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I N   A S S E M B L Y

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Introduced by M. of A. V. LOPEZ, O'DONNELL, MAISEL, ABBATE, ROBERTS, CASTRO, TITONE, JAFFEE, WEPRIN -- Multi-Sponsored by -- M. of A. CROUCH, GANTT, GOODELL, GUNTHER, HEASTIE, KATZ, LUPARDO, McDONOUGH, McKEVITT, THIELE -- 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-

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

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1 ity company must be licensed pursuant to article 133 of the education  
2 law to practice dentistry in this state. With respect to a professional  
3 service limited liability company formed to provide veterinary services  
4 as such services are defined in article 135 of the education law, each  
5 member of such limited liability company must be licensed pursuant to  
6 article 135 of the education law to practice veterinary medicine in this  
7 state. With respect to a professional service limited liability company  
8 formed to provide professional engineering, land surveying, architec-  
9 tural and/or landscape architectural services as such services are  
10 defined in article 145, article 147 and article 148 of the education  
11 law, each member of such limited liability company must be licensed  
12 pursuant to article 145, article 147 and/or article 148 of the education  
13 law to practice one or more of such professions in this state. With  
14 respect to a professional service limited liability company formed to  
15 provide licensed clinical social work services as such services are  
16 defined in article 154 of the education law, each member of such limited  
17 liability company shall be licensed pursuant to article 154 of the  
18 education law to practice licensed clinical social work in this state.  
19 With respect to a professional service limited liability company formed  
20 to provide creative arts therapy services as such services are defined  
21 in article 163 of the education law, each member of such limited liabil-  
22 ity company must be licensed pursuant to article 163 of the education  
23 law to practice creative arts therapy in this state. With respect to a  
24 professional service limited liability company formed to provide  
25 marriage and family therapy services as such services are defined in  
26 article 163 of the education law, each member of such limited liability  
27 company must be licensed pursuant to article 163 of the education law to  
28 practice marriage and family therapy in this state. With respect to a  
29 professional service limited liability company formed to provide mental  
30 health counseling services as such services are defined in article 163  
31 of the education law, each member of such limited liability company must  
32 be licensed pursuant to article 163 of the education law to practice  
33 mental health counseling in this state. With respect to a professional  
34 service limited liability company formed to provide psychoanalysis  
35 services as such services are defined in article 163 of the education  
36 law, each member of such limited liability company must be licensed  
37 pursuant to article 163 of the education law to practice psychoanalysis  
38 in this state. In addition to engaging in such profession or  
39 professions, a professional service limited liability company may engage  
40 in any other business or activities as to which a limited liability  
41 company may be formed under section two hundred one of this chapter.  
42 Notwithstanding any other provision of this section, a professional  
43 service limited liability company (i) authorized to practice law may  
44 only engage in another profession or business or activities or (ii)  
45 which is engaged in a profession or other business or activities other  
46 than law may only engage in the practice of law, to the extent not  
47 prohibited by any other law of this state or any rule adopted by the  
48 appropriate appellate division of the supreme court or the court of  
49 appeals. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, WITH  
50 RESPECT TO A LIMITED LIABILITY COMPANY FORMED TO PROVIDE INTEGRATED,  
51 MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC SERVICES, AS SUCH SERVICES  
52 ARE RESPECTIVELY DEFINED UNDER ARTICLES 131 AND 132 OF THE EDUCATION  
53 LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY COMPANY MUST BE LICENSED  
54 PURSUANT TO ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE  
55 HIS OR HER PROFESSION IN THIS STATE, (II) EACH MEMBER SHALL ONLY PRAC-  
56 TICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE PROFES-

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

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

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

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

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

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

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

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

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

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

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

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

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

1 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN  
2 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
3 ARTICLE 131.

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

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



1 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN  
2 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER  
3 ARTICLE 131.

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

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

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

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

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

50 S 6509-a. Additional definition of professional misconduct; limited  
51 application. Notwithstanding any inconsistent provision of this article  
52 or of any other provision of law to the contrary, the license or regis-  
53 tration of a person subject to the provisions of articles one hundred  
54 thirty-two, one hundred thirty-three, one hundred thirty-six, one  
55 hundred thirty-seven, one hundred thirty-nine, one hundred forty-one,  
56 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 THIRTEEN HUNDRED ONE OF THE LIMITED LIABILITY COMPANY LAW, PARAGRAPH (A) OF SECTION FIFTEEN HUNDRED THREE OF THE BUSINESS CORPORATION LAW, SUBDIVISION (Q) OF SECTION 121-1500 OF THE PARTNERSHIP LAW, OR SUBDIVISION (Q) OF SECTION 121-1502 OF THE PARTNERSHIP LAW FROM POOLING FEES OR MONIES RECEIVED. Nothing contained in this chapter shall prohibit a medical or dental expense indemnity corporation pursuant to its contract with the subscriber from prorationing a medical or dental expense indemnity allowance among two or more professionals in proportion to the services rendered by each such professional at the request of the subscriber, provided that prior to payment thereof such professionals shall submit both to the medical or dental expense indemnity corporation and to the subscriber statements itemizing the services rendered by each such professional and the charges therefor.

1 S 10. Section 6531 of the education law, as amended by chapter 555 of  
2 the laws of 1993, is amended as follows:

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

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

1 provided that prior to payment thereof such professionals shall submit  
2 both to the corporation licensed pursuant to article forty-three of the  
3 insurance law and to the subscriber statements itemizing the services  
4 rendered by each such professional and the charges therefor.  
5 S 11. This act shall take effect immediately.