



MAJOR CHANGE TO OFFICE OF PROFESSIONS PROCEDURE

The New York State Education Department (“SED”) has implemented a major procedural change, requiring that new professional practice entities submit an affidavit to SED when applying for Certificates of Authority to operate in New York State (whether in connection with original formation or foreign qualification to do business in New York). SED’s new process also requires that an affidavit be submitted for professional practice entity name changes.

The affidavit requires that a licensed professional who is either an owner or an authorized shareholder attest to whether the professional practice entity has **any** “relationship, ownership interest, affiliation or association with any other business and/or professional practice entity.” If there is such a connection, the licensed professional must name the affiliated/associated entity, state the nature of relationship, and attest that the relationship is fully compliant with all applicable rules and regulations of the New York Education Law and Business Corporation Law.

As of this time, SED has not provided any instructions for completing the affidavit or any guidance on how a professional practice entity determines whether a relationship that requires disclosure exists. Likewise, SED has not provided information on whether there will be a consequence for completing an affidavit in a manner that it deems incorrect. Although SED has not indicated how the affidavits will be used, the new requirement suggests that they may be used to identify and review relationships among entities and evaluate whether they are compliant with applicable law.

SED has advised that any request for a Certificate of Authority or name change submitted to SED without the affidavit will be rejected and will require the applicant to begin the submission process anew. SED will not allow applicants to supplement their filings with a completed affidavit.

We are in dialogue with SED about issues concerning this procedural change and the significance of the same.

* * * * *

Should you have any questions regarding the above, please contact the [Garfunkel Wild attorney](#) with whom you regularly work.

Contact Information:

111 Great Neck Road	411 Hackensack Avenue	350 Bedford Street	677 Broadway
Great Neck, NY 11021	Hackensack, NJ 07601	Stamford, CT 06901	Albany, NY 12207
516.393.2200	201.883.1030	203.316.0483	518.242.7582

If you would like to receive Legal Alert mailings from Garfunkel Wild, P.C. electronically in the future, or if you would like to be removed from the mailing list, please contact us at info@garfunkelwild.com. This material is intended as informational only and the content should not be construed as legal advice. Readers should not act upon information in this material without first seeking professional advice. This material may be considered Attorney Advertising under certain rules of professional conduct. © 2019 Garfunkel Wild, P.C.