

**A-Engrossed**  
**House Bill 3100**

Ordered by the House May 10  
Including House Amendments dated May 10

Sponsored by COMMITTEE ON HEALTH CARE

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Exempts certain health care practitioners from requirements of professional corporations organized to practice medicine or other aspects of health care.

**A BILL FOR AN ACT**

1  
2 Relating to exemptions to requirements for corporations organized to provide health care services;  
3 amending ORS 58.375.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 58.375 is amended to read:

6 58.375. (1) In a professional corporation organized for the purpose of practicing medicine:

7 (a) The holders of the majority of each class of shares entitled to vote shall be physicians who  
8 are licensed in this state to practice medicine.

9 (b) A majority of the directors shall be physicians who are licensed in this state to practice  
10 medicine.

11 (c) All officers except the secretary and treasurer, if any, must be physicians who are licensed  
12 in this state to practice medicine. Any two or more offices may be held by the same person.

13 (d) Except as otherwise provided by law, the Board of Medical Examiners may expressly require  
14 that more than a majority of each class of shares entitled to vote be held by physicians who are  
15 licensed in this state to practice medicine.

16 (e) Except as otherwise provided by law, the Board of Medical Examiners may expressly require  
17 that more than a majority of the directors be physicians who are licensed in this state to practice  
18 medicine.

19 (2) A professional corporation may be a shareholder of a professional corporation organized for  
20 the purpose of practicing medicine solely for the purpose of effecting a reorganization as defined in  
21 the Internal Revenue Code.

22 **(3) The provisions of subsections (1) and (2) of this section do not apply to nonprofit**  
23 **corporations organized under Oregon law to provide medical services to migrant, rural,**  
24 **homeless or other medically underserved populations under 42 U.S.C. 254b or 254c or to**  
25 **health centers qualified under 42 U.S.C. 1396d(1)(2)(B) that operate in compliance with other**  
26 **applicable state and federal law.**

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**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.