

SENATE BILL No. 27

January 27, 2009, Introduced by Senator STAMAS and referred to the Committee on Health Policy.

A bill to amend 1962 PA 192, entitled
"Professional service corporation act,"
by amending sections 2 and 4 (MCL 450.222 and 450.224), section 2
as amended by 1998 PA 48 and section 4 as amended by 2000 PA 335.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Licensed person" means an individual who is duly licensed
3 or otherwise legally authorized to practice a professional service
4 by a court, department, board, commission, **OR** an agency of this
5 state or another jurisdiction ~~—~~or any corporation all of whose
6 shareholders are licensed persons.

7 (b) "Professional corporation" means a corporation that is
8 organized under this act for the sole and specific purpose of

1 rendering 1 or more professional services and has as its
 2 shareholders only licensed persons, the personal representatives or
 3 estates of individuals, or other persons as provided in section 10.

4 (c) "Professional service" means a type of personal service to
 5 the public that requires as a condition precedent to the rendering
 6 of the service the obtaining of a license or other legal
 7 authorization. Professional service includes, but is not limited
 8 to, services rendered by ~~certified or other public accountants,~~
 9 ~~chiropractors, dentists, optometrists, veterinarians, osteopaths,~~
 10 ~~physicians and surgeons, doctors of medicine, doctors of dentistry,~~
 11 ~~pediatrists, chiropodists, architects, professional engineers, land~~
 12 ~~surveyors, and attorneys at law~~ **A CERTIFIED OR OTHER PUBLIC**
 13 **ACCOUNTANT, CHIROPRACTOR, DENTIST, OPTOMETRIST, VETERINARIAN,**
 14 **OSTEOPATHIC PHYSICIAN, PHYSICIAN, SURGEON, PODIATRIST, CHIROPODIST,**
 15 **PHYSICIAN'S ASSISTANT, ARCHITECT, PROFESSIONAL ENGINEER, LAND**
 16 **SURVEYOR, OR ATTORNEY-AT-LAW.**

17 Sec. 4. (1) ~~One~~ **EXCEPT AS PROVIDED IN THIS SECTION,** 1 or more
 18 licensed persons may organize under this act to become a
 19 shareholder or shareholders of a professional corporation for
 20 pecuniary profit.

21 (2) Except as ~~otherwise~~ provided in ~~subsection (3)~~ **THIS**
 22 **SECTION** or otherwise prohibited, a professional corporation may
 23 render 1 or more professional services, except that each
 24 shareholder must be a licensed person in 1 or more of the
 25 professional services rendered by the corporation.

26 (3) Except as otherwise provided in ~~this~~ subsection **(4) OR**
 27 **(5),** if ~~the~~ **A** professional corporation renders a professional

1 service that is included within the public health code, 1978 PA
2 368, MCL 333.1101 to 333.25211, then all shareholders of the
3 corporation ~~shall~~ **MUST** be licensed or legally authorized in this
4 state to render the same professional service.

5 (4) One or more physicians ~~and surgeons licensed under the~~
6 ~~public health code, 1978 PA 368, MCL 333.1101 to 333.25211,~~ may
7 organize a professional corporation under this act with 1 or more
8 physicians ~~and surgeons~~ licensed under different provisions of
9 **ARTICLE 15 OF** the public health code, 1978 PA 368, MCL ~~333.1101 to~~
10 ~~333.25211~~ **333.16101 TO 333.18838.**

11 (5) **ONE OR MORE PHYSICIANS MAY ORGANIZE A PROFESSIONAL**
12 **CORPORATION UNDER THIS ACT WITH 1 OR MORE PHYSICIAN'S ASSISTANTS**
13 **LICENSED UNDER ARTICLE 15 OF THE PUBLIC HEALTH CODE, 1978 PA 368,**
14 **MCL 333.16101 TO 333.18838. BEGINNING MAY 1, 2008, 1 OR MORE**
15 **PHYSICIAN'S ASSISTANTS MAY NOT ORGANIZE A PROFESSIONAL CORPORATION**
16 **UNDER THIS ACT THAT WILL HAVE ONLY PHYSICIAN'S ASSISTANTS AS**
17 **SHAREHOLDERS.**

18 (6) ~~(4)~~ A licensed person of another jurisdiction may become
19 an officer, director, shareholder, employee, or agent of ~~the~~ **A**
20 **PROFESSIONAL** corporation but shall not render any professional
21 service in this state until the person is licensed or otherwise
22 legally authorized to render the professional service in this
23 state.

24 (7) **AS USED IN THIS SECTION, "PHYSICIAN" MEANS AN INDIVIDUAL**
25 **LICENSED TO ENGAGE IN THE PRACTICE OF MEDICINE, THE PRACTICE OF**
26 **OSTEOPATHIC MEDICINE AND SURGERY, OR THE PRACTICE OF PODIATRIC**
27 **MEDICINE AND SURGERY UNDER ARTICLE 15 OF THE PUBLIC HEALTH CODE,**

1 1978 PA 368, MCL 333.16101 TO 333.18838.

2 Enacting section 1. This amendatory act does not take effect
3 unless all of the following bills of the 95th Legislature are
4 enacted into law:

5 (a) Senate Bill No. 26.

6

7 (b) Senate Bill No. 28.

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