

Chapter 388

S.B. No. 679

AN ACT

relating to the authority of chiropractors to form certain business entities with certain other professions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 22.056, Business Organizations Code, is amended to read as follows:

Sec. 22.056. HEALTH ORGANIZATION CORPORATION.

(a) Doctors of medicine and osteopathy licensed by the Texas ~~[State Board of]~~ Medical Board, ~~[Examiners and]~~ podiatrists licensed by the Texas State Board of Podiatric Medical Examiners, and chiropractors licensed by the Texas Board of Chiropractic Examiners may form a corporation that is jointly owned, managed, and controlled by those practitioners to perform a professional service that falls within the scope of practice of those practitioners and consists of:

(1) carrying out research in the public interest in medical science, medical economics, public health, sociology, or a related field;

(2) supporting medical education in medical schools through grants or scholarships;

(3) developing the capabilities of individuals or institutions studying, teaching, or practicing medicine, including podiatric medicine, or chiropractic;

(4) delivering health care to the public; or

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1           (5) instructing the public regarding medical science,  
2 public health, hygiene, or a related matter.

3           (b) When doctors of medicine, osteopathy, ~~[and]~~ podiatry,  
4 and chiropractic form a corporation that is jointly owned by those  
5 practitioners, the authority of each of the practitioners is  
6 limited by the scope of practice of the respective practitioners  
7 and none can exercise control over the other's clinical authority  
8 granted by their respective licenses, either through agreements,  
9 the certificate of formation or bylaws of the corporation,  
10 directives, financial incentives, or other arrangements that would  
11 assert control over treatment decisions made by the practitioner.  
12 The Texas ~~[State Board of]~~ Medical Board, ~~[Examiners and]~~ the Texas  
13 State Board of Podiatric Medical Examiners, and the Texas Board of  
14 Chiropractic Examiners continue to exercise regulatory authority  
15 over their respective licenses.

16           SECTION 2. Section 152.055, Business Organizations Code, is  
17 amended to read as follows:

18           Sec. 152.055. AUTHORITY OF CERTAIN PROFESSIONALS TO CREATE  
19 PARTNERSHIP. (a) Persons licensed as doctors of medicine and  
20 persons licensed as doctors of osteopathy by the Texas ~~[State Board~~  
21 ~~of]~~ Medical Board, ~~[Examiners and]~~ persons licensed as podiatrists  
22 by the Texas State Board of Podiatric Medical Examiners, and  
23 persons licensed as chiropractors by the Texas Board of  
24 Chiropractic Examiners may create a partnership that is jointly  
25 owned by those practitioners to perform a professional service that  
26 falls within the scope of practice of those practitioners.

27           (b) When doctors of medicine, osteopathy, ~~[and]~~ podiatry,

1 and chiropractic create a partnership that is jointly owned by  
2 those practitioners, the authority of each of the practitioners is  
3 limited by the scope of practice of the respective practitioners  
4 and none can exercise control over the other's clinical authority  
5 granted by their respective licenses, either through agreements,  
6 bylaws, directives, financial incentives, or other arrangements  
7 that would assert control over treatment decisions made by the  
8 practitioner.

9 (c) The Texas [~~State Board of~~] Medical Board, [~~Examiners~~  
10 ~~and~~] the Texas State Board of Podiatric Medical Examiners, and the  
11 Texas Board of Chiropractic Examiners continue to exercise  
12 regulatory authority over their respective licenses.

13 SECTION 3. Sections 301.012(a) and (f), Business  
14 Organizations Code, are amended to read as follows:

15 (a) Persons licensed as doctors of medicine and persons  
16 licensed as doctors of osteopathy by the Texas [~~State Board of~~]  
17 Medical Board, [~~Examiners and~~] persons licensed as podiatrists by  
18 the Texas State Board of Podiatric Medical Examiners, and persons  
19 licensed as chiropractors by the Texas Board of Chiropractic  
20 Examiners may jointly form and own a professional association or a  
21 professional limited liability company to perform professional  
22 services that fall within the scope of practice of those  
23 practitioners.

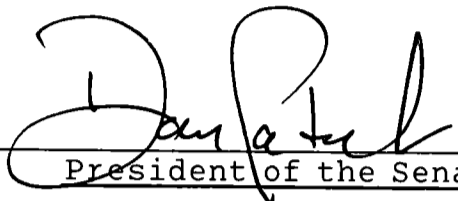
24 (f) When doctors of medicine, osteopathy, [~~and~~] podiatry,  
25 and chiropractic, or doctors of medicine, osteopathy, and optometry  
26 or therapeutic optometry, or mental health professionals form a  
27 professional entity as provided by Subsections (a), (b), and (c),

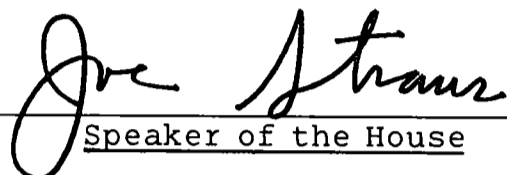
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1 the authority of each of the practitioners is limited by the scope  
2 of practice of the respective practitioners and none can exercise  
3 control over the other's clinical authority granted by their  
4 respective licenses, either through agreements, bylaws,  
5 directives, financial incentives, or other arrangements that would  
6 assert control over treatment decisions made by the practitioner.

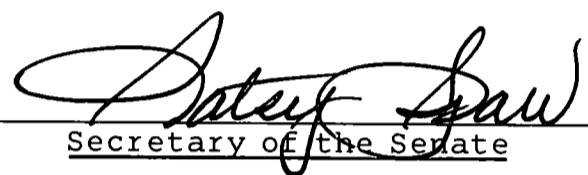
7 SECTION 4. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2017.

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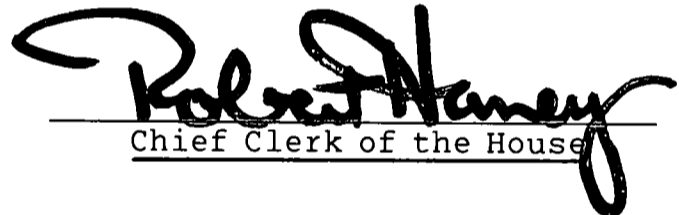
  
President of the Senate

  
Speaker of the House

I hereby certify that S.B. No. 679 passed the Senate on  
March 22, 2017, by the following vote: Yeas 29, Nays 0. \_\_\_\_\_

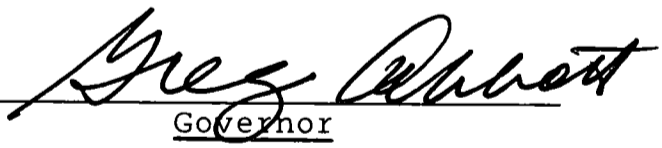
  
Secretary of the Senate

I hereby certify that S.B. No. 679 passed the House on  
May 24, 2017, by the following vote: Yeas 140, Nays 2, two  
present not voting. \_\_\_\_\_

  
Chief Clerk of the House

Approved:

5-31-2017  
Date

  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
11:00 AM O'CLOCK

JUN 01 2017  
  
Secretary of State

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 8, 2017**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: SB679** by Hancock (Relating to the authority of chiropractors to form certain business entities with certain other professions.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Business Organizations Code relating to the authority of chiropractors to form certain business entities with certain other professions. The Board of Chiropractic Examiners, Texas Medical Board and the Board of Podiatric Medical Examiners indicate that any costs associated with the bill could be absorbed within current resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 503 Texas Medical Board, 508 Board of Chiropractic Examiners, 512 Board of Podiatric Medical Examiners

**LBB Staff:** UP, CL, EH, EK