

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

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.*

Subtitle

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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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