
SENATE BILL 5491

State of Washington 52nd Legislature 1991 Regular Session

By Senators Nelson, Rasmussen, Johnson, Talmadge and Conner.

Read first time February 4, 1991. Referred to Committee on Law & Justice.

1 AN ACT Relating to professional service corporation formation by
2 psychologists and physicians; and amending RCW 18.100.050.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 18.100.050 and 1986 c 261 s 1 are each amended to read
5 as follows:

6 An individual or group of individuals duly licensed or otherwise
7 legally authorized to render the same professional services within this
8 state may organize and become a shareholder or shareholders of a
9 professional corporation for pecuniary profit under the provisions of
10 Title ((23A)) 23B RCW for the purpose of rendering professional
11 service: PROVIDED, That one or more of such legally authorized
12 individuals shall be the incorporators of such professional
13 corporation: PROVIDED FURTHER, That notwithstanding any other
14 provision of this chapter, licensed psychologists and licensed
15 physicians may own stock in and render their individual professional

1 services through one professional service corporation: PROVIDED
2 FURTHER, That notwithstanding any other provision of this chapter,
3 registered architects and registered engineers may own stock in and
4 render their individual professional services through one professional
5 service corporation: PROVIDED FURTHER, That licensed health care
6 professionals, providing services to enrolled participants either
7 directly or through arrangements with a health maintenance organization
8 registered under chapter 48.46 RCW or federally qualified health
9 maintenance organization, may own stock in and render their individual
10 professional services through one professional service corporation:
11 AND PROVIDED FURTHER, That professionals may organize a nonprofit
12 nonstock corporation under this chapter and chapter 24.03 RCW to
13 provide professional services, and the provisions of this chapter
14 relating to stock and referring to Title ((23A)) 23B RCW shall not
15 apply to any such corporation.