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I N S E N A T E

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Introduced by Sens. FUSCHILLO, GRISANTI, ADDABBO, BONACIC, KENNEDY, MAZIARZ -- 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, 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

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

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1 law to practice dentistry in this state. With respect to a professional  
2 service limited liability company formed to provide veterinary services  
3 as such services are defined in article 135 of the education law, each  
4 member of such limited liability company must be licensed pursuant to  
5 article 135 of the education law to practice veterinary medicine in this  
6 state. With respect to a professional service limited liability company  
7 formed to provide professional engineering, land surveying, architec-  
8 tural and/or landscape architectural services as such services are  
9 defined in article 145, article 147 and article 148 of the education  
10 law, each member of such limited liability company must be licensed  
11 pursuant to article 145, article 147 and/or article 148 of the education  
12 law to practice one or more of such professions in this state. With  
13 respect to a professional service limited liability company formed to  
14 provide licensed clinical social work services as such services are  
15 defined in article 154 of the education law, each member of such limited  
16 liability company shall be licensed pursuant to article 154 of the  
17 education law to practice licensed clinical social work in this state.  
18 With respect to a professional service limited liability company formed  
19 to provide creative arts therapy services as such services are defined  
20 in article 163 of the education law, each member of such limited liabil-  
21 ity company must be licensed pursuant to article 163 of the education  
22 law to practice creative arts therapy in this state. With respect to a  
23 professional service limited liability company formed to provide  
24 marriage and family therapy services as such services are defined in  
25 article 163 of the education law, each member of such limited liability  
26 company must be licensed pursuant to article 163 of the education law to  
27 practice marriage and family therapy in this state. With respect to a  
28 professional service limited liability company formed to provide mental  
29 health counseling services as such services are defined in article 163  
30 of the education law, each member of such limited liability company must  
31 be licensed pursuant to article 163 of the education law to practice  
32 mental health counseling in this state. With respect to a professional  
33 service limited liability company formed to provide psychoanalysis  
34 services as such services are defined in article 163 of the education  
35 law, each member of such limited liability company must be licensed  
36 pursuant to article 163 of the education law to practice psychoanalysis  
37 in this state. In addition to engaging in such profession or  
38 professions, a professional service limited liability company may engage  
39 in any other business or activities as to which a limited liability  
40 company may be formed under section two hundred one of this chapter.  
41 Notwithstanding any other provision of this section, a professional  
42 service limited liability company (i) authorized to practice law may  
43 only engage in another profession or business or activities or (ii)  
44 which is engaged in a profession or other business or activities other  
45 than law may only engage in the practice of law, to the extent not  
46 prohibited by any other law of this state or any rule adopted by the  
47 appropriate appellate division of the supreme court or the court of  
48 appeals. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, WITH  
49 RESPECT TO A LIMITED LIABILITY COMPANY FORMED TO PROVIDE INTEGRATED,  
50 MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC SERVICES, AS SUCH SERVICES  
51 ARE RESPECTIVELY DEFINED UNDER ARTICLES 131 AND 132 OF THE EDUCATION  
52 LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY COMPANY MUST BE LICENSED  
53 PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE  
54 HIS OR HER PROFESSION IN THIS STATE, (II) EACH MEMBER SHALL ONLY PRAC-  
55 TICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE PROFES-  
56 SIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCA-

1 TION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES  
2 WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER THIS  
3 SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY  
4 OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE  
5 PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) THE CLINICAL JUDGMENT,  
6 MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131  
7 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE  
8 LIMITED LIABILITY COMPANY SHALL BE CONTROLLING, (B) MEMBERS LICENSED  
9 UNDER ARTICLE 132 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-  
10 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE  
11 OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS  
12 LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL  
13 LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE BEYOND THE  
14 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN  
15 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
16 ARTICLE 131.

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

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

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

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

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

1 provides health services in this state shall be licensed in this state.  
2 With respect to a foreign professional service limited liability company  
3 which provides veterinary services as such services are defined in arti-  
4 cle 135 of the education law, each member of such foreign professional  
5 service limited liability company shall be licensed pursuant to article  
6 135 of the education law to practice veterinary medicine. With respect  
7 to a foreign professional service limited liability company which  
8 provides medical services as such services are defined in article 131 of  
9 the education law, each member of such foreign professional service  
10 limited liability company must be licensed pursuant to article 131 of  
11 the education law to practice medicine in this state. With respect to a  
12 foreign professional service limited liability company which provides  
13 dental services as such services are defined in article 133 of the  
14 education law, each member of such foreign professional service limited  
15 liability company must be licensed pursuant to article 133 of the educa-  
16 tion law to practice dentistry in this state. With respect to a foreign  
17 professional service limited liability company which provides profes-  
18 sional engineering, land surveying, architectural and/or landscape  
19 architectural services as such services are defined in article 145,  
20 article 147 and article 148 of the education law, each member of such  
21 foreign professional service limited liability company must be licensed  
22 pursuant to article 145, article 147 and/or article 148 of the education  
23 law to practice one or more of such professions in this state. With  
24 respect to a foreign professional service limited liability company  
25 which provides licensed clinical social work services as such services  
26 are defined in article 154 of the education law, each member of such  
27 foreign professional service limited liability company shall be licensed  
28 pursuant to article 154 of the education law to practice clinical social  
29 work in this state. With respect to a foreign professional service  
30 limited liability company which provides creative arts therapy services  
31 as such services are defined in article 163 of the education law, each  
32 member of such foreign professional service limited liability company  
33 must be licensed pursuant to article 163 of the education law to prac-  
34 tice creative arts therapy in this state. With respect to a foreign  
35 professional service limited liability company which provides marriage  
36 and family therapy services as such services are defined in article 163  
37 of the education law, each member of such foreign professional service  
38 limited liability company must be licensed pursuant to article 163 of  
39 the education law to practice marriage and family therapy in this state.  
40 With respect to a foreign professional service limited liability company  
41 which provides mental health counseling services as such services are  
42 defined in article 163 of the education law, each member of such foreign  
43 professional service limited liability company must be licensed pursuant  
44 to article 163 of the education law to practice mental health counseling  
45 in this state. With respect to a foreign professional service limited  
46 liability company which provides psychoanalysis services as such  
47 services are defined in article 163 of the education law, each member of  
48 such foreign professional service limited liability company must be  
49 licensed pursuant to article 163 of the education law to practice  
50 psychoanalysis in this state. WITH RESPECT TO A FOREIGN PROFESSIONAL  
51 SERVICE LIMITED LIABILITY COMPANY FORMED TO PROVIDE INTEGRATED,  
52 MULTI-DISCIPLINARY MEDICAL AND CHIROPRACTIC SERVICES, AS SUCH SERVICES  
53 ARE RESPECTIVELY DEFINED UNDER ARTICLE 131 AND ARTICLE 132 OF THE EDU-  
54 CATION LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY COMPANY MUST BE  
55 LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO  
56 PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) EACH MEMBER SHALL

1 ONLY PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPEC-  
2 TIVE PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 132 OF  
3 THE EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL  
4 PRACTICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER  
5 THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF  
6 ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPEC-  
7 TIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) THE CLINICAL JUDG-  
8 MENT, MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131  
9 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE  
10 LIMITED LIABILITY COMPANY SHALL BE CONTROLLING, (B) MEMBERS LICENSED  
11 UNDER ARTICLE 132 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-  
12 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE  
13 OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS  
14 LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL  
15 LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE BEYOND THE  
16 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN  
17 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
18 ARTICLE 131.

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

22 (a) Notwithstanding any other provision of law, (I) one or more indi-  
23 viduals duly authorized by law to render the same professional service  
24 within the state may organize, or cause to be organized, a professional  
25 service corporation for pecuniary profit under this article for the  
26 purpose of rendering the same professional service, except that one or  
27 more individuals duly authorized by law to practice professional engi-  
28 neering, architecture, landscape architecture or land surveying within  
29 the state may organize, or cause to be organized, a professional service  
30 corporation or a design professional service corporation for pecuniary  
31 profit under this article for the purpose of rendering such professional  
32 services as such individuals are authorized to practice, AND, (II) ONE  
33 OR MORE INDIVIDUALS DULY LICENSED TO PRACTICE MEDICINE AND ONE OR MORE  
34 CHIROPRACTORS LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW, WHO MAY  
35 BE BOARD CERTIFIED OR QUALIFIED BY HIS OR HER RESPECTIVE PROFESSIONAL  
36 SPECIALTY BOARDS, MAY ORGANIZE, OR CAUSE TO BE ORGANIZED, FOR BUSINESS  
37 PURPOSES ONLY, A MULTIDISCIPLINARY PROFESSIONAL SERVICE CORPORATION  
38 FORMED FOR PECUNIARY PROFIT UNDER THIS ARTICLE FOR THE PURPOSE OF  
39 RENDERING INTEGRATED AND NON-INTEGRATED PROFESSIONAL SERVICES WITHIN  
40 SUCH A CORPORATION AS SUCH INDIVIDUALS ARE AUTHORIZED TO PRACTICE INDI-  
41 VIDUALLY IN HIS OR HER RESPECTIVE PROFESSIONS, PROVIDED THAT THE CLIN-  
42 ICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN ENTITY ORGANIZED  
43 UNDER THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE  
44 OF ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER  
45 RESPECTIVE PROFESSIONAL ENABLING LAW; THAT THE CLINICAL JUDGMENT,  
46 MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131  
47 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PRACTICE SHALL BE CONTROL-  
48 LING; THAT MEMBERS LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW,  
49 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLINICAL JUDGMENT  
50 OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE  
51 131; AND THAT INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR  
52 DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO  
53 PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE  
54 EDUCATION LAW IN A PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY, EVEN  
55 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
56 ARTICLE 131.

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

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

1 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
2 ARTICLE 131.

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

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

1 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
2 ARTICLE 131.

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

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

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

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

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

49 S 6509-a. Additional definition of professional misconduct; limited  
50 application. Notwithstanding any inconsistent provision of this article  
51 or of any other provision of law to the contrary, the license or regis-  
52 tration of a person subject to the provisions of articles one hundred  
53 thirty-two, one hundred thirty-three, one hundred thirty-six, one  
54 hundred thirty-seven, one hundred thirty-nine, one hundred forty-one,  
55 one hundred forty-three, one hundred forty-four, one hundred fifty-six,  
56 one hundred fifty-nine and one hundred sixty-four of this chapter may be

1 revoked, suspended or annulled or such person may be subject to any  
2 other penalty provided in section sixty-five hundred eleven of this  
3 article in accordance with the provisions and procedure of this article  
4 for the following:

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

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

1 S 6531. Additional definition of professional misconduct, limited  
2 application. Notwithstanding any inconsistent provision of this article  
3 or any other provisions of law to the contrary, the license or registra-  
4 tion of a person subject to the provisions of this article and article  
5 one hundred thirty-one-B of this chapter may be revoked, suspended, or  
6 annulled or such person may be subject to any other penalty provided in  
7 section two hundred thirty-a of the public health law in accordance with  
8 the provisions and procedures of this article for the following:

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

1 insurance law and to the subscriber statements itemizing the services  
2 rendered by each such professional and the charges therefor.  
3 S 11. This act shall take effect on the thirtieth day after it shall  
4 have become a law.