

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

As Engrossed: S1/23/13
A Bill

SENATE BILL 53

5 By: Senator J. Hutchinson
6

7 **For An Act To Be Entitled**

8 *AN ACT TO AUTHORIZE FOREIGN MEDICAL CORPORATIONS TO*
9 *OBTAIN CERTIFICATES OF REGISTRATION IN ARKANSAS; TO*
10 *DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.*

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13 **Subtitle**

14 *TO AUTHORIZE FOREIGN MEDICAL CORPORATIONS*
15 *TO OBTAIN CERTIFICATES OF REGISTRATION IN*
16 *ARKANSAS; AND TO DECLARE AN EMERGENCY.*

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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 4-29-302 is amended to read as follows:
22 4-29-302. Definitions.

23 As used in this subchapter, ~~unless the context otherwise requires:~~

24 (1) "Beneficial owner" means an individual who is the grantor
25 and sole trustee of a revocable living trust wherein the individual reserves
26 the unrestricted right to revoke the trust;

27 (2) "Foreign medical corporation" means a corporation:

28 (A) Organized under laws other than the laws of this
29 state; and

30 (B) In which all officers, directors, and shareholders of
31 the corporation are licensed to practice medicine in the state of
32 incorporation;

33 ~~(2)(3)~~ (3) "Professional service" means any type of professional
34 service ~~which~~ that may be legally performed only pursuant to a license or
35 other legal personal authorization, for example: the personal service
36 rendered by certified public accountants, architects, engineers, dentists,



1 doctors, and attorneys at law; and

2 ~~(3)~~(4) "Shareholder" means either:

3 (A) The person in whose name shares are registered in the
4 records of a corporation; or

5 (B) The beneficial owner of shares of a revocable living
6 trust where the shares are registered in the records of the corporation in
7 the names of the revocable living trust.

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9 SECTION 2. Arkansas Code Title 4, Chapter 29, Subchapter 3 is amended
10 to add an additional section to read as follows:

11 4-29-313. Foreign medical corporations – Certificates of registration
12 – Governance – Licensure.

13 (a) If a foreign medical corporation complies with this subchapter,
14 the Arkansas State Medical Board may issue a certificate of registration to
15 the foreign medical corporation.

16 (b) A person who is not licensed to practice medicine shall not
17 participate in the ownership, management, or control of a foreign medical
18 corporation.

19 (c) A proxy to vote shares of a foreign medical corporation shall not
20 be given to a person who is not licensed to practice medicine.

21 (d) A physician who is affiliated with a foreign medical corporation
22 shall obtain a license to practice medicine from the board before practicing
23 medicine in Arkansas.

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25 *SECTION 3. EMERGENCY CLAUSE. It is found and determined by the*
26 *General Assembly of the State of Arkansas that access to medical care is*
27 *becoming increasingly more difficulty in this state; that difficulties with*
28 *access to medical care may reach crisis levels as recent changes in federal*
29 *law increase the demand for medical care without an accompanying increase in*
30 *the number of medical providers in the state; and that this act is*
31 *immediately necessary to ensure broad access to medical care by reducing*
32 *disincentives to the entry of medical care providers into Arkansas.*
33 *Therefore, an emergency is declared to exist, and this act being immediately*
34 *necessary for the preservation of the public peace, health, and safety shall*
35 *become effective on:*

36 (1) The date of its approval by the Governor;

1 (2) If the bill is neither approved nor vetoed by the Governor,
2 the expiration of the period of time during which the Governor may veto the
3 bill; or

4 (3) If the bill is vetoed by the Governor and the veto is
5 overridden, the date the last house overrides the veto.

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7 /s/J. Hutchinson
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10 **APPROVED: 02/20/2013**
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