

5956--A

2013-2014 Regular Sessions

I N A S S E M B L Y

March 11, 2013

Introduced by M. of A. O'DONNELL, CURRAN, BENEDETTO, LENTOL, STIRPE, SKARTADOS, LUPINACCI, GUNTHER, LIFTON, LALOR, ZEBROWSKI -- Multi-Sponsored by -- M. of A. KIM, KOLB, McDONOUGH, SALADINO, WEISENBERG -- read once and referred to the Committee on Higher Education -- recommended to the Committee on Higher Education in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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

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

LBD01399-04-4

1 in article 133 of the education law, each member of such limited liabil-
2 ity company must be licensed pursuant to article 133 of the education
3 law to practice dentistry in this state. With respect to a professional
4 service limited liability company formed to provide veterinary services
5 as such services are defined in article 135 of the education law, each
6 member of such limited liability company must be licensed pursuant to
7 article 135 of the education law to practice veterinary medicine in this
8 state. With respect to a professional service limited liability company
9 formed to provide professional engineering, land surveying, architec-
10 tural and/or landscape architectural services as such services are
11 defined in article 145, article 147 and article 148 of the education
12 law, each member of such limited liability company must be licensed
13 pursuant to article 145, article 147 and/or article 148 of the education
14 law to practice one or more of such professions in this state. With
15 respect to a professional service limited liability company formed to
16 provide licensed clinical social work services as such services are
17 defined in article 154 of the education law, each member of such limited
18 liability company shall be licensed pursuant to article 154 of the
19 education law to practice licensed clinical social work in this state.
20 With respect to a professional service limited liability company formed
21 to provide creative arts therapy services as such services are defined
22 in article 163 of the education law, each member of such limited liabil-
23 ity company must be licensed pursuant to article 163 of the education
24 law to practice creative arts therapy in this state. With respect to a
25 professional service limited liability company formed to provide
26 marriage and family therapy services as such services are defined in
27 article 163 of the education law, each member of such limited liability
28 company must be licensed pursuant to article 163 of the education law to
29 practice marriage and family therapy in this state. With respect to a
30 professional service limited liability company formed to provide mental
31 health counseling services as such services are defined in article 163
32 of the education law, each member of such limited liability company must
33 be licensed pursuant to article 163 of the education law to practice
34 mental health counseling in this state. With respect to a professional
35 service limited liability company formed to provide psychoanalysis
36 services as such services are defined in article 163 of the education
37 law, each member of such limited liability company must be licensed
38 pursuant to article 163 of the education law to practice psychoanalysis
39 in this state. With respect to a professional service limited liability
40 company formed to provide applied behavior analysis services as such
41 services are defined in article 167 of the education law, each member of
42 such limited liability company must be licensed or certified pursuant to
43 article 167 of the education law to practice applied behavior analysis
44 in this state. In addition to engaging in such profession or
45 professions, a professional service limited liability company may engage
46 in any other business or activities as to which a limited liability
47 company may be formed under section two hundred one of this chapter.
48 Notwithstanding any other provision of this section, a professional
49 service limited liability company (i) authorized to practice law may
50 only engage in another profession or business or activities or (ii)
51 which is engaged in a profession or other business or activities other
52 than law may only engage in the practice of law, to the extent not
53 prohibited by any other law of this state or any rule adopted by the
54 appropriate appellate division of the supreme court or the court of
55 appeals. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, WITH
56 RESPECT TO A LIMITED LIABILITY COMPANY FORMED TO PROVIDE INTEGRATED,

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

24 S 2. Subdivision (b) of section 1207 of the limited liability company
25 law, as amended by chapter 554 of the laws of 2013, is amended to read
26 as follows:

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

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

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

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

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

1 in this state. With respect to a foreign professional service limited
2 liability company which provides psychoanalysis services as such
3 services are defined in article 163 of the education law, each member of
4 such foreign professional service limited liability company must be
5 licensed pursuant to article 163 of the education law to practice
6 psychoanalysis in this state. With respect to a foreign professional
7 service limited liability company which provides applied behavior analy-
8 sis services as such services are defined in article 167 of the educa-
9 tion law, each member of such foreign professional service limited
10 liability company must be licensed or certified pursuant to article 167
11 of the education law to practice applied behavior analysis in this
12 state. WITH RESPECT TO A FOREIGN PROFESSIONAL SERVICE LIMITED LIABILITY
13 COMPANY FORMED TO PROVIDE INTEGRATED, MULTI-DISCIPLINARY MEDICAL AND
14 CHIROPRACTIC SERVICES, AS SUCH SERVICES ARE RESPECTIVELY DEFINED UNDER
15 ARTICLE 131 AND ARTICLE 132 OF THE EDUCATION LAW, (I) EACH MEMBER OF
16 SUCH LIMITED LIABILITY COMPANY MUST BE LICENSED PURSUANT TO ARTICLE 131
17 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE HIS OR HER PROFESSION IN
18 THIS STATE, (II) EACH MEMBER SHALL ONLY PRACTICE HIS OR HER PROFESSION
19 AS SPECIFIED IN HIS OR HER RESPECTIVE PROFESSIONAL ENABLING STATUTE
20 UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW, AND (III) THE
21 CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN INTEGRATED,
22 MULTIDISCIPLINARY ENTITY ORGANIZED UNDER THIS SECTION DOES NOT ALTER,
23 EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY OF THE INDIVIDUALS
24 LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE PROFESSIONAL ENABL-
25 ING LAW, PROVIDED THAT: (A) THE CLINICAL JUDGMENT, MANAGEMENT AND CLIN-
26 ICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131 PROVIDERS IN AN INTE-
27 GRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY
28 SHALL BE CONTROLLING, (B) MEMBERS LICENSED UNDER ARTICLE 132 OF THE
29 EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE
30 CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL
31 LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE
32 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 132 OF
33 THE EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE
34 UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR
35 INDIRECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

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

39 (a) Notwithstanding any other provision of law, (I) one or more indi-
40 viduals duly authorized by law to render the same professional service
41 within the state may organize, or cause to be organized, a professional
42 service corporation for pecuniary profit under this article for the
43 purpose of rendering the same professional service, except that one or
44 more individuals duly authorized by law to practice professional engi-
45 neering, architecture, landscape architecture or land surveying within
46 the state may organize, or cause to be organized, a professional service
47 corporation or a design professional service corporation for pecuniary
48 profit under this article for the purpose of rendering such professional
49 services as such individuals are authorized to practice, AND, (II) ONE
50 OR MORE INDIVIDUALS DULY LICENSED TO PRACTICE MEDICINE AND ONE OR MORE
51 CHIROPRACTORS LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW, WHO MAY
52 BE BOARD CERTIFIED OR QUALIFIED BY HIS OR HER RESPECTIVE PROFESSIONAL
53 SPECIALTY BOARDS, MAY ORGANIZE, OR CAUSE TO BE ORGANIZED, FOR BUSINESS
54 PURPOSES ONLY, A MULTIDISCIPLINARY PROFESSIONAL SERVICE CORPORATION
55 FORMED FOR PECUNIARY PROFIT UNDER THIS ARTICLE FOR THE PURPOSE OF
56 RENDERING INTEGRATED AND NON-INTEGRATED PROFESSIONAL SERVICES WITHIN

1 SUCH A CORPORATION AS SUCH INDIVIDUALS ARE AUTHORIZED TO PRACTICE INDI-
2 VIDUALLY IN HIS OR HER RESPECTIVE PROFESSIONS, PROVIDED THAT THE CLIN-
3 ICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN ENTITY ORGANIZED
4 UNDER THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRAC-
5 TICE OF ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER
6 RESPECTIVE PROFESSIONAL ENABLING LAW; THAT THE CLINICAL JUDGMENT,
7 MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131
8 PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PRACTICE SHALL BE CONTROL-
9 LING; THAT MEMBERS LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW,
10 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLINICAL JUDGMENT
11 OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE
12 131; AND THAT INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR
13 DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 132 OF THE EDUCATION LAW TO
14 PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 132 OF THE
15 EDUCATION LAW IN A PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY, EVEN
16 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER
17 ARTICLE 131.

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

21 (q) Each partner of a registered limited liability partnership formed
22 to provide medical services in this state must be licensed pursuant to
23 article 131 of the education law to practice medicine in this state and
24 each partner of a registered limited liability partnership formed to
25 provide dental services in this state must be licensed pursuant to arti-
26 cle 133 of the education law to practice dentistry in this state. Each
27 partner of a registered limited liability partnership formed to provide
28 veterinary services in this state must be licensed pursuant to article
29 135 of the education law to practice veterinary medicine in this state.
30 Each partner of a registered limited liability partnership formed to
31 provide professional engineering, land surveying, architectural and/or
32 landscape architectural services in this state must be licensed pursuant
33 to article 145, article 147 and/or article 148 of the education law to
34 practice one or more of such professions in this state. Each partner of
35 a registered limited liability partnership formed to provide licensed
36 clinical social work services in this state must be licensed pursuant to
37 article 154 of the education law to practice clinical social work in
38 this state. Each partner of a registered limited liability partnership
39 formed to provide creative arts therapy services in this state must be
40 licensed pursuant to article 163 of the education law to practice crea-
41 tive arts therapy in this state. Each partner of a registered limited
42 liability partnership formed to provide marriage and family therapy
43 services in this state must be licensed pursuant to article 163 of the
44 education law to practice marriage and family therapy in this state.
45 Each partner of a registered limited liability partnership formed to
46 provide mental health counseling services in this state must be licensed
47 pursuant to article 163 of the education law to practice mental health
48 counseling in this state. Each partner of a registered limited liability
49 partnership formed to provide psychoanalysis services in this state must
50 be licensed pursuant to article 163 of the education law to practice
51 psychoanalysis in this state. Each partner of a registered limited
52 liability partnership formed to provide applied behavior analysis
53 service in this state must be licensed or certified pursuant to article
54 167 of the education law to practice applied behavior analysis in this
55 state. EACH PARTNER OF A REGISTERED LIMITED LIABILITY PARTNERSHIP
56 FORMED TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC

1 SERVICES, AS SUCH SERVICES ARE RESPECTIVELY DEFINED UNDER ARTICLE 131
2 AND ARTICLE 132 OF THE EDUCATION LAW, (I) MUST BE LICENSED PURSUANT TO
3 ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE HIS OR HER
4 PROFESSION IN THIS STATE, (II) SHALL ONLY PRACTICE HIS OR HER PROFESSION
5 AS SPECIFIED IN HIS OR HER RESPECTIVE PROFESSIONAL ENABLING STATUTE
6 UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW, AND (III) THE
7 CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN INTEGRATED,
8 MULTI-DISCIPLINARY ENTITY ORGANIZED UNDER THIS SECTION DOES NOT ALTER,
9 EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY OF THE INDIVIDUALS
10 LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE PROFESSIONAL ENABL-
11 ING LAW, PROVIDED THAT: (A) THE CLINICAL JUDGMENT, MANAGEMENT AND CLIN-
12 ICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131 PROVIDERS IN AN INTE-
13 GRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY
14 SHALL BE CONTROLLING, (B) MEMBERS LICENSED UNDER ARTICLE 132 OF THE
15 EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE
16 CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL
17 LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE
18 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 132 OF
19 THE EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE
20 UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR
21 INDIRECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

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

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

1 to article 167 of the education law to practice applied behavior analy-
2 sis in this state. EACH PARTNER OF A FOREIGN LIMITED LIABILITY PARTNER-
3 SHIP FORMED TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND CHIROP-
4 RACTIC SERVICES, AS SUCH SERVICES ARE DEFINED UNDER ARTICLE 131 OR
5 ARTICLE 132 OF THE EDUCATION LAW, (I) MUST BE LICENSED PURSUANT TO ARTI-
6 CLE 131 OR ARTICLE 132 OF THE EDUCATION LAW TO PRACTICE HIS OR HER
7 PROFESSION IN THIS STATE, (II) SHALL ONLY PRACTICE HIS OR HER PROFESSION
8 AS SPECIFIED IN HIS OR HER RESPECTIVE PROFESSIONAL ENABLING STATUTE
9 UNDER ARTICLE 131 OR ARTICLE 132 OF THE EDUCATION LAW, AND (III) THE
10 CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN INTEGRATED,
11 MULTIDISCIPLINARY ENTITY ORGANIZED UNDER THIS SECTION DOES NOT ALTER,
12 EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY OF THE INDIVIDUALS
13 LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE PROFESSIONAL ENABL-
14 ING LAW, PROVIDED THAT: (A) THE CLINICAL JUDGMENT, MANAGEMENT AND CLIN-
15 ICAL DECISION-MAKING OF ONE OR MORE ARTICLE 131 PROVIDERS IN AN INTE-
16 GRATED, MULTIDISCIPLINARY PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY
17 SHALL BE CONTROLLING, (B) MEMBERS NOT LICENSED UNDER ARTICLE 131 OF THE
18 EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE
19 CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL
20 LICENSED UNDER ARTICLE 131, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE
21 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 132 OF
22 THE EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE
23 UNDER ARTICLE 132 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR
24 INDIRECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

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

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

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

1 19. Permitting any person to share in the fees for professional
2 services, other than: a partner, employee, associate in a professional
3 firm or corporation, professional subcontractor or consultant authorized
4 to practice medicine, or a legally authorized trainee practicing under
5 the supervision of a licensee OR A CHIROPRACTOR PROVIDING PROFESSIONAL
6 SERVICES IN THE SAME PRACTICE. This prohibition shall include any
7 arrangement or agreement whereby the amount received in payment for
8 furnishing space, facilities, equipment or personnel services used by a
9 licensee constitutes a percentage of, or is otherwise dependent upon,
10 the income or receipts of the licensee from such practice, except as
11 otherwise provided by law with respect to a facility licensed pursuant
12 to article twenty-eight of the public health law or article thirteen of
13 the mental hygiene law;

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

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

28 That any person subject to the above enumerated articles, has directly
29 or indirectly requested, received or participated in the division,
30 transference, assignment, rebate, splitting or refunding of a fee for,
31 or has directly requested, received or profited by means of a credit or
32 other valuable consideration as a commission, discount or gratuity in
33 connection with the furnishing of professional care, or service, includ-
34 ing x-ray examination and treatment, or for or in connection with the
35 sale, rental, supplying or furnishing of clinical laboratory services or
36 supplies, x-ray laboratory services or supplies, inhalation therapy
37 service or equipment, ambulance service, hospital or medical supplies,
38 physiotherapy or other therapeutic service or equipment, artificial
39 limbs, teeth or eyes, orthopedic or surgical appliances or supplies,
40 optical appliances, supplies or equipment, devices for aid of hearing,
41 drugs, medication or medical supplies or any other goods, services or
42 supplies prescribed for medical diagnosis, care or treatment under this
43 chapter, except payment, not to exceed thirty-three and one-third per
44 centum of any fee received for x-ray examination, diagnosis or treat-
45 ment, to any hospital furnishing facilities for such examination, diag-
46 nosis or treatment. Nothing contained in this section shall prohibit
47 such persons from practicing as partners, in groups or as a professional
48 corporation or as a university faculty practice corporation nor from
49 pooling fees and moneys received, either by the partnerships, profes-
50 sional corporations, university faculty practice corporations or groups
51 by the individual members thereof, for professional services furnished
52 by any individual professional member, or employee of such partnership,
53 corporation or group, nor shall the professionals constituting the part-
54 nerships, corporations or groups be prohibited from sharing, dividing or
55 apportioning the fees and moneys received by them or by the partnership,
56 corporation or group in accordance with a partnership or other agree-

1 ment; provided that no such practice as partners, corporations or in
2 groups or pooling of fees or moneys received or shared, division or
3 apportionment of fees shall be permitted with respect to care and treat-
4 ment under the workers' compensation law except as expressly authorized
5 by the workers' compensation law. NOTHING CONTAINED IN THIS SECTION,
6 SHALL PROHIBIT A MULTIDISCIPLINARY MEDICAL AND CHIROPRACTIC PRACTICE
7 FORMED PURSUANT TO SUBDIVISION (A) OR (B) OF SECTION TWELVE HUNDRED
8 THREE OF THE LIMITED LIABILITY COMPANY LAW, SUBDIVISION (A) OF SECTION
9 THIRTEEN HUNDRED ONE OF THE LIMITED LIABILITY COMPANY LAW, PARAGRAPH (A)
10 OF SECTION FIFTEEN HUNDRED THREE OF THE BUSINESS CORPORATION LAW, SUBDI-
11 VISION (Q) OF SECTION 121-1500 OF THE PARTNERSHIP LAW, OR SUBDIVISION
12 (Q) OF SECTION 121-1502 OF THE PARTNERSHIP LAW FROM POOLING FEES OR
13 MONIES RECEIVED. Nothing contained in this chapter shall prohibit a
14 medical or dental expense indemnity corporation pursuant to its contract
15 with the subscriber from prorationing a medical or dental expense indem-
16 nity allowance among two or more professionals in proportion to the
17 services rendered by each such professional at the request of the
18 subscriber, provided that prior to payment thereof such professionals
19 shall submit both to the medical or dental expense indemnity corporation
20 and to the subscriber statements itemizing the services rendered by each
21 such professional and the charges therefor.

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

24 S 6531. Additional definition of professional misconduct, limited
25 application. Notwithstanding any inconsistent provision of this article
26 or any other provisions of law to the contrary, the license or registra-
27 tion of a person subject to the provisions of this article and article
28 one hundred thirty-one-B of this chapter may be revoked, suspended, or
29 annulled or such person may be subject to any other penalty provided in
30 section two hundred thirty-a of the public health law in accordance with
31 the provisions and procedures of this article for the following:

32 That any person subject to the above-enumerated articles has directly
33 or indirectly requested, received or participated in the division,
34 transference, assignment, rebate, splitting, or refunding of a fee for,
35 or has directly requested, received or profited by means of a credit or
36 other valuable consideration as a commission, discount or gratuity, in
37 connection with the furnishing of professional care or service, includ-
38 ing x-ray examination and treatment, or for or in connection with the
39 sale, rental, supplying, or furnishing of clinical laboratory services
40 or supplies, x-ray laboratory services or supplies, inhalation therapy
41 service or equipment, ambulance service, hospital or medical supplies,
42 physiotherapy or other therapeutic service or equipment, artificial
43 limbs, teeth or eyes, orthopedic or surgical appliances or supplies,
44 optical appliances, supplies, or equipment, devices for aid of hearing,
45 drugs, medication, or medical supplies, or any other goods, services, or
46 supplies prescribed for medical diagnosis, care, or treatment under this
47 chapter, except payment, not to exceed thirty-three and one-third
48 percent of any fee received for x-ray examination, diagnosis, or treat-
49 ment, to any hospital furnishing facilities for such examination, diag-
50 nosis, or treatment. Nothing contained in this section shall prohibit
51 such persons from practicing as partners, in groups or as a professional
52 corporation or as a university faculty practice corporation, nor from
53 pooling fees and moneys received, either by the partnerships, profes-
54 sional corporations, or university faculty practice corporations or
55 groups by the individual members thereof, for professional services
56 furnished by an individual professional member, or employee of such

1 partnership, corporation, or group, nor shall the professionals consti-
2 tuting the partnerships, corporations or groups be prohibited from shar-
3 ing, dividing, or apportioning the fees and moneys received by them or
4 by the partnership, corporation, or group in accordance with a partner-
5 ship or other agreement; provided that no such practice as partners,
6 corporations, or groups, or pooling of fees or moneys received or
7 shared, division or apportionment of fees shall be permitted with
8 respect to and treatment under the workers' compensation law. NOTHING
9 CONTAINED IN THIS SECTION, SHALL PROHIBIT A MULTIDISCIPLINARY MEDICAL
10 AND CHIROPRACTIC PRACTICE FORMED PURSUANT TO SUBDIVISION (A) OR (B) OF
11 SECTION TWELVE HUNDRED THREE OF THE LIMITED LIABILITY COMPANY LAW,
12 SUBDIVISION (A) OF SECTION THIRTEEN HUNDRED ONE OF THE LIMITED LIABILITY
13 COMPANY LAW, PARAGRAPH (A) OF SECTION FIFTEEN HUNDRED THREE OF THE BUSI-
14 NESS CORPORATION LAW, SUBDIVISION (Q) OF SECTION 121-1500 OF THE PART-
15 NERSHIP LAW, OR SUBDIVISION (Q) OF SECTION 121-1502 OF THE PARTNERSHIP
16 LAW FROM POOLING FEES OR MONIES RECEIVED. Nothing contained in this
17 chapter shall prohibit a corporation licensed pursuant to article
18 forty-three of the insurance law pursuant to its contract with the
19 subscribed from prorationing a medical or dental expenses indemnity
20 allowance among two or more professionals in proportion to the services
21 rendered by each such professional at the request of the subscriber,
22 provided that prior to payment thereof such professionals shall submit
23 both to the corporation licensed pursuant to article forty-three of the
24 insurance law and to the subscriber statements itemizing the services
25 rendered by each such professional and the charges therefor.

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