws of 2002, is  
53 amended to read as follows:

54 (q) Each partner of a registered limited liability partnership formed  
55 to provide medical services in this state must be licensed pursuant to  
56 article 131 of the education law to practice medicine in this state and

1 each partner of a registered limited liability partnership formed to  
2 provide dental services in this state must be licensed pursuant to arti-  
3 cle 133 of the education law to practice dentistry in this state. Each  
4 partner of a registered limited liability partnership formed to provide  
5 veterinary services in this state must be licensed pursuant to article  
6 135 of the education law to practice veterinary medicine in this state.  
7 Each partner of a registered limited liability partnership formed to  
8 provide professional engineering, land surveying, architectural and/or  
9 landscape architectural services in this state must be licensed pursuant  
10 to article 145, article 147 and/or article 148 of the education law to  
11 practice one or more of such professions in this state. Each partner of  
12 a registered limited liability partnership formed to provide licensed  
13 clinical social work services in this state must be licensed pursuant to  
14 article 154 of the education law to practice clinical social work in  
15 this state. Each partner of a registered limited liability partnership  
16 formed to provide creative arts therapy services in this state must be  
17 licensed pursuant to article 163 of the education law to practice crea-  
18 tive arts therapy in this state. Each partner of a registered limited  
19 liability partnership formed to provide marriage and family therapy  
20 services in this state must be licensed pursuant to article 163 of the  
21 education law to practice marriage and family therapy in this state.  
22 Each partner of a registered limited liability partnership formed to  
23 provide mental health counseling services in this state must be licensed  
24 pursuant to article 163 of the education law to practice mental health  
25 counseling in this state. Each partner of a registered limited liability  
26 partnership formed to provide psychoanalysis services in this state must  
27 be licensed pursuant to article 163 of the education law to practice  
28 psychoanalysis in this state. EACH PARTNER OF A REGISTERED LIMITED  
29 LIABILITY PARTNERSHIP FORMED TO PROVIDE INTEGRATED, MULTIDISCIPLINARY  
30 MEDICAL AND CHIROPRACTIC SERVICES, AS SUCH SERVICES ARE RESPECTIVELY  
31 DEFINED UNDER ARTICLE 131 AND ARTICLE 132 OF THE EDUCATION LAW, (I) MUST  
32 BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW  
33 TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) SHALL ONLY PRAC-  
34 TICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE PROFES-  
35 SIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCA-  
36 TION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES  
37 WITHIN AN INTEGRATED, MULTI-DISCIPLINARY ENTITY ORGANIZED UNDER THIS  
38 SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY  
39 OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE  
40 PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) THE CLINICAL JUDGMENT,  
41 MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131  
42 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE  
43 LIMITED LIABILITY COMPANY SHALL BE CONTROLLING, (B) MEMBERS LICENSED  
44 UNDER ARTICLE 132 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-  
45 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE  
46 OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS  
47 LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL  
48 LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE BEYOND THE  
49 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN  
50 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
51 ARTICLE 131.

52 S 6. Subdivision (q) of section 121-1502 of the partnership law, as  
53 amended by chapter 230 of the laws of 2004, is amended to read as  
54 follows:

55 (q) Each partner of a foreign limited liability partnership which  
56 provides medical services in this state must be licensed pursuant to

1 article 131 of the education law to practice medicine in the state and  
2 each partner of a foreign limited liability partnership which provides  
3 dental services in the state must be licensed pursuant to article 133 of  
4 the education law to practice dentistry in this state. Each partner of a  
5 foreign limited liability partnership which provides veterinary service  
6 in the state shall be licensed pursuant to article 135 of the education  
7 law to practice veterinary medicine in this state. Each partner of a  
8 foreign limited liability partnership which provides professional engi-  
9 neering, land surveying, architectural and/or landscape architectural  
10 services in this state must be licensed pursuant to article 145, article  
11 147 and/or article 148 of the education law to practice one or more of  
12 such professions. Each partner of a foreign limited liability partner-  
13 ship which provides licensed clinical social work services in this state  
14 must be licensed pursuant to article 154 of the education law to prac-  
15 tice licensed clinical social work in this state. Each partner of a  
16 foreign limited liability partnership which provides creative arts ther-  
17 apy services in this state must be licensed pursuant to article 163 of  
18 the education law to practice creative arts therapy in this state. Each  
19 partner of a foreign limited liability partnership which provides  
20 marriage and family therapy services in this state must be licensed  
21 pursuant to article 163 of the education law to practice marriage and  
22 family therapy in this state. Each partner of a foreign limited liabil-  
23 ity partnership which provides mental health counseling services in this  
24 state must be licensed pursuant to article 163 of the education law to  
25 practice mental health counseling in this state. Each partner of a  
26 foreign limited liability partnership which provides psychoanalysis  
27 services in this state must be licensed pursuant to article 163 of the  
28 education law to practice psychoanalysis in this state. EACH PARTNER OF  
29 A FOREIGN LIMITED LIABILITY PARTNERSHIP FORMED TO PROVIDE INTEGRATED,  
30 MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC SERVICES, AS SUCH SERVICES  
31 ARE DEFINED UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW, (I)  
32 MUST BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION  
33 LAW TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) SHALL ONLY  
34 PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE  
35 PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 132 OF THE  
36 EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRAC-  
37 TICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER  
38 THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF  
39 ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPEC-  
40 TIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) THE CLINICAL JUDG-  
41 MENT, MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131  
42 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE  
43 LIMITED LIABILITY COMPANY SHALL BE CONTROLLING, (B) MEMBERS NOT LICENSED  
44 UNDER ARTICLE 131 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-  
45 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE  
46 OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS  
47 LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL  
48 LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE BEYOND THE  
49 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN  
50 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
51 ARTICLE 131.

52 S 7. Subdivision 1 of section 2801 of the public health law, as sepa-  
53 rately amended by chapters 297 and 416 of the laws of 1983, is amended  
54 to read as follows:

55 1. "Hospital" means a facility or institution engaged principally in  
56 providing services by or under the supervision of a physician or, in the



1 case of a dental clinic or dental dispensary, of a dentist, for the  
2 prevention, diagnosis or treatment of human disease, pain, injury,  
3 deformity or physical condition, including, but not limited to, a gener-  
4 al hospital, public health center, diagnostic center, treatment center,  
5 dental clinic, dental dispensary, rehabilitation center other than a  
6 facility used solely for vocational rehabilitation, nursing home, tuber-  
7 culosis hospital, chronic disease hospital, maternity hospital, lying-  
8 in-asylum, out-patient department, out-patient lodge, dispensary and a  
9 laboratory or central service facility serving one or more such insti-  
10 tutions, but the term hospital shall not include an institution, sani-  
11 tarium or other facility engaged principally in providing services for  
12 the prevention, diagnosis or treatment of mental disability and which is  
13 subject to the powers of visitation, examination, inspection and inves-  
14 tigation of the department of mental hygiene except for those distinct  
15 parts of such a facility which provide hospital service. The provisions  
16 of this article shall not apply to a facility or institution engaged  
17 principally in providing services by or under the supervision of the  
18 bona fide members and adherents of a recognized religious organization  
19 whose teachings include reliance on spiritual means through prayer alone  
20 for healing in the practice of the religion of such organization and  
21 where services are provided in accordance with those teachings OR TO A  
22 BUSINESS CORPORATION, LIMITED LIABILITY CORPORATION OR PARTNERSHIP  
23 BETWEEN A MEDICAL DOCTOR AND A DULY LICENSED TITLE VIII HEALTHCARE  
24 PROFESSIONAL.

25 S 8. Subdivision 19 of section 6530 of the education law, as added by  
26 chapter 606 of the laws of 1991, is amended to read as follows:

27 19. Permitting any person to share in the fees for professional  
28 services, other than: a partner, employee, associate in a professional  
29 firm or corporation, professional subcontractor or consultant authorized  
30 to practice medicine, or a legally authorized trainee practicing under  
31 the supervision of a licensee OR A CHIROPRACTOR PROVIDING PROFESSIONAL  
32 SERVICES IN THE SAME PRACTICE. This prohibition shall include any  
33 arrangement or agreement whereby the amount received in payment for  
34 furnishing space, facilities, equipment or personnel services used by a  
35 licensee constitutes a percentage of, or is otherwise dependent upon,  
36 the income or receipts of the licensee from such practice, except as  
37 otherwise provided by law with respect to a facility licensed pursuant  
38 to article twenty-eight of the public health law or article thirteen of  
39 the mental hygiene law;

40 S 9. Section 6509-a of the education law, as amended by chapter 555 of  
41 the laws of 1993, is amended to read as follows:

42 S 6509-a. Additional definition of professional misconduct; limited  
43 application. Notwithstanding any inconsistent provision of this article  
44 or of any other provision of law to the contrary, the license or regis-  
45 tration of a person subject to the provisions of articles one hundred  
46 thirty-two, one hundred thirty-three, one hundred thirty-six, one  
47 hundred thirty-seven, one hundred thirty-nine, one hundred forty-one,  
48 one hundred forty-three, one hundred forty-four, one hundred fifty-six,  
49 one hundred fifty-nine and one hundred sixty-four of this chapter may be  
50 revoked, suspended or annulled or such person may be subject to any  
51 other penalty provided in section sixty-five hundred eleven of this  
52 article in accordance with the provisions and procedure of this article  
53 for the following:

54 That any person subject to the above enumerated articles, has directly  
55 or indirectly requested, received or participated in the division,  
56 transference, assignment, rebate, splitting or refunding of a fee for,

1 or has directly requested, received or profited by means of a credit or  
2 other valuable consideration as a commission, discount or gratuity in  
3 connection with the furnishing of professional care, or service, includ-  
4 ing x-ray examination and treatment, or for or in connection with the  
5 sale, rental, supplying or furnishing of clinical laboratory services or  
6 supplies, x-ray laboratory services or supplies, inhalation therapy  
7 service or equipment, ambulance service, hospital or medical supplies,  
8 physiotherapy or other therapeutic service or equipment, artificial  
9 limbs, teeth or eyes, orthopedic or surgical appliances or supplies,  
10 optical appliances, supplies or equipment, devices for aid of hearing,  
11 drugs, medication or medical supplies or any other goods, services or  
12 supplies prescribed for medical diagnosis, care or treatment under this  
13 chapter, except payment, not to exceed thirty-three and one-third per  
14 centum of any fee received for x-ray examination, diagnosis or treat-  
15 ment, to any hospital furnishing facilities for such examination, diag-  
16 nosis or treatment. Nothing contained in this section shall prohibit  
17 such persons from practicing as partners, in groups or as a professional  
18 corporation or as a university faculty practice corporation nor from  
19 pooling fees and moneys received, either by the partnerships, profes-  
20 sional corporations, university faculty practice corporations or groups  
21 by the individual members thereof, for professional services furnished  
22 by any individual professional member, or employee of such partnership,  
23 corporation or group, nor shall the professionals constituting the part-  
24 nerships, corporations or groups be prohibited from sharing, dividing or  
25 apportioning the fees and moneys received by them or by the partnership,  
26 corporation or group in accordance with a partnership or other agree-  
27 ment; provided that no such practice as partners, corporations or in  
28 groups or pooling of fees or moneys received or shared, division or  
29 apportionment of fees shall be permitted with respect to care and treat-  
30 ment under the workers' compensation law except as expressly authorized  
31 by the workers' compensation law. NOTHING CONTAINED IN THIS SECTION,  
32 SHALL PROHIBIT A MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC PRACTICE  
33 FORMED PURSUANT TO SUBDIVISION (A) OR (B) OF SECTION TWELVE HUNDRED  
34 THREE OF THE LIMITED LIABILITY COMPANY LAW, SUBDIVISION (A) OF SECTION  
35 THIRTEEN HUNDRED ONE OF THE LIMITED LIABILITY COMPANY LAW, PARAGRAPH (A)  
36 OF SECTION FIFTEEN HUNDRED THREE OF THE BUSINESS CORPORATION LAW, SUBDI-  
37 VISION (Q) OF SECTION 121-1500 OF THE PARTNERSHIP LAW, OR SUBDIVISION  
38 (Q) OF SECTION 121-1502 OF THE PARTNERSHIP LAW FROM POOLING FEES OR  
39 MONIES RECEIVED. Nothing contained in this chapter shall prohibit a  
40 medical or dental expense indemnity corporation pursuant to its contract  
41 with the subscriber from prorating a medical or dental expense indem-  
42 nity allowance among two or more professionals in proportion to the  
43 services rendered by each such professional at the request of the  
44 subscriber, provided that prior to payment thereof such professionals  
45 shall submit both to the medical or dental expense indemnity corporation  
46 and to the subscriber statements itemizing the services rendered by each  
47 such professional and the charges therefor.

48 S 10. Section 6531 of the education law, as amended by chapter 555 of  
49 the laws of 1993, is amended to read as follows:

50 S 6531. Additional definition of professional misconduct, limited  
51 application. Notwithstanding any inconsistent provision of this article  
52 or any other provisions of law to the contrary, the license or registra-  
53 tion of a person subject to the provisions of this article and article  
54 one hundred thirty-one-B of this chapter may be revoked, suspended, or  
55 annulled or such person may be subject to any other penalty provided in

1 section two hundred thirty-a of the public health law in accordance with  
2 the provisions and procedures of this article for the following:

3 That any person subject to the above-enumerated articles has directly  
4 or indirectly requested, received or participated in the division,  
5 transference, assignment, rebate, splitting, or refunding of a fee for,  
6 or has directly requested, received or profited by means of a credit or  
7 other valuable consideration as a commission, discount or gratuity, in  
8 connection with the furnishing of professional care or service, includ-  
9 ing x-ray examination and treatment, or for or in connection with the  
10 sale, rental, supplying, or furnishing of clinical laboratory services  
11 or supplies, x-ray laboratory services or supplies, inhalation therapy  
12 service or equipment, ambulance service, hospital or medical supplies,  
13 physiotherapy or other therapeutic service or equipment, artificial  
14 limbs, teeth or eyes, orthopedic or surgical appliances or supplies,  
15 optical appliances, supplies, or equipment, devices for aid of hearing,  
16 drugs, medication, or medical supplies, or any other goods, services, or  
17 supplies prescribed for medical diagnosis, care, or treatment under this  
18 chapter, except payment, not to exceed thirty-three and one-third  
19 percent of any fee received for x-ray examination, diagnosis, or treat-  
20 ment, to any hospital furnishing facilities for such examination, diag-  
21 nosis, or treatment. Nothing contained in this section shall prohibit  
22 such persons from practicing as partners, in groups or as a professional  
23 corporation or as a university faculty practice corporation, nor from  
24 pooling fees and moneys received, either by the partnerships, profes-  
25 sional corporations, or university faculty practice corporations or  
26 groups by the individual members thereof, for professional services  
27 furnished by an individual professional member, or employee of such  
28 partnership, corporation, or group, nor shall the professionals consti-  
29 tuting the partnerships, corporations or groups be prohibited from shar-  
30 ing, dividing, or apportioning the fees and moneys received by them or  
31 by the partnership, corporation, or group in accordance with a partner-  
32 ship or other agreement; provided that no such practice as partners,  
33 corporations, or groups, or pooling of fees or moneys received or  
34 shared, division or apportionment of fees shall be permitted with  
35 respect to and treatment under the workers' compensation law. NOTHING  
36 CONTAINED IN THIS SECTION, SHALL PROHIBIT A MULTIDISCIPLINARY MEDICAL  
37 AND CHIROPRACTIC PRACTICE FORMED PURSUANT TO SUBDIVISION (A) OR (B) OF  
38 SECTION TWELVE HUNDRED THREE OF THE LIMITED LIABILITY COMPANY LAW,  
39 SUBDIVISION (A) OF SECTION THIRTEEN HUNDRED ONE OF THE LIMITED LIABILITY  
40 COMPANY LAW, PARAGRAPH (A) OF SECTION FIFTEEN HUNDRED THREE OF THE BUSI-  
41 NESS CORPORATION LAW, SUBDIVISION (Q) OF SECTION 121-1500 OF THE PART-  
42 NERSHIP LAW, OR SUBDIVISION (Q) OF SECTION 121-1502 OF THE PARTNERSHIP  
43 LAW FROM POOLING FEES OR MONIES RECEIVED. Nothing contained in this  
44 chapter shall prohibit a corporation licensed pursuant to article  
45 forty-three of the insurance law pursuant to its contract with the  
46 subscriber from prorating a medical or dental expenses indemnity  
47 allowance among two or more professionals in proportion to the services  
48 rendered by each such professional at the request of the subscriber,  
49 provided that prior to payment thereof such professionals shall submit  
50 both to the corporation licensed pursuant to article forty-three of the  
51 insurance law and to the subscriber statements itemizing the services  
52 rendered by each such professional and the charges therefor.

53 S 11. This act shall take effect on the thirtieth day after it shall  
54 have become a law.