

Act No. 125
Public Acts of 2010
Approved by the Governor
July 19, 2010
Filed with the Secretary of State
July 19, 2010
EFFECTIVE DATE: July 19, 2010

**STATE OF MICHIGAN
95TH LEGISLATURE
REGULAR SESSION OF 2010**

Introduced by Senator Stamas

ENROLLED SENATE BILL No. 27

AN ACT to amend 1962 PA 192, entitled "An act authorizing the creation of professional service corporations; providing definitions; providing exceptions; providing the manner and method of creating such corporations; providing for individual liability of officers, employees and agents of such corporations in certain instances; authorizing certain investments of corporate funds; regulating the issuance and transfer of capital stock; providing forfeiture of corporate franchise in certain instances; and requiring identification as a corporation," 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:

Sec. 2. As used in this act:

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

(b) "Professional corporation" means a corporation that is organized under this act for the sole and specific purpose of rendering 1 or more professional services and has as its shareholders only licensed persons, the personal representatives or estates of individuals, or other persons as provided in section 10.

(c) "Professional service" means a type of personal service to the public that requires as a condition precedent to the rendering of the service the obtaining of a license or other legal authorization. Professional service includes, but is not limited to, services rendered by a certified or other public accountant, chiropractor, dentist, optometrist, veterinarian, osteopathic physician, physician, surgeon, podiatrist, chiropodist, physician's assistant, architect, professional engineer, land surveyor, or attorney-at-law.

Sec. 4. (1) Except as provided in this section, 1 or more licensed persons may organize under this act to become a shareholder or shareholders of a professional corporation for pecuniary profit.

(2) Except as provided in this section or otherwise prohibited, a professional corporation may render 1 or more professional services, except that each shareholder must be a licensed person in 1 or more of the professional services rendered by the corporation.

(3) Except as otherwise provided in subsection (4) or (5), if a professional corporation renders a professional service that is included within the public health code, 1978 PA 368, MCL 333.1101 to 333.25211, then all shareholders of the corporation must be licensed or legally authorized in this state to render the same professional service.

(4) One or more individuals licensed to engage in the practice of medicine under part 170, the practice of osteopathic medicine and surgery under part 175, or the practice of podiatric medicine and surgery under part 180 of article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838, may organize a professional corporation under this act with 1 or more other individuals licensed to engage in the practice of medicine under part 170, the practice of osteopathic medicine and surgery under part 175, or the practice of podiatric medicine and surgery under part 180 of article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838.

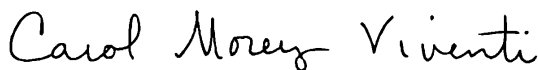
(5) Subject to section 17048 of the public health code, 1978 PA 368, MCL 333.17048, 1 or more individuals licensed to engage in the practice of medicine under part 170, the practice of osteopathic medicine and surgery under part 175, or the practice of podiatric medicine and surgery under part 180 of article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838, may organize a professional corporation under this act with 1 or more physician's assistants licensed under article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838. Beginning on the effective date of the amendatory act that added this subsection, 1 or more physician's assistants may not organize a professional corporation under this act that will have only physician's assistants as shareholders.

(6) A licensed person of another jurisdiction may become an officer, director, shareholder, employee, or agent of a professional corporation but shall not render any professional service in this state until the person is licensed or otherwise legally authorized to render the professional service in this state.

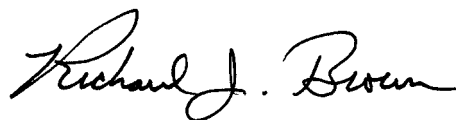
Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 95th Legislature are enacted into law:

- (a) Senate Bill No. 26.
- (b) Senate Bill No. 28.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor

Compiler's note: Senate Bill No. 26, referred to in enacting section 1, was filed with the Secretary of State July 19, 2010, and became 2010 PA 124, Imd. Eff. July 19, 2010.

Senate Bill No. 28, also referred to in enacting section 1, was filed with the Secretary of State July 19, 2010, and became 2010 PA 126, Imd. Eff. July 19, 2010.