

Senate Study Bill 1015 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON RAGAN)

A BILL FOR

1 An Act relating to professions which may practice together
2 in professional limited liability companies and including
3 effective and applicability date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 489.1101, subsection 4, Code 2011, is
2 amended to read as follows:

3 4. "*Profession*" means the profession of certified public
4 accountancy, architecture, chiropractic, dentistry, physical
5 therapy, practice as a physician assistant, psychology,
6 professional engineering, land surveying, landscape
7 architecture, law, medicine and surgery, optometry, osteopathic
8 medicine and surgery, accounting practitioner, podiatry, real
9 estate brokerage, speech pathology, audiology, veterinary
10 medicine, pharmacy, nursing, or marital and family therapy,
11 provided that the marital and family therapist is licensed
12 under chapters 147 and 154D.

13 Sec. 2. Section 489.1102, Code 2011, is amended to read as
14 follows:

15 **489.1102 Purposes and powers.**

16 1. A professional limited liability company shall be
17 organized only for the purpose of engaging in the practice of
18 one specific profession, or two or more specific professions
19 which could lawfully be practiced in combination by a licensed
20 individual or a partnership of licensed individuals, and for
21 the additional purpose of doing all lawful things which may be
22 incidental to or necessary or convenient in connection with the
23 practice of the profession or professions. The certificate of
24 organization of a professional limited liability company shall
25 state in substance that the purposes for which the professional
26 limited liability company is organized are to engage in the
27 general practice of a specified profession or professions, or
28 one or more specified branches or divisions thereof, and to do
29 all lawful things which may be incidental to or necessary or
30 convenient in connection with the practice of the profession
31 or professions.

32 2. a. For purposes of this section, medicine and surgery,
33 osteopathic medicine and surgery, and practice as a physician
34 assistant shall be deemed to be professions which could
35 lawfully be practiced in combination by licensed individuals or

1 a partnership of licensed individuals.

2 b. Nothing in this section shall be construed to expand
3 the scope of practice of a physician assistant or modify the
4 requirement in section 148C.4 that a physician assistant
5 perform medical services under the supervision of a licensed
6 physician.

7 Sec. 3. Section 489.1105, Code 2011, is amended to read as
8 follows:

9 **489.1105 Practice by professional limited liability company.**

10 1. Notwithstanding any other statute or rule of law,
11 a professional limited liability company may practice a
12 profession, but may do so in this state only through a member,
13 manager, employee, or agent, who is licensed to practice
14 the same profession in this state. In its practice of a
15 profession, a professional limited liability company shall not
16 do any act which could not lawfully be done by an individual
17 licensed to practice the profession which the professional
18 limited liability company is authorized to practice.

19 2. a. This section shall not prohibit persons practicing
20 medicine and surgery, persons practicing osteopathic medicine
21 and surgery, or persons practicing as physician assistants from
22 practicing their respective professions in lawful combination
23 pursuant to section 489.1102.

24 b. Nothing in this section shall be construed to expand
25 the scope of practice of a physician assistant or modify the
26 requirement in section 148C.4 that a physician assistant
27 perform medical services under the supervision of a licensed
28 physician.

29 Sec. 4. Section 489.1114, Code 2011, is amended to read as
30 follows:

31 **489.1114 Management.**

32 All managers of a professional limited liability company
33 shall at all times be individuals who are licensed to
34 practice a profession in this state or a lawful combination of
35 professions pursuant to section 489.1102, which the limited

1 liability company is authorized to practice. A person who
2 is not licensed shall have no authority or duties in the
3 management or control of the professional limited liability
4 company. If a manager ceases to have this qualification, the
5 manager shall immediately and automatically cease to hold such
6 management position.

7 Sec. 5. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
8 immediate importance, takes effect upon enactment.

9 Sec. 6. RETROACTIVE APPLICABILITY. This Act applies
10 retroactively to January 1, 2011.

11 EXPLANATION

12 This bill allows physician assistants to form professional
13 limited liability companies and to practice with persons
14 practicing medicine and surgery and persons practicing
15 osteopathic medicine and surgery by jointly forming a
16 professional limited liability company.

17 The bill corresponds to changes made by 2010 Iowa Acts, ch.
18 1131, to Code chapter 490A, which regulated limited liability
19 companies prior to its repeal effective December 31, 2010.

20 The bill is made effective upon enactment and applies
21 retroactively to January 1, 2011.