

6414

I N S E N A T E

January 22, 2014

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

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

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

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

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