

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: S4/7/25

A Bill

SENATE BILL 262

By: Senator C. Penzo
By: Representative Pilkington

For An Act To Be Entitled

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LICENSED MEDICAL PROFESSIONAL WHO OWNS A MEDICAL CORPORATION TO MAINTAIN OWNERSHIP IF HIS OR HER MEDICAL LICENSE IS NO LONGER ACTIVE OR HE OR SHE RETIRES; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE CORPORATE PRACTICE OF MEDICINE DOCTRINE; AND TO AUTHORIZE A LICENSED MEDICAL PROFESSIONAL WHO OWNS A MEDICAL CORPORATION TO MAINTAIN OWNERSHIP UPON AN INACTIVE LICENSE OR RETIREMENT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 4-29-307, concerning the officers, directors, and shareholders of a medical corporation, is amended to add an additional subsection to read as follows:

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

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



are licensed; and

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

/s/C. Penzo