

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

As Engrossed: S4/7/25

A Bill

SENATE BILL 262

5 By: Senator C. Penzo
6 By: Representative Pilkington
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE CORPORATE PRACTICE OF MEDICINE
10 DOCTRINE; TO AUTHORIZE A CURRENT LICENSED MEDICAL
11 PROFESSIONAL WHO OWNS A MEDICAL CORPORATION TO
12 MAINTAIN OWNERSHIP IF HIS OR HER MEDICAL LICENSE IS
13 NO LONGER ACTIVE OR HE OR SHE RETIRES; AND FOR OTHER
14 PURPOSES.
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Subtitle

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18 TO AMEND THE CORPORATE PRACTICE OF
19 MEDICINE DOCTRINE; AND TO AUTHORIZE A
20 LICENSED MEDICAL PROFESSIONAL WHO OWNS A
21 MEDICAL CORPORATION TO MAINTAIN
22 OWNERSHIP UPON AN INACTIVE LICENSE OR
23 RETIREMENT.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 4-29-307, concerning the officers,
28 directors, and shareholders of a medical corporation, is amended to add an
29 additional subsection to read as follows:

30 (c) Notwithstanding subsections (a) and (b) of this section, a person
31 who legally acquires ownership in a medical corporation while holding an
32 active license under the Arkansas Medical Practices Act, § 17-95-201 et seq.,
33 § 17-95-301 et seq., and § 17-95-401 et seq., may retain ownership,
34 management, and control of the medical corporation after his or her license
35 becomes inactive or is voluntarily surrendered if:

36 (1) All medical services are provided only by individuals who



1 are licensed; and

2 (2) His or her license was in good standing at the time the
3 license became inactive or was voluntarily surrendered and not subject to a
4 disciplinary action, suspension, or revocation.

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6 /s/C. Penzo
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