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I N   S E N A T E

January 22, 2014

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Introduced by Sen. MARTINS -- 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 amended by chapter 554 of the laws of 2013, is amended  
3     to read as follows:  
4     (a) Notwithstanding the education law or any other provision of law,  
5     one or more professionals each of whom is authorized by law to render a  
6     professional service within the state, or one or more professionals, at  
7     least one of whom is authorized by law to render a professional service  
8     within the state, may form, or cause to be formed, a professional  
9     service limited liability company for pecuniary profit under this arti-  
10    cle for the purpose of rendering the professional service or services as  
11    such professionals are authorized to practice. With respect to a profes-  
12    sional service limited liability company formed to provide medical  
13    services as such services are defined in article 131 of the education  
14    law, each member of such limited liability company must be licensed  
15    pursuant to article 131 of the education law to practice medicine in  
16    this state. 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

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

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1 state. With respect to a professional service limited liability company  
2 formed to provide professional engineering, land surveying, architec-  
3 tural and/or landscape architectural services as such services are  
4 defined in article 145, article 147 and article 148 of the education  
5 law, each member of such limited liability company must be licensed  
6 pursuant to article 145, article 147 and/or article 148 of the education  
7 law to practice one or more of such professions in this state. With  
8 respect to a professional service limited liability company formed to  
9 provide licensed clinical social work services as such services are  
10 defined in article 154 of the education law, each member of such limited  
11 liability company shall be licensed pursuant to article 154 of the  
12 education law to practice licensed clinical social work in this state.  
13 With respect to a professional service limited liability company formed  
14 to provide creative arts therapy services as such services are defined  
15 in article 163 of the education law, each member of such limited liabil-  
16 ity company must be licensed pursuant to article 163 of the education  
17 law to practice creative arts therapy in this state. With respect to a  
18 professional service limited liability company formed to provide  
19 marriage and family therapy services as such services are defined in  
20 article 163 of the education law, each member of such limited liability  
21 company must be licensed pursuant to article 163 of the education law to  
22 practice marriage and family therapy in this state. With respect to a  
23 professional service limited liability company formed to provide mental  
24 health counseling services as such services are defined in article 163  
25 of the education law, each member of such limited liability company must  
26 be licensed pursuant to article 163 of the education law to practice  
27 mental health counseling in this state. With respect to a professional  
28 service limited liability company formed to provide psychoanalysis  
29 services as such services are defined in article 163 of the education  
30 law, each member of such limited liability company must be licensed  
31 pursuant to article 163 of the education law to practice psychoanalysis  
32 in this state. With respect to a professional service limited liability  
33 company formed to provide applied behavior analysis services as such  
34 services are defined in article 167 of the education law, each member of  
35 such limited liability company must be licensed or certified pursuant to  
36 article 167 of the education law to practice applied behavior analysis  
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 amended by chapter 554 of the laws of 2013, is amended to read  
19 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. With respect to a professional service limited liability  
9 company formed to provide applied behavior analysis services as such  
10 services are defined in article 167 of the education law, each member of  
11 such limited liability company must be licensed or certified pursuant to  
12 article 167 of the education law to practice applied behavior analysis  
13 in this state. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,  
14 WITH RESPECT TO A PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY FORMED  
15 TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC  
16 SERVICES, AS SUCH SERVICES ARE RESPECTIVELY DEFINED UNDER ARTICLES 131  
17 AND 132 OF THE EDUCATION LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY  
18 COMPANY MUST BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE  
19 EDUCATION LAW TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) EACH  
20 MEMBER SHALL ONLY PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR  
21 HER RESPECTIVE PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTI-  
22 CLE 132 OF THE EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF  
23 PROFESSIONAL PRACTICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY  
24 ORGANIZED UNDER THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE  
25 OF PRACTICE OF ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS  
26 OR HER RESPECTIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) THE  
27 CLINICAL JUDGMENT, MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR  
28 MORE ARTICLE 131 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PROFES-  
29 SIONAL SERVICE LIMITED LIABILITY COMPANY SHALL BE CONTROLLING, (B)  
30 MEMBERS LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW, SHALL NOT,  
31 DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITI-  
32 MATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, AND  
33 (C) INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A  
34 PROFESSIONAL LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE  
35 BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCA-  
36 TION LAW, EVEN IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL  
37 LICENSED UNDER ARTICLE 131.

38 S 3. Subdivision (a) of section 1301 of the limited liability company  
39 law, as amended by chapter 554 of the laws of 2013, is amended to read  
40 as follows:

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

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

1 sis services as such services are defined in article 167 of the educa-  
2 tion law, each member of such foreign professional service limited  
3 liability company must be licensed or certified pursuant to article 167  
4 of the education law to practice applied behavior analysis in this  
5 state. WITH RESPECT TO A FOREIGN PROFESSIONAL SERVICE LIMITED LIABILITY  
6 COMPANY FORMED TO PROVIDE INTEGRATED, MULTI-DISCIPLINARY MEDICAL AND  
7 CHIROPRACTIC SERVICES, AS SUCH SERVICES ARE RESPECTIVELY DEFINED UNDER  
8 ARTICLE 131 AND ARTICLE 132 OF THE EDUCATION LAW, (I) EACH MEMBER OF  
9 SUCH LIMITED LIABILITY COMPANY MUST BE LICENSED PURSUANT TO ARTICLE 131  
10 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE HIS OR HER PROFESSION IN  
11 THIS STATE, (II) EACH MEMBER SHALL ONLY PRACTICE HIS OR HER PROFESSION  
12 AS SPECIFIED IN HIS OR HER RESPECTIVE PROFESSIONAL ENABLING STATUTE  
13 UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW, AND (III) THE  
14 CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN INTEGRATED,  
15 MULTIDISCIPLINARY ENTITY ORGANIZED UNDER THIS SECTION DOES NOT ALTER,  
16 EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY OF THE INDIVIDUALS  
17 LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE PROFESSIONAL ENABL-  
18 ING LAW, PROVIDED THAT: (A) THE CLINICAL JUDGMENT, MANAGEMENT AND CLIN-  
19 ICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131 PROVIDERS IN AN INTE-  
20 GRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY  
21 SHALL BE CONTROLLING, (B) MEMBERS LICENSED UNDER ARTICLE 132 OF THE  
22 EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE  
23 CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL  
24 LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE  
25 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 132 OF  
26 THE EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE  
27 UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR  
28 INDIRECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

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

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

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

11 S 5. Subdivision (q) of section 121-1500 of the partnership law, as  
12 amended by chapter 554 of the laws of 2013, is amended to read as  
13 follows:

14 (q) Each partner of a registered limited liability partnership formed  
15 to provide medical services in this state must be licensed pursuant to  
16 article 131 of the education law to practice medicine in this state and  
17 each partner of a registered limited liability partnership formed to  
18 provide dental services in this state must be licensed pursuant to arti-  
19 cle 133 of the education law to practice dentistry in this state. Each  
20 partner of a registered limited liability partnership formed to provide  
21 veterinary services in this state must be licensed pursuant to article  
22 135 of the education law to practice veterinary medicine in this state.  
23 Each partner of a registered limited liability partnership formed to  
24 provide professional engineering, land surveying, architectural and/or  
25 landscape architectural services in this state must be licensed pursuant  
26 to article 145, article 147 and/or article 148 of the education law to  
27 practice one or more of such professions in this state. Each partner of  
28 a registered limited liability partnership formed to provide licensed  
29 clinical social work services in this state must be licensed pursuant to  
30 article 154 of the education law to practice clinical social work in  
31 this state. Each partner of a registered limited liability partnership  
32 formed to provide creative arts therapy services in this state must be  
33 licensed pursuant to article 163 of the education law to practice crea-  
34 tive arts therapy in this state. Each partner of a registered limited  
35 liability partnership formed to provide marriage and family therapy  
36 services in this state must be licensed pursuant to article 163 of the  
37 education law to practice marriage and family therapy in this state.  
38 Each partner of a registered limited liability partnership formed to  
39 provide mental health counseling services in this state must be licensed  
40 pursuant to article 163 of the education law to practice mental health  
41 counseling in this state. Each partner of a registered limited liability  
42 partnership formed to provide psychoanalysis services in this state must  
43 be licensed pursuant to article 163 of the education law to practice  
44 psychoanalysis in this state. Each partner of a registered limited  
45 liability partnership formed to provide applied behavior analysis  
46 service in this state must be licensed or certified pursuant to article  
47 167 of the education law to practice applied behavior analysis in this  
48 state. EACH PARTNER OF A REGISTERED LIMITED LIABILITY PARTNERSHIP  
49 FORMED TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC  
50 SERVICES, AS SUCH SERVICES ARE RESPECTIVELY DEFINED UNDER ARTICLE 131  
51 AND ARTICLE 132 OF THE EDUCATION LAW, (I) MUST BE LICENSED PURSUANT TO  
52 ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE HIS OR HER  
53 PROFESSION IN THIS STATE, (II) SHALL ONLY PRACTICE HIS OR HER PROFESSION  
54 AS SPECIFIED IN HIS OR HER RESPECTIVE PROFESSIONAL ENABLING STATUTE  
55 UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW, AND (III) THE  
56 CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN INTEGRATED,

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

15 S 6. Subdivision (q) of section 121-1502 of the partnership law, as  
16 amended by chapter 554 of the laws of 2013, is amended to read as  
17 follows:

18 (q) Each partner of a foreign limited liability partnership which  
19 provides medical services in this state must be licensed pursuant to  
20 article 131 of the education law to practice medicine in the state and  
21 each partner of a foreign limited liability partnership which provides  
22 dental services in the state must be licensed pursuant to article 133 of  
23 the education law to practice dentistry in this state. Each partner of a  
24 foreign limited liability partnership which provides veterinary service  
25 in the state shall be licensed pursuant to article 135 of the education  
26 law to practice veterinary medicine in this state. Each partner of a  
27 foreign limited liability partnership which provides professional engi-  
28 neering, land surveying, architectural and/or landscape architectural  
29 services in this state must be licensed pursuant to article 145, article  
30 147 and/or article 148 of the education law to practice one or more of  
31 such professions. Each partner of a foreign limited liability partner-  
32 ship which provides licensed clinical social work services in this state  
33 must be licensed pursuant to article 154 of the education law to prac-  
34 tice licensed clinical social work in this state. Each partner of a  
35 foreign limited liability partnership which provides creative arts ther-  
36 apy services in this state must be licensed pursuant to article 163 of  
37 the education law to practice creative arts therapy in this state. Each  
38 partner of a foreign limited liability partnership which provides  
39 marriage and family therapy services in this state must be licensed  
40 pursuant to article 163 of the education law to practice marriage and  
41 family therapy in this state. Each partner of a foreign limited liabil-  
42 ity partnership which provides mental health counseling services in this  
43 state must be licensed pursuant to article 163 of the education law to  
44 practice mental health counseling in this state. Each partner of a  
45 foreign limited liability partnership which provides psychoanalysis  
46 services in this state must be licensed pursuant to article 163 of the  
47 education law to practice psychoanalysis in this state. Each partner of  
48 a foreign limited liability partnership which provides applied behavior  
49 analysis services in this state must be licensed or certified pursuant  
50 to article 167 of the education law to practice applied behavior analy-  
51 sis in this state. EACH PARTNER OF A FOREIGN LIMITED LIABILITY PARTNER-  
52 SHIP FORMED TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND CHIROP-  
53 RACTIC SERVICES, AS SUCH SERVICES ARE DEFINED UNDER ARTICLE 131 OR  
54 ARTICLE 132 OF THE EDUCATION LAW, (I) MUST BE LICENSED PURSUANT TO ARTI-  
55 CLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE HIS OR HER  
56 PROFESSION IN THIS STATE, (II) SHALL ONLY PRACTICE HIS OR HER PROFESSION



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

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

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

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

49 19. Permitting any person to share in the fees for professional  
50 services, other than: a partner, employee, associate in a professional  
51 firm or corporation, professional subcontractor or consultant authorized  
52 to practice medicine, or a legally authorized trainee practicing under  
53 the supervision of a licensee OR A CHIROPRACTOR PROVIDING PROFESSIONAL  
54 SERVICES IN THE SAME PRACTICE. This prohibition shall include any  
55 arrangement or agreement whereby the amount received in payment for  
56 furnishing space, facilities, equipment or personnel services used by a

licensee constitutes a percentage of, or is otherwise dependent upon, the income or receipts of the licensee from such practice, except as otherwise provided by law with respect to a facility licensed pursuant to article twenty-eight of the public health law or article thirteen of the mental hygiene law;

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

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

That any person subject to the above enumerated articles, has directly or indirectly requested, received or participated in the division, transference, assignment, rebate, splitting or refunding of a fee for, or has directly requested, received or profited by means of a credit or other valuable consideration as a commission, discount or gratuity in connection with the furnishing of professional care, or service, including x-ray examination and treatment, or for or in connection with the sale, rental, supplying or furnishing of clinical laboratory services or supplies, x-ray laboratory services or supplies, inhalation therapy service or equipment, ambulance service, hospital or medical supplies, physiotherapy or other therapeutic service or equipment, artificial limbs, teeth or eyes, orthopedic or surgical appliances or supplies, optical appliances, supplies or equipment, devices for aid of hearing, drugs, medication or medical supplies or any other goods, services or supplies prescribed for medical diagnosis, care or treatment under this chapter, except payment, not to exceed thirty-three and one-third per centum of any fee received for x-ray examination, diagnosis or treatment, to any hospital furnishing facilities for such examination, diagnosis or treatment. Nothing contained in this section shall prohibit such persons from practicing as partners, in groups or as a professional corporation or as a university faculty practice corporation nor from pooling fees and moneys received, either by the partnerships, professional corporations, university faculty practice corporations or groups by the individual members thereof, for professional services furnished by any individual professional member, or employee of such partnership, corporation or group, nor shall the professionals constituting the partnerships, corporations or groups be prohibited from sharing, dividing or apportioning the fees and moneys received by them or by the partnership, corporation or group in accordance with a partnership or other agreement; provided that no such practice as partners, corporations or in groups or pooling of fees or moneys received or shared, division or apportionment of fees shall be permitted with respect to care and treatment under the workers' compensation law except as expressly authorized by the workers' compensation law. NOTHING CONTAINED IN THIS SECTION, SHALL PROHIBIT A MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC PRACTICE FORMED PURSUANT TO SUBDIVISION (A) OR (B) OF SECTION TWELVE HUNDRED THREE OF THE LIMITED LIABILITY COMPANY LAW, SUBDIVISION (A) OF SECTION

1 THIRTEEN HUNDRED ONE OF THE LIMITED LIABILITY COMPANY LAW, PARAGRAPH (A)  
2 OF SECTION FIFTEEN HUNDRED THREE OF THE BUSINESS CORPORATION LAW, SUBDI-  
3 VISION (Q) OF SECTION 121-1500 OF THE PARTNERSHIP LAW, OR SUBDIVISION  
4 (Q) OF SECTION 121-1502 OF THE PARTNERSHIP LAW FROM POOLING FEES OR  
5 MONIES RECEIVED. Nothing contained in this chapter shall prohibit a  
6 medical or dental expense indemnity corporation pursuant to its contract  
7 with the subscriber from prorationing a medical or dental expense indem-  
8 nity allowance among two or more professionals in proportion to the  
9 services rendered by each such professional at the request of the  
10 subscriber, provided that prior to payment thereof such professionals  
11 shall submit both to the medical or dental expense indemnity corporation  
12 and to the subscriber statements itemizing the services rendered by each  
13 such professional and the charges therefor.

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

16 S 6531. Additional definition of professional misconduct, limited  
17 application. Notwithstanding any inconsistent provision of this article  
18 or any other provisions of law to the contrary, the license or registra-  
19 tion of a person subject to the provisions of this article and article  
20 one hundred thirty-one-B of this chapter may be revoked, suspended, or  
21 annulled or such person may be subject to any other penalty provided in  
22 section two hundred thirty-a of the public health law in accordance with  
23 the provisions and procedures of this article for the following:

24 That any person subject to the above-enumerated articles has directly  
25 or indirectly requested, received or participated in the division,  
26 transference, assignment, rebate, splitting, or refunding of a fee for,  
27 or has directly requested, received or profited by means of a credit or  
28 other valuable consideration as a commission, discount or gratuity, in  
29 connection with the furnishing of professional care or service, includ-  
30 ing x-ray examination and treatment, or for or in connection with the  
31 sale, rental, supplying, or furnishing of clinical laboratory services  
32 or supplies, x-ray laboratory services or supplies, inhalation therapy  
33 service or equipment, ambulance service, hospital or medical supplies,  
34 physiotherapy or other therapeutic service or equipment, artificial  
35 limbs, teeth or eyes, orthopedic or surgical appliances or supplies,  
36 optical appliances, supplies, or equipment, devices for aid of hearing,  
37 drugs, medication, or medical supplies, or any other goods, services, or  
38 supplies prescribed for medical diagnosis, care, or treatment under this  
39 chapter, except payment, not to exceed thirty-three and one-third  
40 percent of any fee received for x-ray examination, diagnosis, or treat-  
41 ment, to any hospital furnishing facilities for such examination, diag-  
42 nosis, or treatment. Nothing contained in this section shall prohibit  
43 such persons from practicing as partners, in groups or as a professional  
44 corporation or as a university faculty practice corporation, nor from  
45 pooling fees and moneys received, either by the partnerships, profes-  
46 sional corporations, or university faculty practice corporations or  
47 groups by the individual members thereof, for professional services  
48 furnished by an individual professional member, or employee of such  
49 partnership, corporation, or group, nor shall the professionals consti-  
50 tuting the partnerships, corporations or groups be prohibited from shar-  
51 ing, dividing, or apportioning the fees and moneys received by them or  
52 by the partnership, corporation, or group in accordance with a partner-  
53 ship or other agreement; provided that no such practice as partners,  
54 corporations, or groups, or pooling of fees or moneys received or  
55 shared, division or apportionment of fees shall be permitted with  
56 respect to and treatment under the workers' compensation law. NOTHING

1 CONTAINED IN THIS SECTION, SHALL PROHIBIT A MULTIDISCIPLINARY MEDICAL  
2 AND CHIROPRACTIC PRACTICE FORMED PURSUANT TO SUBDIVISION (A) OR (B) OF  
3 SECTION TWELVE HUNDRED THREE OF THE LIMITED LIABILITY COMPANY LAW,  
4 SUBDIVISION (A) OF SECTION THIRTEEN HUNDRED ONE OF THE LIMITED LIABILITY  
5 COMPANY LAW, PARAGRAPH (A) OF SECTION FIFTEEN HUNDRED THREE OF THE BUSI-  
6 NESS CORPORATION LAW, SUBDIVISION (Q) OF SECTION 121-1500 OF THE PART-  
7 NERSHIP LAW, OR SUBDIVISION (Q) OF SECTION 121-1502 OF THE PARTNERSHIP  
8 LAW FROM POOLING FEES OR MONIES RECEIVED. Nothing contained in this  
9 chapter shall prohibit a corporation licensed pursuant to article  
10 forty-three of the insurance law pursuant to its contract with the  
11 subscribed from prorationing a medical or dental expenses indemnity  
12 allowance among two or more professionals in proportion to the services  
13 rendered by each such professional at the request of the subscriber,  
14 provided that prior to payment thereof such professionals shall submit  
15 both to the corporation licensed pursuant to article forty-three of the  
16 insurance law and to the subscriber statements itemizing the services  
17 rendered by each such professional and the charges therefor.  
18 S 11. This act shall take effect on the thirtieth day after it shall  
19 have become a law.