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February 27, 2012

SENATE BILL NO. 1279

By: David of the Senate

and

Mulready of the House

An Act relating to professional entities; amending 18 O.S. 2011, Section 803, which relates to the Professional Entity Act; modifying definitions; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 18 O.S. 2011, Section 803, is amended to read as follows:

Section 803. A. As used ~~herein~~ in the Professional Entity Act,
unless the context clearly indicates that a different meaning is
intended:

1. "Associated act" means the Oklahoma General Corporation Act, in the case of a corporation; the Oklahoma Revised Uniform Limited Partnership Act, in the case of a limited partnership; or the Oklahoma Limited Liability Company Act, in the case of a limited liability company;

1 2. "Interest" means a share of stock in a corporation, a
2 partnership interest in a limited partnership or a membership
3 interest in a limited liability company;

4 3. "Owner" means a shareholder in the case of a corporation, a
5 general or limited partner in the case of a limited partnership or a
6 member in the case of a limited liability company;

7 4. "Manager" means a director or officer in the case of a
8 corporation, a general partner in the case of a limited partnership
9 or a manager in the case of a limited liability company;

10 5. "Professional entity" means a domestic corporation, limited
11 partnership or limited liability company formed for the purpose of
12 rendering professional service;

13 6. "Professional service" means the personal service rendered
14 by:

15 a. a physician, surgeon or doctor of medicine pursuant to
16 a license under Sections 481 through 524 of Title 59
17 of the Oklahoma Statutes, and any subsequent laws
18 regulating the practice of medicine,

19 b. an osteopathic physician or surgeon pursuant to a
20 license under Sections 620 through 645 of Title 59 of
21 the Oklahoma Statutes, and any subsequent laws
22 regulating the practice of osteopathy,

23 c. a chiropractic physician pursuant to a license under
24 Sections 161.1 through 161.20 of Title 59 of the

- Oklahoma Statutes, and any subsequent laws regulating the practice of chiropractic,
- d. a podiatric physician pursuant to a license under Sections 135.1 through 160.2 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of podiatric medicine,
- e. an optometrist pursuant to a license under Sections 581 through 606 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of optometry,
- f. a veterinarian pursuant to a license under Sections 698.1 through 698.18 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of veterinary medicine,
- g. an architect pursuant to a license under Sections 46.1 through 46.37 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of architecture,
- h. an attorney pursuant to his authority to practice law granted by the Supreme Court of the State of Oklahoma,
- i. a dentist pursuant to a license under Sections 328.1 through 328.51a of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of dentistry,

- j. a certified public accountant or a public accountant pursuant to his or her authority to practice accounting under Sections 15.1 through 15.35 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of public accountancy,
- k. a psychologist pursuant to a license under Sections 1351 through 1376 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of psychology,
- l. a physical therapist pursuant to a license under Sections 887.1 through 887.18 of Title 59 of the Oklahoma Statutes, and any subsequent laws regulating the practice of physical therapy,
- m. a registered nurse pursuant to a license under Sections 567.1 through 567.16a of Title 59 of the Oklahoma Statutes, and any other subsequent laws regulating the practice of nursing,
- n. a professional engineer pursuant to a license under Sections 475.1 through 475.22a of Title 59 of the Oklahoma Statutes, and any subsequent laws relating to the practice of engineering,
- o. a land surveyor pursuant to a license under Sections 475.1 through 475.22a of Title 59 of the Oklahoma

- 1 Statutes, and any subsequent laws relating to the
2 practice of land surveying,
- 3 p. an occupational therapist pursuant to Sections 888.1
4 through 888.15 of Title 59 of the Oklahoma Statutes
5 and any subsequent law regulating the practice of
6 occupational therapy,
- 7 q. a speech pathologist or speech therapist pursuant to
8 Sections 1601 through 1622 of Title 59 of the Oklahoma
9 Statutes, and any subsequent law regulating the
10 practice of speech pathology,
- 11 r. an audiologist pursuant to Sections 1601 through 1622
12 of Title 59 of the Oklahoma Statutes, and any
13 subsequent law regulating the practice of audiology,
- 14 s. a registered pharmacist pursuant to Sections 353
15 through 366 of Title 59 of the Oklahoma Statutes, and
16 any subsequent law regulating the practice of
17 pharmacy,
- 18 t. a licensed perfusionist pursuant to Sections 2051
19 through 2071 of Title 59 of the Oklahoma Statutes, and
20 any subsequent laws regulating the practice of
21 perfusionists,
- 22 u. a licensed professional counselor pursuant to Sections
23 1901 through 1920 of Title 59 of the Oklahoma
24

- 1 Statutes, and any subsequent law regulating the
2 practice of professional counseling,
- 3 v. a licensed marital and family therapist pursuant to
4 Sections 1925.1 through 1925.18 of Title 59 of the
5 Oklahoma Statutes, and any subsequent law regulating
6 the practice of marital and family therapy,
- 7 w. a dietitian licensed pursuant to Sections 1721 through
8 1739 of Title 59 of the Oklahoma Statutes and any
9 subsequent laws regulating the practice of dietitians,
10 ~~or~~
- 11 x. a social worker licensed pursuant to Sections 1250
12 through 1273 of Title 59 of the Oklahoma Statutes, and
13 any subsequent laws regulating the practice of social
14 work,
- 15 y. a licensed alcohol and drug counselor pursuant to
16 Sections 1870 through 1885 of Title 59 of the Oklahoma
17 Statutes, and any subsequent laws regulating the
18 practice of alcohol and drug counseling, or
- 19 z. a licensed behavioral practitioner pursuant to
20 Sections 1930 through 1949.1 of Title 59 of the
21 Oklahoma Statutes, and any subsequent laws regulating
22 the practice of behavioral health services;

23 7. "Related professional services" means those services which
24 are combined for professional entity purposes as follows:

1 a. any combination of the following professionals:

- 2 (1) a physician, surgeon or doctor of medicine
3 pursuant to a license under Sections 481 through
4 524 of Title 59 of the Oklahoma Statutes, and any
5 subsequent laws regulating the practice of
6 medicine,
- 7 (2) an osteopathic physician or surgeon pursuant to a
8 license under Sections 620 through 645 of Title
9 59 of the Oklahoma Statutes, and any subsequent
10 laws relating to the practice of osteopathy,
- 11 (3) a dentist pursuant to a license under Sections
12 328.1 through 328.51a of Title 59 of the Oklahoma
13 Statutes, and any subsequent laws regulating the
14 practice of dentistry,
- 15 (4) a chiropractic physician pursuant to a license
16 under Sections 161.1 through 161.20 of Title 59
17 of the Oklahoma Statutes, and any subsequent laws
18 regulating the practice of chiropractic,
- 19 (5) a psychologist pursuant to a license under
20 Sections 1351 through 1376 of Title 59 of the
21 Oklahoma Statutes, and any subsequent laws
22 regulating the practice of psychology,
- 23 (6) an optometrist pursuant to a license under
24 Sections 581 through 606 of Title 59 of the

Oklahoma Statutes, and any subsequent laws
regulating the practice of optometry,

(7) a podiatric physician pursuant to a license under
Sections 135.1 through 160.2 of Title 59 of the
Oklahoma Statutes, and any subsequent laws
regulating the practice of podiatric medicine,

(8) a dietitian licensed pursuant to Sections 1721
through 1739 of Title 59 of the Oklahoma Statutes
and subsequent laws regulating the practice of
dietitians, or

(9) an occupational therapist pursuant to Sections
888.1 through 888.15 of Title 59 of the Oklahoma
Statutes and any subsequent law regulating the
practice of occupational therapy, or

b. any combination of the following professions:

(1) an architect pursuant to a license under Sections
46.1 through 46.37 of Title 59 of the Oklahoma
Statutes, and any subsequent laws regulating the
practice of architecture,

(2) a professional engineer pursuant to a license
under Sections 475.1 through 475.22a of Title 59
of the Oklahoma Statutes, and any subsequent laws
relating to the practice of engineering, or

1 (3) a land surveyor pursuant to a license under
2 Sections 475.1 through 475.22a of Title 59 of the
3 Oklahoma Statutes, and any subsequent laws
4 relating to the practice of land surveying;

5 8. "Regulating board" means the board which is charged with the
6 licensing and regulation of the practice of the profession which the
7 professional entity is organized to render;

8 9. "Individual", "incorporator" and "shareholder" each include
9 the trustee of an express trust created by a person duly licensed to
10 render a professional service who has the right to revoke said trust
11 and who is serving as the trustee of said trust. Any certificate
12 required by the Professional Entity Act to be issued to an
13 individual incorporator or shareholder may be issued to the grantor
14 on behalf of a trust. All references in the Professional Entity Act
15 to death and incapacity of a shareholder shall include the death and
16 incapacity of the grantor of a trust which own stock in a
17 professional corporation;

18 10. "Incapacity" of a shareholder means a determination by a
19 court of competent jurisdiction, or otherwise by two independent
20 licensed physicians, that the share holder is fully incapacitated or
21 is partially incapacitated to the extent that the shareholder is not
22 capable of rendering the professional service for which the
23 professional corporation was organized; and
24

1 11. "Other personal representative" includes the successor
2 trustee of an express trust owning stock in a professional
3 corporation, which trust was created by a person duly licensed to
4 render the professional service for which the professional
5 corporation was organized who has the right to revoke the trust and
6 who is the original trustee of the trust.

7 B. The definitions of the applicable associated act shall apply
8 to this act, unless the context clearly indicates that a different
9 meaning is intended.

10 SECTION 2. This act shall become effective November 1, 2012.

11 COMMITTEE REPORT BY: COMMITTEE ON HEALTH & HUMAN SERVICES, dated
12 2-20-12 - DO PASS, As Coauthored.