

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Professional Service Corporation Act is
5 amended by changing Section 12 as follows:

6 (805 ILCS 10/12) (from Ch. 32, par. 415-12)

7 Sec. 12. (a) No corporation shall open, operate or maintain
8 an establishment for any of the purposes for which a
9 corporation may be organized under this Act without a
10 certificate of registration from the regulating authority
11 authorized by law to license individuals to engage in the
12 profession or related professions concerned. Application for
13 such registration shall be made in writing, and shall contain
14 the name and primary mailing address of the corporation, the
15 name and address of the corporation's registered agent, the
16 address of the practice location maintained by the corporation,
17 each assumed name being used by the corporation, and such other
18 information as may be required by the regulating authority. All
19 official correspondence from the regulating authority shall be
20 mailed to the primary mailing address of the corporation except
21 that the corporation may elect to have renewal and non-renewal
22 notices sent to the registered agent of the corporation. Upon
23 receipt of such application, the regulating authority, or some

1 administrative agency of government designated by it, shall
2 make an investigation of the corporation. If the regulating
3 authority is the Supreme Court it may designate the bar or
4 legal association which investigates and prefers charges
5 against lawyers to it for disciplining. If such authority finds
6 that the incorporators, officers, directors and shareholders
7 are each licensed pursuant to the laws of Illinois to engage in
8 the particular profession or related professions involved
9 (except that the secretary of the corporation need not be so
10 licensed), and if no disciplinary action is pending before it
11 against any of them, and if it appears that the corporation
12 will be conducted in compliance with the law and the
13 regulations and rules of the regulating authority, such
14 authority, shall issue, upon payment of a registration fee of
15 \$50, a certificate of registration.

16 A separate application shall be submitted for each business
17 location in Illinois. If the corporation is using more than one
18 fictitious or assumed name and has an address different from
19 that of the parent company, a separate application shall be
20 submitted for each fictitious or assumed name.

21 Upon written application of the holder, the regulating
22 authority which originally issued the certificate of
23 registration shall renew the certificate if it finds that the
24 corporation has complied with its regulations and the
25 provisions of this Act.

26 The fee for the renewal of a certificate of registration

1 shall be calculated at the rate of \$40 per year.

2 If the regulatory authority is the Department of Financial
3 and Professional Regulation, the certificate of registration
4 shall expire on January 1, 2019 and on January 1 of every third
5 year thereafter. The fee for renewal of a certificate of
6 registration shall be \$40.

7 The certificate of registration shall be conspicuously
8 posted upon the premises to which it is applicable. No
9 certificate of registration shall be assignable.

10 (b) Moneys collected under this Section from a professional
11 corporation organized to practice law shall be deposited into
12 the Supreme Court Special Purposes Fund.

13 (c) After the effective date of this amendatory Act of the
14 98th General Assembly, the amount of any fee collected under
15 this Section from a professional corporation organized to
16 practice law may be set by Supreme Court rule, except that the
17 amount of the fees shall remain as set by statute until the
18 Supreme Court adopts rules specifying a higher or lower fee
19 amount.

20 (Source: P.A. 98-324, eff. 10-1-13; 99-227, eff. 8-3-15.)

21 Section 10. The Medical Corporation Act is amended by
22 changing Section 6 as follows:

23 (805 ILCS 15/6) (from Ch. 32, par. 636)

24 Sec. 6. The certificate of registration shall expire on

1 January 1, 2019 and on January 1 of every third year
2 thereafter. Upon written application of the holder, the
3 Department shall renew the certificate of registration if the
4 Department finds that the corporation has complied with its
5 regulations and the provisions of this Act.

6 The fee for renewal of a certificate of registration shall
7 be \$40. ~~calculated at the rate of \$40 per year.~~

8 (Source: P.A. 83-863.)

9 Section 15. The Limited Liability Company Act is amended by
10 changing Sections 1-5 and 1-25 as follows:

11 (805 ILCS 180/1-5)

12 Sec. 1-5. Definitions. As used in this Act, unless the
13 context otherwise requires:

14 "Anniversary" means that day every year exactly one or more
15 years after: (i) the date the articles of organization filed
16 under Section 5-5 of this Act were filed by the Office of the
17 Secretary of State, in the case of a limited liability company;
18 or (ii) the date the application for admission to transact
19 business filed under Section 45-5 of this Act was filed by the
20 Office of the Secretary of State, in the case of a foreign
21 limited liability company.

22 "Anniversary month" means the month in which the
23 anniversary of the limited liability company occurs.

24 "Articles of organization" means the articles of

1 organization filed by the Secretary of State for the purpose of
2 forming a limited liability company as specified in Article 5
3 and all amendments thereto, whether evidenced by articles of
4 amendment, articles of merger, or a statement of correction
5 affecting the articles.

6 "Assumed limited liability company name" means any limited
7 liability company name other than the true limited liability
8 company name, except that the identification by a limited
9 liability company of its business with a trademark or service
10 mark of which it is the owner or licensed user shall not
11 constitute the use of an assumed name under this Act.

12 "Bankruptcy" means bankruptcy under the Federal Bankruptcy
13 Code of 1978, Title 11, Chapter 7 of the United States Code, as
14 amended from time to time, or any successor statute.

15 "Business" includes every trade, occupation, profession,
16 and other lawful purpose, whether or not carried on for profit.

17 "Company" means a limited liability company.

18 "Contribution" means any cash, property, services
19 rendered, or other benefit, or a promissory note or other
20 binding obligation to contribute cash or property, perform
21 services, or provide any other benefit, that a person
22 contributes to the limited liability company in that person's
23 capacity as a member or in order to become a member.

24 "Court" includes every court and judge having jurisdiction
25 in a case.

26 "Debtor in bankruptcy" means a person who is the subject of

1 an order for relief under Title 11 of the United States Code, a
2 comparable order under a successor statute of general
3 application, or a comparable order under federal, state, or
4 foreign law governing insolvency.

5 "Distribution" means a transfer of money, property, or
6 other benefit from a limited liability company to a member in
7 the member's capacity as a member or to a transferee of the
8 member's distributional interest.

9 "Distributional interest" means a member's right to
10 receive distributions of the limited liability company's
11 assets, but no other rights or interests of a member.

12 "Entity" means a person other than an individual.

13 "Federal employer identification number" means either (i)
14 the federal employer identification number assigned by the
15 Internal Revenue Service to the limited liability company or
16 foreign limited liability company or (ii) in the case of a
17 limited liability company or foreign limited liability company
18 not required to have a federal employer identification number,
19 any other number that may be assigned by the Internal Revenue
20 Service for purposes of identification.

21 "Foreign limited liability company" means an
22 unincorporated entity organized under laws other than the laws
23 of this State that afford limited liability to its owners
24 comparable to the liability under Section 10-10 and is not
25 required to register to transact business under any law of this
26 State other than this Act.

1 "Insolvent" means that a limited liability company is
2 unable to pay its debts as they become due in the usual course
3 of its business.

4 "Legal representative" means, without limitation, an
5 executor, administrator, guardian, personal representative and
6 agent, including an appointee under a power of attorney.

7 "Limited liability company" means a limited liability
8 company organized under this Act.

9 "L3C" or "low-profit limited liability company" means a
10 for-profit limited liability company which satisfies the
11 requirements of Section 1-26 of this Act and does not have as a
12 significant purpose the production of income or the
13 appreciation of property.

14 "Manager" means a person, whether or not a member of a
15 manager-managed company, who is vested with authority in an
16 operating agreement as provided in Section 15-1.

17 "Manager-managed company" means a limited liability
18 company that vests authority in a manager or managers in an
19 operating agreement as provided in Section 15-1.

20 "Member" means a person who becomes a member of the limited
21 liability company upon formation of the company or in the
22 manner and at the time provided in the operating agreement or,
23 if the operating agreement does not so provide, in the manner
24 and at the time provided in this Act.

25 "Member-managed company" means a limited liability company
26 other than a manager-managed company.

1 "Membership interest" means all of a member's rights in the
2 limited liability company, including the member's right to
3 receive distributions of the limited liability company's
4 assets.

5 "Operating agreement" means the agreement under Section
6 15-5, whether or not referred to as an operating agreement and
7 whether oral, in a record, implied, or in any combination
8 thereof, of all of the members of a limited liability company,
9 including a sole member, concerning the relations among the
10 members, managers, and limited liability company. The term
11 "operating agreement" includes amendments to the agreement.

12 "Organizer" means one of the signers of the original
13 articles of organization.

14 "Person" means an individual, partnership, domestic or
15 foreign limited partnership, limited liability company or
16 foreign limited liability company, trust, estate, association,
17 corporation, governmental body, or other juridical being.

18 "Professional limited liability company" means a limited
19 liability company that provides professional services licensed
20 by the Department of Financial and Professional Regulation and
21 that is organized under the Professional Limited Liability
22 Company Act and this Act.

23 "Record" means information that is inscribed on a tangible
24 medium or that is stored in an electronic or other medium and
25 is retrievable in perceivable form.

26 "Registered office" means that office maintained by the

1 limited liability company in this State, the address, including
2 street, number, city and county, of which is on file in the
3 office of the Secretary of State, at which, any process,
4 notice, or demand required or permitted by law may be served
5 upon the registered agent of the limited liability company.

6 "Registered agent" means a person who is an agent for
7 service of process on the limited liability company who is
8 appointed by the limited liability company and whose address is
9 the registered office of the limited liability company.

10 "Restated articles of organization" means the articles of
11 organization restated as provided in Section 5-30.

12 "Sign" means, with the present intent to authenticate or
13 adopt a record:

14 (1) to execute or adopt a tangible symbol; or

15 (2) to attach to or logically associate with the record
16 an electronic symbol, sound, or process.

17 "State" means a state, territory, or possession of the
18 United States, the District of Columbia, or the Commonwealth of
19 Puerto Rico.

20 "Transfer" includes an assignment, conveyance, deed, bill
21 of sale, lease, mortgage, security interest, encumbrance, and
22 gift.

23 (Source: P.A. 99-637, eff. 7-1-17.)

24 (805 ILCS 180/1-25)

25 Sec. 1-25. Nature of business.

1 (a) A limited liability company may be formed for any
2 lawful purpose or business except: ~~(1) (blank); (2)~~ insurance
3 unless, for the purpose of carrying on business as a member of
4 a group including incorporated and individual unincorporated
5 underwriters, the Director of Insurance finds that the group
6 meets the requirements of subsection (3) of Section 86 of the
7 Illinois Insurance Code and the limited liability company, if
8 insolvent, is subject to liquidation by the Director of
9 Insurance under Article XIII of the Illinois Insurance Code. ~~+~~

10 ~~(3) the practice of dentistry unless all the members~~
11 ~~and managers are licensed as dentists under the Illinois~~
12 ~~Dental Practice Act;~~

13 ~~(4) the practice of medicine unless all the managers,~~
14 ~~if any, are licensed to practice medicine under the Medical~~
15 ~~Practice Act of 1987 and each member is either:~~

16 ~~(A) licensed to practice medicine under the~~
17 ~~Medical Practice Act of 1987; or~~

18 ~~(B) a registered medical corporation or~~
19 ~~corporations organized pursuant to the Medical~~
20 ~~Corporation Act; or~~

21 ~~(C) a professional corporation organized pursuant~~
22 ~~to the Professional Service Corporation Act of~~
23 ~~physicians licensed to practice under the Medical~~
24 ~~Practice Act of 1987;~~

25 ~~(C-5) a hospital or hospital affiliate as defined~~
26 ~~in Section 10.8 of the Hospital Licensing Act; or~~

1 ~~(D) a limited liability company that satisfies the~~
2 ~~requirements of subparagraph (A), (B), (C), or (C-5);~~

3 ~~(5) the practice of real estate unless all the~~
4 ~~managers, if any, or every member in a member managed~~
5 ~~company are licensed to practice as a managing broker or~~
6 ~~broker pursuant to the Real Estate License Act of 2000;~~

7 ~~(6) the practice of clinical psychology unless all the~~
8 ~~managers and members are licensed to practice as a clinical~~
9 ~~psychologist under the Clinical Psychologist Licensing~~
10 ~~Act;~~

11 ~~(7) the practice of social work unless all the managers~~
12 ~~and members are licensed to practice as a clinical social~~
13 ~~worker or social worker under the Clinical Social Work and~~
14 ~~Social Work Practice Act;~~

15 ~~(8) the practice of marriage and family therapy unless~~
16 ~~all the managers and members are licensed to practice as a~~
17 ~~marriage and family therapist under the Marriage and Family~~
18 ~~Therapy Licensing Act;~~

19 ~~(9) the practice of professional counseling unless all~~
20 ~~the managers and members are licensed to practice as a~~
21 ~~clinical professional counselor or a professional~~
22 ~~counselor under the Professional Counselor and Clinical~~
23 ~~Professional Counselor Licensing and Practice Act;~~

24 ~~(10) the practice of sex offender evaluations unless~~
25 ~~all the managers and members are licensed to practice as a~~
26 ~~sex offender evaluator under the Sex Offender Evaluation~~

1 ~~and Treatment Provider Act; or~~

2 ~~(11) the practice of veterinary medicine unless all the~~
3 ~~managers and members are licensed to practice as a~~
4 ~~veterinarian under the Veterinary Medicine and Surgery~~
5 ~~Practice Act of 2004.~~

6 (b) (Blank). ~~Notwithstanding any provision of this~~
7 ~~Section, any of the following professional services may be~~
8 ~~combined and offered within a single company provided that each~~
9 ~~professional service is only offered by persons licensed to~~
10 ~~provide that professional service and all managers and members~~
11 ~~are licensed in at least one of the professional services~~
12 ~~offered by the company:~~

13 ~~(1) the practice of medicine by physicians licensed~~
14 ~~under the Medical Practice Act of 1987, the practice of~~
15 ~~podiatry by podiatrists licensed under the Podiatric~~
16 ~~Medical Practice Act of 1987, the practice of dentistry by~~
17 ~~dentists licensed under the Illinois Dental Practice Act,~~
18 ~~and the practice of optometry by optometrists licensed~~
19 ~~under the Illinois Optometric Practice Act of 1987; or~~

20 ~~(2) the practice of clinical psychology by clinical~~
21 ~~psychologists licensed under the Clinical Psychologist~~
22 ~~Licensing Act, the practice of social work by clinical~~
23 ~~social workers or social workers licensed under the~~
24 ~~Clinical Social Work and Social Work Practice Act, the~~
25 ~~practice of marriage and family counseling by marriage and~~
26 ~~family therapists licensed under the Marriage and Family~~

1 ~~Therapy Licensing Act, the practice of professional~~
2 ~~counseling by professional counselors and clinical~~
3 ~~professional counselors licensed under the Professional~~
4 ~~Counselor and Clinical Professional Counselor Licensing~~
5 ~~and Practice Act, and the practice of sex offender~~
6 ~~evaluations by sex offender evaluators licensed under the~~
7 ~~Sex Offender Evaluation and Treatment Provider Act.~~

8 (c) (Blank). ~~Professional limited liability companies may~~
9 ~~be organized under this Act.~~

10 (d) A limited liability company that intends to provide a
11 professional service licensed by the Department of Financial
12 and Professional Regulation must be formed in compliance with
13 the Professional Limited Liability Company Act.

14 (Source: P.A. 99-227, eff. 8-3-15.)

15 Section 20. The Professional Limited Liability Company Act
16 is amended by changing Sections 5 and 15 and by adding Sections
17 2, 11, 12, and 13 as follows:

18 (805 ILCS 185/2 new)

19 Sec. 2. Legislative intent. It is the intent of the General
20 Assembly to provide for an individual or group of individuals
21 to form a professional limited liability company to render the
22 same professional service or related professional services to
23 the public for which such individuals or individuals providing
24 the professional services are required by law to be licensed,

1 while preserving the established professional aspects of the
2 personal relationship between the professional person and
3 those he or she serves professionally.

4 (805 ILCS 185/5)

5 Sec. 5. Definitions. In this Act:

6 "Department" means the Department of Financial and
7 Professional Regulation.

8 "License" means a license, certificate of registration, or
9 any other evidence of the satisfaction of the requirements of
10 this State issued by the Department.

11 "Professional limited liability company" means a limited
12 liability company that intends to provide, or does provide,
13 professional services that require the individuals engaged in
14 the profession to be licensed by the Department ~~of Financial~~
15 ~~and Professional Regulation.~~

16 (Source: P.A. 99-227, eff. 8-3-15.)

17 (805 ILCS 185/11 new)

18 Sec. 11. Articles of organization. One or more individuals
19 may organize a professional limited liability company by filing
20 articles of organization with the Secretary of State on forms
21 furnished by the Secretary. Such articles of organization shall
22 meet the requirements of the Limited Liability Company Act and
23 this Act and must also state the specific professional service
24 or related professional services to be rendered by the

1 professional limited liability company.

2 A limited liability company that provides professional
3 services and requires registration with the Department may
4 convert to a professional limited liability company by filing
5 the appropriate forms with the Secretary of State. There shall
6 be no fee for this conversion.

7 (805 ILCS 185/12 new)

8 Sec. 12. Professional limited liability company name. The
9 name of each professional limited liability company or foreign
10 professional limited liability company organized, existing, or
11 subject to the provisions of this Act shall contain the terms
12 "professional limited liability company", "P.L.L.C.", or
13 "PLLC".

14 (805 ILCS 185/13 new)

15 Sec. 13. Nature of business.

16 (a) A professional limited liability company may be formed
17 to provide a professional service or services licensed by the
18 Department except:

19 (1) the practice of dentistry unless all the members
20 and managers are licensed as dentists under the Illinois
21 Dental Practice Act;

22 (2) the practice of medicine unless all the managers,
23 if any, are licensed to practice medicine under the Medical
24 Practice Act of 1987 and each member is either:

1 (A) licensed to practice medicine under the
2 Medical Practice Act of 1987;

3 (B) a registered medical corporation or
4 corporations organized pursuant to the Medical
5 Corporation Act;

6 (C) a professional corporation organized pursuant
7 to the Professional Service Corporation Act of
8 physicians licensed to practice under the Medical
9 Practice Act of 1987;

10 (D) a hospital or hospital affiliate as defined in
11 Section 10.8 of the Hospital Licensing Act; or

12 (E) a professional limited liability company that
13 satisfies the requirements of subparagraph (A), (B),
14 (C), or (D);

15 (3) the practice of real estate unless all the
16 managers, if any, or every member in a member-managed
17 company are licensed to practice as a managing broker or
18 broker pursuant to the Real Estate License Act of 2000;

19 (4) the practice of clinical psychology unless all the
20 managers and members are licensed to practice as a clinical
21 psychologist under the Clinical Psychologist Licensing
22 Act;

23 (5) the practice of social work unless all the managers
24 and members are licensed to practice as a clinical social
25 worker or social worker under the Clinical Social Work and
26 Social Work Practice Act;

1 (6) the practice of marriage and family therapy unless
2 all the managers and members are licensed to practice as a
3 marriage and family therapist under the Marriage and Family
4 Therapy Licensing Act;

5 (7) the practice of professional counseling unless all
6 the managers and members are licensed to practice as a
7 clinical professional counselor or a professional
8 counselor under the Professional Counselor and Clinical
9 Professional Counselor Licensing and Practice Act;

10 (8) the practice of sex offender evaluation and
11 treatment unless all the managers and members are licensed
12 to practice as a sex offender evaluator or sex offender
13 treatment provider under the Sex Offender Evaluation and
14 Treatment Provider Act; or

15 (9) the practice of veterinary medicine unless all the
16 managers and members are licensed to practice as a
17 veterinarian under the Veterinary Medicine and Surgery
18 Practice Act of 2004.

19 (b) Notwithstanding any provision of this Section, any of
20 the following professional services may be combined and offered
21 within a single professional limited liability company
22 provided that each professional service is offered only by
23 persons licensed to provide that professional service and all
24 managers and members are licensed in at least one of the
25 professional services offered by the professional limited
26 liability company:

1 (1) the practice of medicine by physicians licensed
2 under the Medical Practice Act of 1987, the practice of
3 podiatry by podiatric physicians licensed under the
4 Podiatric Medical Practice Act of 1987, the practice of
5 dentistry by dentists licensed under the Illinois Dental
6 Practice Act, and the practice of optometry by optometrists
7 licensed under the Illinois Optometric Practice Act of
8 1987; or

9 (2) the practice of clinical psychology by clinical
10 psychologists licensed under the Clinical Psychologist
11 Licensing Act, the practice of social work by clinical
12 social workers or social workers licensed under the
13 Clinical Social Work and Social Work Practice Act, the
14 practice of marriage and family counseling by marriage and
15 family therapists licensed under the Marriage and Family
16 Therapy Licensing Act, the practice of professional
17 counseling by professional counselors and clinical
18 professional counselors licensed under the Professional
19 Counselor and Clinical Professional Counselor Licensing
20 and Practice Act, and the practice of sex offender
21 evaluation and treatment by sex offender evaluators and sex
22 offender treatment providers licensed under the Sex
23 Offender Evaluation and Treatment Provider Act.

24 (805 ILCS 185/15)

25 Sec. 15. Certificate of registration.

1 (a) No professional limited liability company may render
2 professional services that require the issuance of a license by
3 the Department, except through its managers, members, agents,
4 or employees who are duly licensed or otherwise legally
5 authorized to render such professional services within this
6 State. An individual's association with a professional limited
7 liability company as a manager, member, agent, or employee,
8 shall in no way modify or diminish the jurisdiction of the
9 Department that licensed, certified, or registered the
10 individual for a particular profession.

11 (b) A professional limited liability company shall not
12 open, operate, or maintain an establishment for any of the
13 purposes for which a limited liability company may be organized
14 without obtaining a certificate of registration from the
15 Department.

16 (c) Application for a certificate of registration shall be
17 made in writing and shall contain the name and primary mailing
18 address of the professional limited liability company, the name
19 and address of the company's registered agent, the address of
20 the practice location maintained by the company, each assumed
21 name being used by the company, and such other information as
22 may be required by the Department. All official correspondence
23 from the Department shall be mailed to the primary mailing
24 address of the company except that the company may elect to
25 have renewal and non-renewal notices sent to the registered
26 agent of the company. Upon receipt of such application, the

1 Department shall make an investigation of the professional
2 limited liability company. If this Act or any Act administered
3 by the Department requires the organizers, managers, and
4 members to each be licensed in the particular profession or
5 related professions related to the professional services
6 offered by the company, the Department shall determine that the
7 organizers, managers, and members are each licensed pursuant to
8 the laws of Illinois to engage in the particular profession or
9 related professions involved (except that an initial organizer
10 may be a licensed attorney) and that no disciplinary action is
11 pending before the Department against any of them before
12 issuing a certificate of registration. For all other companies
13 submitting an application, the Department shall determine if
14 any organizer, manager, or member claiming to hold a
15 professional license issued by the Department is currently so
16 licensed and that no disciplinary action is pending before the
17 Department against any of them before issuing a certificate of
18 registration. If it appears that the professional limited
19 liability company will be conducted in compliance with the law
20 and the rules and regulations of the Department, the Department
21 shall issue, upon payment of a registration fee of \$50, a
22 certificate of registration.

23 (d) A separate application shall be submitted for each
24 business location in Illinois. If the professional limited
25 liability company is using more than one fictitious or assumed
26 name and has an address different from that of the parent

1 company, a separate application shall be submitted for each
2 fictitious or assumed name.

3 (e) The certificate of registration shall expire on January
4 1, 2019 and on January 1 of every third year thereafter. Upon
5 written application of the holder, the Department shall renew
6 the certificate if it finds that the professional limited
7 liability company has complied with its regulations and the
8 provisions of this Act and the applicable licensing Act. This
9 fee for the renewal of a certificate of registration shall be
10 \$40. ~~calculated at the rate of \$40 per year.~~ The certificate of
11 registration shall be conspicuously posted upon the premises to
12 which it is applicable. A certificate of registration shall not
13 be assignable.

14 (f) The Department shall not issue or renew any certificate
15 of registration to a professional limited liability company
16 during the period of dissolution.

17 (Source: P.A. 99-227, eff. 8-3-15.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 805 ILCS 10/12 from Ch. 32, par. 415-12

4 805 ILCS 15/6 from Ch. 32, par. 636

5 805 ILCS 180/1-5

6 805 ILCS 180/1-25

7 805 ILCS 185/2 new

8 805 ILCS 185/5

9 805 ILCS 185/11 new

10 805 ILCS 185/12 new

11 805 ILCS 185/13 new

12 805 ILCS 185/15