

Original

IN THE HOUSE

BY MISS PRIOR

HOUSE BILL NO. 65

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-FIRST SESSION

A BILL

For an Act entitled: "An Act to regulate the public accounting profession in Alaska; creating a Board of Public Accountancy; defining offenses, prescribing penalties; repealing Sections 35-2-4, 35-2-5, 35-2-6, 35-2-8, 35-2-9, and 35-2-12 ACLA 1949; Chapter 95 SLA 1949 and Chapter 18 SLA 1951.

BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

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28 ~~ARTICLE I~~

29 ~~SHORT TITLE, DEFINITIONS AND MISCELLANEOUS~~

Article I

SECTION 1.01 SHORT TITLE

This Act may be cited as the "Alaska Public Accountancy Act."

SECTION 1.02 GENERAL DEFINITIONS

As used in this Act, unless the context otherwise requires:

"Accounting service" means the auditing or verification of financial transactions, books, accounts or records, or the preparation, verification or certification of financial, accounting or related statements, or the rendering of professional service or assistance in or about any or all matters of principle or detail relating to accounting procedure or the recording, presentation or certification of financial facts or data.

"Board" when used with an initial capital letter means the Board of Public Accountancy of the Territory of Alaska.

"Certified Public Accountant" when used with initial capital letters means a person enrolled as a certified public accountant. When applied to any organization consisting of two or more individuals, it means that every principal of such organization is a certified public accountant.

"Certified public accountant" when used without initial capital letters, means:

(a) A person who is qualified for enrollment by the Board as a certified public accountant.

(b) A person who has been designated a certified public accountant and retains good standing as such under the law of any other state or territory of the United States.

(c) (1) A person who has been designated a chartered accountant or by any title of a foreign country which

1 denotes a standing which in the judgment of the Board is
2 the substantial equivalent of the title of certified pub-
3 lic accountant conferred by the Territory of Alaska, and
4 who retains good standing as such

5 (2) Provided, that a person who derives his title
6 from a state, territory or foreign country shall have ob-
7 tained his title by the process of written examination, and

8 (3) Further provided, that in the judgment of the
9 Board, the state, territory or foreign country from which
10 the title is derived, requires good moral character and
11 adequate educational and professional attainments.

12 "Court" means a court of competent jurisdiction.

13 "Enrolled" means entered upon the records of the Board as
14 being eligible for licensing either as a Certified Public
15 Accountant or as a Public Accountant, by virtue of an applica-
16 tion having been made to the Board which was accepted by it
17 ~~after such inquiries and examinations as were deemed applicable~~
18 ~~under the circumstances.~~

19 "Enrolled and in good standing" means that the person en-
20 rolled has retained his enrolled status by meeting the require-
21 ments of this Act and complying with the regulations of the
22 Board and by paying the annual enrollment fee prescribed by the
23 Board, but without necessarily being licensed under this Act
24 or the Alaska Business License Act (Chapter 43, SLA 1949.)

25 "Person" means an individual of either gender, and includes
26 any firm, partnership, association or any group or combination
27 acting as a unit, and the plural as well as the singular in
28 number.

29 "Public Accountant" when used with initial capital letters,

1 means a person enrolled as a non-certified Public Accountant.
2 When applied to a partnership or any organization consisting of two
3 or more individuals, it means that every principal of such organ-
4 ization is a Public Accountant or a Certified Public Accountant.

5 "Public accountant", when used without initial capital
6 letters, means a person who offers to perform or who does per-
7 form accounting service to the public for compensation.

8 SECTION 1.03 DISPOSITION OF BOARD'S FUNDS BY TERRITORIAL
9 TREASURER

10 The Territorial Treasurer shall deposit all funds received
11 from the Board to the credit of the General Fund.

12 SECTION 1.04 QUALIFICATION OF CERTIFIED PUBLIC ACCOUNTANTS
13 AND PUBLIC ACCOUNTANTS UNDER PRIOR STATUTES

14 Any person who at the time of the enactment of this Act
15 held a certificate as a Certified Public Accountant or a Public
16 Accountant heretofore issued under the laws of the Territory of
17 Alaska, shall not be required to secure an additional certi-
18 ficate under this Act, but shall otherwise be subject to all of
19 the provisions hereof; and such certificate heretofore issued
20 shall, for all purposes, be considered a certificate issued
21 under this Act and subject to all of the provisions hereof.

22 SECTION 1.05 EXCLUSIONS FROM APPLICATION OF THE ACT

23 Nothing in this Act shall:

24 A. Prohibit attorneys in the course of their legal
25 practice from performing accounting service.

*acting as legal advisors on matters
pertaining to tax laws*

26 ~~B. Prevent any person from preparing any tax return~~

27 ~~C.~~
28 F. Apply to persons who render accounting service
29 exclusively for employers, whether one or more, provided
30 that there is a bona fide relationship of employer and

Adapted

payroll payroll

employee, evidenced by all the records and tax returns of the employer ~~and employee~~, and provided that statements, audits, reports, and related data are not represented by employer or employee as having been prepared by a public accountant.

C.B. Prohibit any individual not enrolled from serving as an employee of, or an assistant to, an enrolled person, provided that such employee or assistant shall not issue any statement, audit, report or related data over his name.

SECTION 1.06 ACCOUNTANT MUST DISCLOSE HIS INTEREST IN SUBJECT OF HIS REPORT

Whenever a public accountant signs or certifies any report, schedule or statement relative to any corporation, co-partnership, association or individual, in the affairs of which such public accountant is interested financially, or of which such public accountant is an officer or employee, such report, schedule or statement must contain, at least once in the related papers, above the signature or certification of the public accountant, a statement setting forth specifically the relationship which exists and the extent of every existing interest.

~~SECTION 1.07 EXEMPTION FROM JURY DUTY~~

~~Upon presentation of evidence that he is a holder of an Alaska certificate as a Certified Public Accountant, such holder shall be exempted from the performance of jury duty in civil actions if he so requests.~~

SECTION 1.08 OWNERSHIP OF PUBLIC ACCOUNTANTS' WORKING PAPERS

All statements, records, schedules, working papers and memoranda made by a public accountant, incident to or in the

1 course of his professional service to clients, except reports
2 submitted by him to a client, shall be and remain the property
3 of such public accountant, in the absence of an express agree-
4 ment between them.

5 SECTION 1.⁰⁵ SAVING CLAUSE

6 Rules, regulations and standards pertaining to the practice
7 of public accountancy, and to Certified Public Accountants and
8 to Public Accountants, promulgated by the Territorial Board of
9 Public Accountancy created under the terms of Chapter 95, SL
10 1949, and to the predecessor Board of Accountancy created under
11 Article 1 of Chapter 2, ACLA 1949, shall remain in effect ex-
12 cept as herein modified or as hereafter modified or amended by
13 the Board of Accountancy created under the terms of this Act.

14 ~~SECTION 1.⁰⁶ SEVERABILITY CLAUSE~~

15 ~~If any provision of this Act, or the application thereof to
16 any person or circumstance is held invalid, the remainder of the
17 Act and such application to other persons or circumstances shall
18 not be affected thereby.~~

19 SECTION 1.⁰⁷ REPEALER

20 A. The following acts and all other acts and parts
21 of acts inconsistent herewith are hereby repealed:

22 Sections 35-2-4, 35-2-5, 35-2-6, 35-2-8, 35-2-9 and
23 35-2-12, ACLA 1949, and Chapter 95, SL 1949 and Chapter
24 18, SL 1951.

25 ~~B. This Act being a general act intended as a unified
26 coverage of its subject matter, no part of it shall be deemed
27 to be impliedly repealed by subsequent legislation not speci-
28 cally repealing it if such construction can be avoided.~~

29 ~~ARTICLE II~~

Article II
~~BOARD OF ACCOUNTANCY~~

1
2 SECTION 2.01 ESTABLISHMENT; APPOINTMENT OF MEMBERS OF THE
3 BOARD

4 A. There is hereby created a Board of Accountancy
5 which is to supersede the existing Territorial Board of
6 Public Accountancy. The Board shall consist of five
7 members, each of whom shall be a citizen of the United
8 States and shall have been a resident of the Territory
9 of Alaska for at least two years prior to appointment.
10 At least two members of the Board shall be Certified Pub-
11 lic Accountants and each member of the Board shall hold
12 a certification as a Certified Public Accountant or as
13 a non-certified Public Accountant under the laws of Alaska.

14 B. ~~The first five members of the Board shall be the~~
15 ^Mmembers of the existing Territorial Board of Public Account-
16 ^{whose terms of office do not expire before July 1, 1959}
17 ~~ancy at the date of the passage of this Act, who shall~~
18 hold office until the expiration of the terms to which they
19 were appointed upon that Board and until their successors
20 are appointed and qualified.

21 SECTION 2.02 TERMS OF OFFICE

22 The terms of office shall be six years. Each second year
23 the Governor, with the advice and consent of the Legislature,
24 shall appoint one or two members, as the case may be, for a
25 term of six years and until their successors are appointed and
26 have qualified.

27 SECTION 2.03 FILLING VACANCIES IN THE BOARD

28 Any vacancy in the Board shall be filled by the Governor
29 by appointment for the unexpired term.

30 SECTION 2.04 REMOVAL FROM OFFICE

Adopted

Approved by the Legislature of Alaska July 1, 1959

1 The Governor may, after full hearing, remove any member of
2 the Board for neglect of duty or other just cause.

3 SECTION 2.05 OFFICERS OF THE BOARD

4 *adopted*
5 ~~The Board shall elect a president, a secretary and a~~
6 ~~treasurer. The offices of secretary and of treasurer may be~~
7 ~~held by the same person. The terms of officers shall be two~~
8 ~~years.~~

9 SECTION 2.06 MEETINGS OF THE BOARD.

10 A. The Board shall meet each year for a period not
11 to exceed one week, at a time and place determined by the
12 president of the Board.

13 B. Special meetings shall be called upon the request
14 of any two members or upon the call of the president.

15 SECTION 2.07 COMPENSATION OF BOARD MEMBERS

16 *adopted*
17 ~~The secretary of the Board shall receive compensation for~~
18 ~~services actually rendered, at rates to be determined from time~~
19 ~~to time by the Board, within the amounts appropriated by the~~
20 ~~Legislature. Otherwise, the members of the Board shall serve~~

21 ~~without pay but shall receive per diem allowances at the rate~~
22 ~~of \$20.00 per day for time spent on official business away~~
23 ~~from their places of residence, and their expenses of travel~~
24 ~~shall be paid. Members shall be reimbursed for actual and~~
25 ~~necessary expenses incurred in the discharge of their official~~
26 ~~duties.~~
27 *while attending*
28 *board meetings or otherwise carrying out the purposes*
29 *of this Act,*
30 *of the Act,*

31 SECTION 2.08 QUORUM

32 Any three members acting as a board shall constitute a
33 quorum for the transaction of business.

34 SECTION 2.09 POWERS OF THE BOARD

35 A. The Board may regulate its own procedure and practice.

1 B. The Board may design and use a seal.

2 C. The Board may make rules and regulations to carry
3 into effect the purposes of this Act, not inconsistent
4 with the provisions hereof, and print them for distribution.

5 D. The Board may delegate to its officers, members,
6 agents and employees such of its duties and powers as it
7 may deem expedient.

8 E. The Board may prescribe and publish reasonable,
9 standards of professional conduct and reasonable rules
10 defining unethical practice for enrolled persons. No
11 such standard or rule relating to professional conduct or
12 unethical practice shall be adopted until the Board has
13 held a public hearing with reference thereto, notice of
14 which shall be mailed at least sixty days before hearing to
15 persons enrolled under the provisions of this Act. No
16 such rule or standard shall become effective until sixty
17 (60) days after its adoption by the Board. Any person who
18 shall have appeared at said public hearing and filed
19 written protest against any proposed standard or rule may,
20 upon the adoption of such standard or rule, obtain a
21 review thereof by a court in which proceeding the court
22 shall pass upon and determine the reasonableness and law-
23 fulness of such standard or rule. Thereafter every
24 enrolled person shall be governed and controlled by the
25 rules and standards prescribed by the Board.

26 F. The Board in the administration of this Act may
27 engage clerical, stenographic and secretarial employees,
28 investigators, examiners, reporters and experts and may
29 contract for examination services as it deems necessary.

1 G. The Board may issue certificates as "Certified
2 Public Accountants" and as non-certified "Public
3 Accountants" to persons who are entitled thereto under the
4 provisions of this Act. Certificates issued under the
5 provisions of this Act shall be signed by at least two
6 members of the Board.

7 H. In the administration of this Act, the Board shall
8 have power to compel the attendance of witnesses, administer
9 oaths, take testimony and receive proofs concerning all
10 matters within its jurisdiction.

11 SECTION 2.10 ~~DETERMINATION OF FEES~~ *Duties of Board as to*
12 *Fees and Penalties*

13 A. The Board shall prescribe by its regulations, and
14 shall collect, fees for examinations, re-examinations, the
15 issuance of certificates, enrollments, licenses and the
16 renewal and reinstatement thereof and sundry services
17 rendered by the Board, and penalties, all of which shall
18 be equitable, but not necessarily identical, as between:

- 19 (1) (a) Non-residents of the Territory
20 (b) Residents of the Territory
21 (2) (a) Certified Public Accountants
22 (b) Public Accountants
23 (3) (a) Individuals
24 (b) Groups of individuals acting as a unit
25 (4) (a) Enrolled licensed persons who operate but one
26 office in the Territory
27 (b) Enrolled licensed persons who operate more
28 than one office in the Territory

29 B. The Board may vary the fees and penalties from
30 time to time and shall not be required to hold hearings as

*A. The Board shall collect fees for examinations
re-examinations, for issuance of certificates
H. B. No. 12 -
and reinstatement thereof.*

1 ~~a condition precedent.~~

2 ~~Bh.~~ No license issued by the Board shall be effective
3 after the close of the calendar year in which it was issued.

4 ~~Cx.~~ The Board may issue a license to a newly enrolled
5 person, only, for a fractional part of a year for a reduced
6 license fee.

7 ~~Dx.~~ The Board shall by regulation establish penalties
8 to be collected in addition to the amounts of license fees,
9 from enrolled persons who maintain offices or who are
10 actively engaged in the practice of public accounting,
11 whose licenses are not renewed within one calendar
12 month after the close of the preceding calendar year.

13 SECTION 2.11 FUNDS, HANDLING OF BY TREASURER OF THE BOARD

14 Funds received by any officer or agent of the Board, from
15 the issuance of licenses and from all other sources, shall be
16 placed promptly in the hands of the treasurer of the Board, who
17 shall issue receipts directly to the licensees and other persons
18 who paid them, keeping exact copies thereof. At least once in
19 each calendar month the treasurer of the Board shall remit all
20 of the funds of the Board in his possession to the Territorial
21 Treasurer *for deposit in the general funds.*
~~making and retaining his receipt therefor.~~

22 SECTION 2.12 RECORDS OF THE BOARD

23 A. The Board shall record its proceedings, list all
24 certificates, enrollments and licenses issued and revoked
25 and shall maintain such other records as may be necessary or
26 desirable.

27 B. All the records of the Board shall be open to the
28 inspection of the public at the office of the secretary of
29 the Board, except the examination papers of candidates for

1 certificates, and the Board's papers and records with
2 respect to examinations. Such papers shall not be public
3 records and shall be withheld from scrutiny except by
4 persons who have obtained permission from the Board, or
5 from a court, for good cause shown, and in no event shall
6 copies be made of all or any part thereof.

7 SECTION 2.13 SURETY BONDS

8 The secretary and the treasurer of the Board shall give
9 bonds to the Territory in such sums and with such sureties as
10 the Board shall direct, which bonds shall be executed in dupli-
11 cate, one to be kept by the Board and the other to be filed with
12 the Territorial Auditor.

13 SECTION 2.14 REPORTS BY THE BOARD

14 A. The Board shall report annually to the Governor.

15 B. Each biennium the Board shall prepare a report of
16 its activities, of its budget, and a register of enrolled
17 persons and shall furnish copies thereof to the Governor
18 and to the members of the Legislature.

19 ARTICLE III

20 ~~EXAMINATION, CERTIFICATION, ENROLLMENT AND LICENSING OF~~

21 ~~CERTIFIED PUBLIC ACCOUNTANTS AND OF PUBLIC~~

22 ~~ACCOUNTANTS, REVOCATION OR SUSPENSION, REINSTATEMENT~~

23 SECTION 3.01 GRANTING OF CERTIFICATE AS A CERTIFIED PUBLIC
24 ACCOUNTANT

25 The Board shall issue a certificate as a Certified Public
26 Accountant:

27 A. To the holder of a similar unrevoked certificate
28 in good standing issued by a state or territory of the
29 United States, or to a chartered accountant, or the holder

certificate of competency as a Certified Public Accountant

1 of any title granted by a foreign country which denotes
2 a standing which in the judgment of the Board is the
3 substantial equivalent of the title of certified public
4 accountant conferred by the Territory of Alaska, upon:

5 (1) The receipt of an application and the
6 collection of a fee of *50.00, the annual license fee*

7 (2) Determination by the Board that the state,
8 territory or foreign country grants reciprocal rights to
9 certified public accountants of Alaska

10 (3) Determination that the applicant obtained
11 his title by the process of written examination.

12 (4) Determination that the applicant has good
13 moral character, adequate education and satisfactory
14 professional standing.

15 B. To any individual applicant who:

16 (1) Submits an application and pays the required
17 *fee of \$75.00, \$25.00 of which is to be fee for taking examination*
18 *and \$50.00 the annual license fee, the latter to be refunded should*
19 *the applicant fail to pass the examination.*

20 (2) Is a citizen of the United States, or who
21 satisfies the Board that he has taken or will take legal
22 steps to acquire such citizenship

23 (3) Is a resident of Alaska

24 (4) Is twenty-one (21) years of age, or older.

25 (5) Is of good moral character

26 (6) Is a graduate of a high school which has a
27 four-year course, or in the judgment of the Board has had
28 an equivalent schooling; provided, that after December 31,
29 1959 every applicant shall present evidence that he has
30 graduated from a college offering a curriculum in accounting
31 ~~which shall have been deemed acceptable by the President~~
32 *which college is recognized by a recognized*
33 *accrediting association.*

1 ~~of the University of Alaska.~~

2 (7) After satisfying the preceding requirements,
3 passes a written examination in such subjects and at such
4 times and place as the Board may designate.

5 (8) Meets the requirements of the Board as to
6 demonstrated practical experience.

7 SECTION 3.02 EXAMINATION OF CANDIDATES

8 Examinations of candidates for the certificates of certified
9 public accountants and public accountants shall be given by the
10 Board at least once in each year, at such times and places as
11 may be determined by the Board.

12 SECTION 3.03 EMPLOYMENT OF SERVICES OF AMERICAN INSTITUTE OF
13 ACCOUNTANTS

14 A. Whenever the American Institute will permit the
15 Board to do so, the Board shall examine candidates for
16 certificates as certified public accountants by the uniform
17 examinations prepared by the Institute, held at the times
18 and according to the rules governing examinations prescrib-
19 ed by the Institute.

20 B. Whenever the American Institute of Accountants
21 will render the service of grading examination papers, the
22 Board shall employ that service.

23 C. A passing grade in each subject of the examination
24 shall be 75 out of a ^{possible} potential 100 points. ✓

25 SECTION 3.04 ENROLLMENT OF CERTIFIED PUBLIC ACCOUNTANTS

26 A. The Board shall "enroll" every Certified Public
27 Accountant whose qualifications have been established by
28 the Board as meeting the requirements of this Act and the
29 regulations of the Board, whether by the issuance of an

1 Alaska certificate or the approval of an application to be
2 "enrolled" by the holder of a certificate or its equivalent
3 issued by a state, territory or foreign country.

4 B. An alien, non-resident in any state or territory
5 of the United States, may be enrolled by the Board in
6 accordance with the terms of this Act and the regulations
7 of the Board, and may renew such enrollment in accordance
8 therewith.

9 C. Enrollment shall not be accorded to a non-resident
10 Certified Public Accountant who maintains a place of busi-
11 ness in Alaska unless the person in charge of such place
12 of business is also enrolled as a Certified Public Account-
13 ant.

14 D. An enrolled person may maintain enrollment in
15 good standing by the payment of an annual enrollment fee of ^{\$}10.00
16 and by complying with such regulations as the Board may
17 adopt, without obtaining a license from the Board in any
18 given year, provided that the enrolled person shall at no
19 time during the year engage in the practice of public account-
20 ing.

21 E. If an enrolled person in good standing, not in
22 practice, applies for a license, the amount of the enroll-
23 ment fee paid by him previously during the same license
24 year shall be applied in part payment of the license fee,
25 and no penalty shall be collected because of the delay in
26 applying for the license; provided, that the application
27 for a license is made immediately upon the reentry into
28 the practice of public accounting.

29 F. The issuance of a license by the Board and the

1 collection of a license fee shall constitute a renewal of
2 enrollment.

3 G. A person previously enrolled, whose enrollment,
4 lapsed by virtue of nonpayment of enrollment or license
5 fees, may, by proper showing to the Board of his fitness
6 to be reinstated, ^{within three years of such lapse,} be re-enrolled by the Board upon the
7 payment of a re-enrollment fee ^{of \$100.00. If person has not} or the enrollment fees
8 ~~plus penalties for the years during which no fees were~~ ^{been enrolled for a period of more than three years, such}
9 ~~paid by him, whichever of the two amounts is the lesser.~~ ^{person shall proceed as a new applicant.}

10 SECTION 3.05 CONFIRMING TITLES

11 A. Any person who has been enrolled by the Board as
12 a "Certified Public Accountant", who is in good standing
13 with the Board, shall be styled and known by that title and
14 may use those words or the abbreviation "C.P.A." in con-
15 nection with his name.

16 B. Any enrolled person, who is in good standing with
17 the Board, may at his option be styled and known as a
18 "Public Accountant" and may use those words or the abbrevi-
19 ation "P.A." in connection with his name.

20 SECTION 3.06 BOARD MAY NOT REFUSE TO RENEW ENROLLMENT WITHOUT
21 HEARING

22 Provided that an enrolled person files timely application
23 with the Board for re-enrollment, has paid the required fee,
24 and has complied with the requirements of this Act with respect
25 to obtaining a license from the Board, and has complied with
26 the requirements of the Alaska Business License Act (Chapter 43,
27 SL 1949), he shall be entitled to re-enrollment and the enjoy-
28 ment of his previous status as to certification, being licensed,
29 etc., as a matter of right, unless the Board prefers charges

1 against him as prescribed elsewhere in this Act, and orders a
2 hearing upon them in due course.

3 SECTION 3.07 GRANTING OF CERTIFICATE AS A PUBLIC ACCOUNTANT

4 The Board shall issue a certificate as a Public Accountant:

5 A. To the holder of a similar unrevoked certificate
6 in good standing issued by a state or territory of the
7 United States, upon:

8 (1) The receipt of an application and the collec-
9 tion of a fee of ~~25.00~~, *the annual license fee.*

10 (2) Determination by the Board that the state or
11 territory grants reciprocal rights to public accountants
12 of Alaska

13 (3) Determination that the applicant obtained his
14 title by the process of written examination

15 (4) Determination that the applicant has good
16 moral character, adequate education and satisfactory pro-
17 fessional standing.

18 B. To an individual applicant who:

19 (1) Submits an application and pays the required

20 *fee of \$50.00, \$25.00 of which is to be the fee for taking*
examination and \$25.00 the annual license fee, the latter to be
refunded should the applicant fail to pass the examination.

21 (2) Is a citizen of the United States, or who
22 satisfies the Board that he has taken or will take legal
23 steps to acquire such citizenship

24 (3) Is a resident of Alaska

25 (4) Is twenty-one (21) years of age, or older

26 (5) Is of good moral character

27 (6) Is a graduate of a high school which has a
28 four-year course, or in the judgment of the Board has had
29 an equivalent schooling

1 (7) After satisfying the preceding requirements,
2 passes a written examination in such subjects and at such
3 times and place as the Board may designate

4 (8) Meets the requirements of the Board as to
5 demonstrated practical experience.

6 ~~SECTION 3.08 FAILURE TO ACQUIRE UNITED STATES CITIZENSHIP~~

7 An alien who has acquired residence in any state or
8 territory of the United States may be enrolled in accordance
9 with the terms of this Act and the regulations of the Board.
10 Such enrollment and all of the rights and privileges accorded
11 by this Act shall be revoked by the Board, without hearing to
12 the enrolled alien person, at the expiration of seven (7) years
13 from the date the alien established residence in the United
14 States, unless at that date the enrolled person shall have
15 attained citizenship in the United States and previously shall
16 have furnished the Board with proof thereof.

17 ~~SECTION 3.09⁰⁸ REVOCATION OR SUSPENSION OF CERTIFICATE, ENROLL-
18 MENT OR LICENSE~~

19 The Board may revoke or suspend any certificate, enrollment
20 or license, or any or all of them, granted under this Act:

21 A. Because the enrolled person engaged in the practice
22 of public accounting without having obtained a license
23 from the Board in the year in which such practice was
24 conducted,

25 ~~B. Because the enrolled person failed or refused to
26 comply with the requirements of the Alaska Business License
27 Act (Chapter 43, SL 1949.)~~

28 C. For unprofessional conduct, including specifically
29 the divulging, without the consent of his client, confi-

1 dential information pertaining to a client's affairs
2 obtained in the course of professional employment.

3 C. If it shall come to the attention of the Board
4 that other states, territories or foreign countries have
5 taken disciplinary action against enrolled persons, the
6 Board shall take notice thereof and in its discretion may
7 initiate a complaint and order a hearing in the matter
8 prescribed by this Act.

9 D. For other cause determined by the Board

10 SECTION 3.19⁰⁹ HEARING PROCEDURE

11 A. Notice of the cause for such contemplated revocation
12 and the date of a hearing thereon by the Board, shall be
13 mailed to the accused enrolled person at his last known
14 address by the quickest class of registered mail available,
15 at least forty-five (45) days before such hearing.

16 B. Unless the accused enrolled person shall waive
17 a hearing, in writing, which shall be prima facie evidence
18 of consent to an adverse judgment by the Board, no certifi-
19 cate, enrollment or license issued under this Act shall be
20 revoked until the Board shall have held such hearing, but
21 the non-appearance of the enrolled person, after notice
22 as provided herein, shall not prevent such hearing.

23 C. Notice of all such hearings shall be mailed to the
24 Attorney General of Alaska at the same time that notice is
25 mailed to the enrolled person accused, in order that he, or
26 some person designated by him, may appear at the hearing
27 to represent the public interest.

28 D. At any hearing the accused enrolled person may
29 appear in person or by counsel, produce evidence and

1 witness on his own behalf, cross-examine witnesses, and
2 examine such evidence as may be produced against him. The
3 accused shall be entitled, on application to the Board, to
4 the issuance of subpoenas to compel the attendance of
5 witnesses on his behalf. Failure of the accused enrolled
6 person to appear at the hearing may be considered by the
7 Board as being adverse to his position, in determining
8 the judgment of the Board.

9 *advised!*
10 E. ~~The Board shall not be bound by rules of evidence.~~
11 A record of the hearing shall be kept and a transcript
12 thereof filed by the Board. The decision of the Board
13 shall be by majority vote of the members in attendance, who
14 must constitute a quorum of the Board.

15 F. The Board may cancel or suspend the certificate,
16 enrollment or license, or any or all of them, of the
17 accused enrolled person, or may censure him.

18 G. The judgment of the Board shall be entered in its
19 records and a notice thereof shall be mailed to the
20 accused enrolled person in like manner to the mailing of
21 the notice of the hearing.

22 H. The judgment of the Board shall not be given effect
23 until thirty-five (35) days after it has been determined
24 by the Board.

25
26 SECTION 3.¹⁰~~II~~ COURT REVIEW OF BOARD'S JUDGMENT

27 A. Any accused enrolled person adversely affected by
28 any judgment of the Board may obtain a review thereof by
29 ~~appealing to any court of competent jurisdiction,~~
30 ~~filing a written petition for review either in the United~~
31 ~~States District Court in the judicial division in which~~
32 ~~he resides, or the judicial division in which the records~~

1 of the Board are kept, within thirty (30) days after the
2 entry of the judgment of the Board.

3 B. The court will hear the matter de novo, and may
4 sustain, modify or set aside the Board's order in whole or
5 in part, or may remand the matter to the Board for further
6 action, and may, in its discretion, stay the effect of the
7 Board's order pending its determination of the case. The
8 court's decision shall have the force and effect of a de-
9 crees in equity.

10 ~~SECTION 3.12 NOTIFICATION TO OTHER LICENSING AGENCIES OF DISCI-~~
11 ~~PLINARY ACTION~~

12 Any judgment of the Board which involves censure, suspension
13 or revocation of the status of any accused enrolled person,
14 applicable to certificate, enrollment or license, or any or all
15 of them, shall be communicated to the Board or licensing author-
16 ity of every state, territory or foreign country in which it is
17 known or believed that the person subject to discipline enjoys
18 professional status, together with such information regarding
19 the matter as appears to the Board to be germane.

20 ~~SECTION 3.13 PUBLICATION OF TERMINATION OF RIGHT TO PRACTICE~~

21 The Board may publish, by direction of its president,
22 concurred in by its secretary, notice or notices in publications
23 in the Territory of Alaska that persons previously entitled to
24 practice as Certified Public Accountants or as Public Account-
25 ants, no longer enjoy such rights or privileges, and may state
26 the reason or reasons for the termination thereof.

27 ~~SECTION 3.14~~ REINSTATEMENT OF CERTIFICATES, ENROLLMENTS AND
28 LICENSES

29 The Board may, in its discretion, cancel a suspension pre-

reissue a certificate, enrollment or license
1 viously ordered ~~in a judgment of the Board after hearing of an~~
2 ~~upon good cause being shown~~
3 ~~accused enrolled person, or reissue a certificate, enrollment~~
4 ~~or license or any or all of them, which it has cancelled. pro-~~
5 ~~vided, that when the revocation has been based upon conviction~~
6 ~~for a crime, a pardon by the President of the United States or~~
7 ~~by the Governor of the state or territory wherein the conviction~~
8 ~~was had, or a certificate of good conduct granted by the parole~~
9 ~~board of the state or territory to remove disability, shall be~~
10 ~~a condition precedent.~~

ARTICLE IV

~~PROHIBITED PRACTICES, SANCTIONS~~

SECTION 4.01 PRACTICE BY UNENROLLED OR UNLICENSED PERSON

Chapter
13 No person shall practice or undertake to practice in Alaska
14 as a public accountant, ~~either in his name or under an assumed~~
15 ~~name or in the name of any group or combination acting as a unit,~~
16 unless he shall be enrolled in good standing by the Board, and
17 shall have obtained a current license from the Board and shall
18 thereafter comply with the provisions of the Alaska Business
19 License Act (Chapter 43, SL 1949.)

SECTION 4.02 OBTAINING CERTIFICATE, ENROLLMENT OR LICENSE UNDER FALSE REPRESENTATIONS

23 No person shall obtain any certificate issued by the Board,
24 or any enrollment by the Board, or any license issued by the
25 Board under false representations.

SECTION 4.03 FALSE REPRESENTATIONS TO THE PUBLIC

29 No person shall falsely represent himself to the public as
30 having received a certificate from the Board, or as being enrolled
31 by the Board, or as having received a license from the Board.

SECTION 4.04 CONTINUING TO PRACTICE AFTER SUSPENSION OR

1 REVOCATION

2 No person shall continue to practice as a Certified Public
3 Accountant or as a Public Accountant, after his certificate, en-
4 rollment or license issued by the Board, or any of them, shall
5 have been revoked or suspended by the Board.

6 SECTION 4.05 PRACTICE BY CORPORATIONS PROHIBITED

7 No corporation shall render accounting service to the public
8 for compensation in the Territory of Alaska.

9 SECTION 4.06 UNQUALIFIED PERSON MAY NOT SUPERVISE BRANCH OFFICE

10 No office or place of business shall be maintained for the
11 practice of public accounting in the Territory of Alaska unless
12 it be under the immediate supervision of an enrolled person who
13 is a resident of the place where the office is maintained.

14 SECTION 4.07 UNQUALIFIED PERSON MAY NOT USE TITLE "CERTIFIED
15 PUBLIC ACCOUNTANT"

16 No person who is not an enrolled person in good standing
17 with the Board as a Certified Public Accountant may assume to
18 use that title or the abbreviation "C.P.A." ^{Public Accountant} or any other word,
19 words, letters or figures to indicate that the person using the
20 same is a certified public accountant.

21 ~~SECTION 4.08 UNQUALIFIED PERSON MAY NOT USE TITLE "PUBLIC
22 ACCOUNTANT"~~

23 ~~No person who is not an enrolled person in good standing
24 with the Board may assume to use the title "Public Accountant"
25 or the abbreviation "P.A." or any other word, words, letters or
26 figures to indicate that the person using the same is a public
27 accountant.~~

28 SECTION 4.08⁰⁵ DISPLAY OF CARD, SIGN, ADVERTISEMENT, ETC. PRIMA
29 FACIE EVIDENCE

Abbreviation P.A.

1 The display of a card, sign, advertisement, a directory
2 listing, or the issuance of a letterhead bearing the name of a
3 person as a practitioner of public accounting, or as rendering
4 accounting service, or using the designations or abbreviations:

5 Certified public accountant	C.P.A.
6 Chartered accountant	C.A.
7 Public accountant	P.A.
8 Licensed public accountant	L.P.A.
9 Licensed accountant	L.A.
10 Registered accountant	R.A.
11 Certified accountant	
12 Cost accountant	

13 shall be prima facie evidence in any hearing or prosecution
14 against such person, that the person whose name is so displayed
15 or carried therein is responsible for the same and did announce
16 thereby his practice of public accounting.

17 SECTION 4.⁰⁹~~10~~ GENERAL COURSE OF CONDUCT

18 In any hearing or prosecution under this Act, the proof of
19 a single act prohibited by law shall be sufficient, without
20 proving a general course of conduct.

21 SECTION 4.¹⁰~~11~~ VIOLATIONS CONSTITUTE MISDEMEANORS; PENALTIES

22 Any person who shall violate, or attempt in any way to
23 violate or to evade the provisions of this Act, shall be deemed
24 guilty of a misdemeanor, and upon conviction thereof shall be
25 punished by a fine of not more than One Thousand Dollars
26 (\$1,000.00) or by imprisonment in a federal jail in the Terri-
27 tory of Alaska for a period of not more than one year or both
28 for each offense; and in the case of a corporation, by a fine
29 of not more than Five Thousand Dollars (\$5,000.00) for each

1 offense.

2 ~~SECTION 4.12 DISTRICT ATTORNEYS SHALL ENFORCE~~

3 It shall be the duty of the respective district attorneys
4 to prosecute all violations of the provisions of this Act.

Adopted

Passed 7/14/68

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