

**SENATE BILL NO. 88**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND  
AUDIT COMMITTEE

Introduced: 2/14/97

Referred: L&C, State Affairs

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the Board of Public Accountancy; extending the termination  
2 date of the Board of Public Accountancy; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** AS 08.03.010(c)(1) is amended to read:

5 (1) Board of Public Accountancy (AS 08.04.010) -- June 30, 2003  
6 [1997];

7 \* **Sec. 2.** AS 08.04.030 is amended to read:

8 **Sec. 08.04.030. Removal [AND REAPPOINTMENT] of members.** The  
9 governor shall remove any member of the board whose certificate or [,] license [, OR  
10 PERMIT] has been revoked or suspended. The governor may, after hearing, remove  
11 any member for neglect of duty or other just cause. [A PERSON WHO HAS  
12 SERVED TWO SUCCESSIVE COMPLETE TERMS MAY NOT BE REAPPOINTED  
13 UNTIL ONE YEAR FROM THE EXPIRATION OF THE TERM TO WHICH  
14 APPOINTED.]

1 \* **Sec. 3.** AS 08.04.410 is amended to read:

2 **Sec. 08.04.410. Certificate or license [PERMIT] for person not engaged in**  
 3 **practice.** A person holding a certificate or license who is not engaged in the practice  
 4 of public accounting may maintain the certificate or license in good standing by  
 5 registering with the board and paying **the required** [AN ANNUAL] registration fee.

6 \* **Sec. 4.** AS 08.04.440 is amended to read:

7 **Sec. 08.04.440. Effect of failure to obtain permit.** Failure of an individual,  
 8 partnership, limited liability company, or corporation to apply for the **required**  
 9 [ANNUAL] permit to practice or to pay the **required** [ANNUAL] fee within (1) three  
 10 years from the expiration date of the permit to practice or [ANNUAL] registration last  
 11 obtained or renewed, or (2) three years from the date upon which the certificate holder  
 12 or licensee was granted a certificate as a certified public accountant or license as a  
 13 public accountant valid under AS 08.04.661 deprives the individual, partnership,  
 14 limited liability company, or corporation of the right to a permit or [ANNUAL]  
 15 registration or renewal of a permit [,] unless the board determines that the failure is  
 16 excusable. In case of excusable failure, the fee **for a permit, registration, or renewal**  
 17 **of a permit under this section** may not exceed three times **one year's portion of the**  
 18 [ANNUAL] fee **that would have otherwise been required for the permit,**  
 19 **registration, or renewal.**

20 \* **Sec. 5.** AS 08.04.450 is amended to read:

21 **Sec. 08.04.450. Revocation or suspension of certificate, license, registration,**  
 22 **or permit.** In addition to its powers under AS 08.01.075, the board may revoke or  
 23 suspend a certificate or license, or may revoke, suspend, or refuse to renew any permit,  
 24 or may censure any certificate holder, licensee, registrant, or permit holder for

25 (1) fraud or deceit in obtaining any certificate, license, registration, or  
 26 permit required by this chapter;

27 (2) dishonesty or gross negligence in the practice of public accounting,  
 28 or other acts discreditable to the accounting profession;

29 (3) violation of any provision of AS 08.04.500 - 08.04.610;

30 (4) violation of a rule of professional conduct or other regulation  
 31 adopted by the board;

1 (5) conviction of a felony under the laws of any state or of the United  
2 States;

3 (6) conviction of any crime, an essential element of which is dishonesty  
4 or fraud, under the laws of any state or of the United States;

5 (7) cancellation, revocation, suspension, or refusal to renew authority  
6 to practice as a certified public accountant or public accountant in any other state for  
7 any cause other than failure to pay **a required** [AN ANNUAL REGISTRATION] fee;

8 (8) suspension or revocation of the right to practice before any state or  
9 federal agency;

10 (9) failure of a certified public accountant to satisfy the continuing  
11 education requirements prescribed by the board under AS 08.04.425, except as  
12 conditioned, relaxed, or suspended by the board under AS 08.04.425(c) and (d); or

13 (10) failure of a certified public accountant to satisfactorily complete  
14 a quality review under AS 08.04.426 except as conditioned, relaxed, or suspended by  
15 the board under AS 08.04.426(b) - (d).

16 \* **Sec. 6.** AS 08.04.480 is amended to read:

17 **Sec. 08.04.480. Grounds for revocation or suspension of partnership,**  
18 **limited liability company, or corporate permit.** The board may revoke or suspend  
19 the registration and permit to practice of a partnership, limited liability company, or  
20 corporation, may revoke, suspend, or refuse to renew its permit to practice, or may  
21 censure the partnership, limited liability company, or corporation for any of the causes  
22 enumerated in AS 08.04.450 and 08.04.460, or for any of the following additional  
23 causes:

24 (1) the revocation or suspension of the certificate, license, or  
25 registration of any partner, member, or shareholder;

26 (2) the revocation, suspension, or refusal to renew the permit to practice  
27 of any partner, member, or shareholder;

28 (3) the cancellation, revocation, suspension, or refusal to renew the  
29 authority of the partnership or any partner, the limited liability company or a member,  
30 or the corporation or a shareholder to practice public accounting in any other state for  
31 any cause other than failure to pay **a required** [AN ANNUAL REGISTRATION] fee

- 1 in that state.
- 2 \* **Sec. 7.** AS 08.04.260 is repealed.
- 3 \* **Sec. 8.** This Act takes effect July 1, 1997.