

1 IN THE HOUSE

BY STATE AFFAIRS COMMITTEE

2 2d CS FOR HOUSE BILL NO. 78

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to regulate the practice of public  
7 accounting in the public interest; to create  
8 a State Board of Public Accountancy and to  
9 prescribe its powers and duties; to provide  
10 the penalties for violations of this Act;  
11 repealing Secs. 35-2-4, 35-2-5, 35-2-6,  
12 35-2-8, 35-2-9 and 35-2-12 of Ch. 35, ACLA  
13 1949, all of Ch. 95, SLA 1949 (except Sec.  
14 11 thereof), all of Ch. 18, SLA 1951, all  
15 of Ch. 161, SLA 1957, and all other Acts or  
16 parts of Acts inconsistent herewith; and  
17 providing an effective date."

18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

19 Section 1. NAME. This Act may be known and cited as the  
20 "Public Accountancy Act of 1960".

21 Sec. 2. BOARD OF PUBLIC ACCOUNTANCY.

22 (1) There is hereby created a Board of Public Account-  
23 ancy in and for the State of Alaska to be known as the "Alaska  
24 State Board of Public Accountancy".

25 (2) The Board shall consist of five members appointed  
26 by the Governor. Members of the Board shall be citizens of the  
27 United States and a resident of this State for a period of at  
28 least one year. At least three members of the Board shall be  
29 Certified Public Accountants and two members shall be Public

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1 Accountants. All appointees to the Board shall hold certificates  
2 or licenses, then in full force and effect, issued under the laws  
3 of this State and must be eligible to receive permits under Section  
4 10 of this Act. The members of the Board first to be appointed  
5 shall hold office as follows: one for one year, two for two years,  
6 and two for three years from the effective date of this Act, the  
7 term of each to be designated by the Governor. Their successors  
8 shall be appointed for terms of three years. Vacancies occurring  
9 during a term shall be filled by appointment for the unexpired  
10 term. Upon the expiration of his term of office a member shall  
11 continue to serve until his successor shall have been appointed  
12 and shall have qualified, formally noted acceptance of the appoint-  
13 ment and presented himself at the next meeting of the Board. The  
14 Governor shall remove from the Board any member whose certificate,  
15 license or permit has been revoked or suspended and may, after  
16 hearing, remove any member of the Board for neglect of duty or  
17 other just cause. No person who has served two successive complete  
18 terms of one, two or three years shall be eligible for reappoint-  
19 ment until after the lapse of one year; provided, however, that  
20 the serving of an appointment to fill an unexpired term shall not  
21 be considered as the serving of a complete term.

22 (3) The Board shall elect annually a president (or  
23 chairman), a secretary and a treasurer from its members. One  
24 person may hold the offices of secretary and treasurer. The Board  
25 may adopt, and amend from time to time, regulations for the order-  
26 ly conduct of its affairs and for the administration of this Act,  
27 provided those regulations adopted for the administration of this  
28 Act shall be promulgated in compliance with the Alaska Administra-  
29 tive Procedure Act. A majority of the Board shall constitute a

1 quorum for the transaction of business. The Board shall have a  
2 seal which shall be judicially noticed. The Board shall keep  
3 records of its proceedings and in any proceeding in court, civil  
4 or criminal, arising out of or founded on any provision of this  
5 Act, copies of such records certified as correct under the seal of  
6 the Board shall be admissible in evidence as tending to prove the  
7 content of such records.

8 (4) The Board may employ such personnel, including but  
9 not limited to legal counsel, and arrange for such assistance as  
10 it may require for the performance of its duties. Each member of  
11 the Board shall be paid per diem and other expenses allowed by law.

12 (5) The Board may promulgate, and amend from time to  
13 time, rules of professional conduct appropriate to establish and  
14 maintain a high standard of integrity and dignity in the profession  
15 of public accountancy, provided those regulations adopted shall be  
16 promulgated in compliance with the Alaska Administrative Procedure  
17 Act. At least sixty days prior to the promulgation of any such  
18 rule or amendment the Board shall mail copies of the proposed rule  
19 or amendment by certified mail, with return receipts requested, to  
20 each holder of a permit issued under Section 10 of this Act to the  
21 address of such permit holder last known to the Board with a  
22 notice advising him or them of the proposed effective date of the  
23 rule or amendment.

24 Sec. 3. CERTIFIED PUBLIC ACCOUNTANTS.

25 (1) The certificate of "Certified Public Accountant"  
26 shall be granted by the Board to any person who meets the require-  
27 ments of subsections (2), (3) and (7) of this Section.

28 (2) Any person who is a citizen of the United States  
29 or has duly declared his intention of becoming such citizen,

1 and who is a resident of this State and who has attained the age  
2 of nineteen years, and who is of good moral character shall be  
3 deemed to have met the requirements of this subsection.

4 (3) Any person who meets the requirements of education  
5 and experience as hereinafter provided by subsections (4), (5)  
6 or (6) shall be deemed to have met the requirements of this sub-  
7 section.

8 (4) During the five-year period immediately following  
9 the effective date of this Act, the educational requirements  
10 shall be graduation from a high school or what the Board determines  
11 to be substantially the equivalent thereof, and the experience re-  
12 quirements shall be four years of accounting experience satisfactory  
13 to the Board; or such educational and experience requirements may  
14 be those set forth in subsection (6) of this Section.

15 (5) After the expiration of five years immediately  
16 following the effective date of this Act, the educational require-  
17 ments shall be (a) satisfactory completion of two years of study at  
18 one or more colleges or universities recognized by the Board or (b)  
19 graduation from a junior or community college in Alaska or otherwise  
20 recognized by the Board or (c) what the Board determines to  
21 be substantially the equivalent of (a) or (b); and the exper-  
22 ience requirements shall be four years of accounting experience  
23 satisfactory to the Board; or such educational and experience  
24 requirements may be those set forth in subsection (6) of this  
25 Section.

26 (6) During the periods as specified in subsections  
27 (4) and (5) of this Section, the education and experience re-  
28 quirements may also be satisfied by: (a) the satisfactory com-  
29 pletion of four years of study with a non-accounting major at one

1 or more colleges or universities recognized by the Board, and  
2 three years of accounting experience satisfactory to the Board,  
3 or (b) the satisfactory completion of four years of study with  
4 an accounting major at one or more colleges or universities  
5 recognized by the Board, and two years of accounting experience  
6 satisfactory to the Board.

7 (7) Any person who shall have passed a written exam-  
8 ination in theory of accounts, in accounting practice, in  
9 auditing and in such other related subjects as the Board shall  
10 determine to be appropriate shall be deemed to have met the  
11 requirements of this subsection; provided that such examination  
12 shall have been designated in advance by the Board as an examina-  
13 tion for the certificate of Certified Public Accountant; and  
14 provided further that the Board shall use only the Uniform  
15 Certified Public Accountants examination and Advisory Grading  
16 Service if available to it.

17 (8) The examination described in subsection (7) of  
18 this Section shall be held by the Board as often as the Board  
19 shall determine to be desirable but not more than three times each  
20 year; provided however that, should the Uniform Certified Public  
21 Accountants examination be available less frequently, an examina-  
22 tion shall be held not less than once each year.

23 (9) A person who has met the educational requirements  
24 of subsections (4), (5) or (6) of this Section shall be eligible  
25 to take the examination described in subsection (7) of this  
26 Section without waiting until he has met the experience require-  
27 ments, provided he also meets the requirements of subsection (2)  
28 of this Section. A candidate for the certificate of Certified  
29 Public Accountant who has successfully completed the examination

1 described in subsection (7) of this Section shall have no status  
2 as a Certified Public Accountant unless and until he has met  
3 the experience requirements and has been notified by the Board  
4 that he has been granted his certificate as a Certified Public  
5 Accountant.

6 (10) A candidate who fails an examination shall have  
7 the right to take succeeding examinations as many times as he  
8 may choose. A candidate who receives a passing grade in at least  
9 two of the subjects indicated in subsection (7) of this Section  
10 or in accounting practice shall have the right to be re-examined  
11 in only the remaining subjects at subsequent examinations within  
12 a period of five (5) calendar years, provided he takes an ex-  
13 amination in the remaining subjects at least once each calendar  
14 year thereafter unless excused by the Board for good cause, and  
15 if such candidate receives a passing grade in the remaining  
16 subject or subjects he shall be deemed to have passed the entire  
17 examination. In order to pass, a candidate must receive a grade  
18 of at least 75 in each subject in which he is examined. The  
19 Board may give credit to a candidate who has passed all or part  
20 of the examination in another State if the Board determines that  
21 the standards under which the examination was held are as high  
22 as the standards established for the examination in this Act.

23 (11) Any candidate who, prior to the effective date  
24 of this Act, has applied to take an examination for the certifi-  
25 cate of Certified Public Accountant, or held a valid license as  
26 a Public Accountant, or was regularly enrolled in any college  
27 or correspondence course in accounting, or any person whose reg-  
28 istration under this Act is accepted by the Board, shall be issued  
29 a certificate as a Certified Public Accountant when he has met

1 either the requirements of this Act, or the requirements which  
2 were effective at the time his first application was filed, at  
3 the option of the candidate.

4 (12) The Board shall charge each candidate a fee of  
5 \$25.00 for the initial examination provided for in subsection (7)  
6 of this Section, and \$25.00 for each subsequent re-examination,  
7 such fee to be paid by the candidate at the time he applies for  
8 examination or re-examination.

9 (13) Any person who has received from the Board a  
10 certificate as a Certified Public Accountant and who holds a  
11 permit issued under Section 10 of this Act, both of which are in  
12 full force and effect, shall be styled and known as a "Certified  
13 Public Accountant" and may also use the abbreviation "CPA".

14 (14) Persons who, on the effective date of this Act,  
15 held certificates as Certified Public Accountants theretofore  
16 issued under the Laws of the State (or Territory) of Alaska shall  
17 not be required to obtain additional certificates under this Act  
18 but shall otherwise be subject to all provisions of this Act,  
19 and such certificates theretofore issued shall for all purposes  
20 be considered certificates issued under this Act and subject  
21 to the provisions hereof.

22 (15) The Board may issue, upon application, a Certified  
23 Public Accountant's Certificate to any person who is the holder of  
24 a Certified Public Accountant's certificate then in full force and  
25 effect and issued under the laws of any State, or who is the  
26 holder of a certificate, license or degree, then in full force  
27 and effect in a foreign country constituting a recognized  
28 qualification for the practice of Public Accounting in such  
29 country comparable to that of a Certified Public Accountant in

1 this State; provided, the Board finds such person possesses  
2 the qualifications specified in subsection (2) of this Section  
3 and that such person has substantially the equivalent of the  
4 applicable qualifications under subsection 3 of this Section.

5       Sec. 4. REGISTRATION OF FOREIGN ACCOUNTANTS. The Board  
6 may, in its discretion, permit the registration of any person  
7 of good moral character who is the holder of a certificate,  
8 license or degree, then in full force and effect, in a foreign  
9 country having recognized qualifications as determined by the  
10 Board, for the practice of public accounting in such country.  
11 A person so registered shall use only the title under which he  
12 is generally known in his own country, followed by the name  
13 of the country from which he received his certificate, license  
14 or degree. The Board shall by regulation duly promulgated under  
15 the State Administrative Procedure Act prescribe the procedure  
16 to be followed in effecting such registration.

17       Sec. 5. PARTNERSHIPS COMPOSED OF CERTIFIED PUBLIC ACCOUNT-  
18 ANTS: REGISTRATION THEREOF.

19             (1) A partnership engaged in this State in the prac-  
20 tice of public accounting may register with the Board as a  
21 partnership of Certified Public Accountants, provided it meets  
22 the requirements set forth in subsection (2) of this Section.  
23 The Board shall in each case determine whether the applicant  
24 is eligible for registration. Application for such registration  
25 must be made upon the affidavit of a general partner of such  
26 partnership who is a Certified Public Accountant of this State  
27 in good standing. A partnership which is so registered and  
28 which holds a permit issued under Section 10 of this Act may use  
29 the words "Certified Public Accountants" or the abbreviation

1 "CPAs" in connection with its partnership name. Notification  
2 shall be given the Board within one month from the date any  
3 partner is admitted to or withdraws from any partnership so  
4 registered. The Board shall by regulation duly promulgated by  
5 the State Administrative Procedures Act prescribe the procedure  
6 to be followed in effecting such registration.

7 (2) The Board shall permit the registration of only  
8 those partnerships which meet all the following requirements:

9 (a) At least one general partner thereof must be a Certified  
10 Public Accountant of this State in good standing, holding a  
11 valid permit, and (b) each partner thereof (whether resident or  
12 non-resident) personally engaged within this State in the prac-  
13 tice of public accounting must be a Certified Public Accountant  
14 in good standing and must hold a valid permit to practice issued  
15 under Section 10 of this Act, and (c) all offices of such part-  
16 nership established or maintained in this State for the practice  
17 of public accounting in this State must be maintained and reg-  
18 istered as required under Section 9 of this Act.

19 Sec. 6. TEMPORARY CERTIFICATE AS CERTIFIED PUBLIC ACCOUNTANT.  
20 In the event an applicant for a certificate as a Certified Public  
21 Accountant meets all the requirements for such certificate other  
22 than the requirement that he be a resident of this State or have  
23 a place of business therein or as an employee be regularly em-  
24 ployed therein, the Board may in its discretion issue to him a  
25 temporary certificate as a Certified Public Accountant which  
26 shall be effective only until the Board shall notify him that  
27 his application has been either granted or rejected. In no event  
28 shall such temporary certificate be in effect for more than six  
29 months after the date of issuance. No fee shall be charged for

1 such a temporary certificate.

2 Sec. 7. PUBLIC ACCOUNTANTS.

3 (1) A license as a Public Accountant shall be  
4 granted by the Board to any person who meets the requirements of  
5 subsections (2), (3) and (4) of this Section.

6 (2) Any person who is a citizen of the United States  
7 or has duly declared his intention of becoming a citizen, and who  
8 is a resident of this State or has a place of business therein  
9 or as an employee is regularly employed therein, and who has  
10 attained the age of nineteen years, and who is of good moral  
11 character shall be deemed to have met the requirements of this  
12 subsection.

13 (3) Any person who meets the requirements of education  
14 and experience as hereinafter provided shall be deemed to have  
15 met the requirements of this subsection. The requirements of  
16 education and experience shall be, respectively: (a) graduation  
17 from a high school or what the Board determines to be substantial-  
18 ly the equivalent thereof, and (b) four years of accounting ex-  
19 perience satisfactory to the Board.

20 (4) Any person who shall have passed a written examina-  
21 tion in such subjects as the Board shall determine to be appro-  
22 priate shall be deemed to have met the requirements of this sub-  
23 section, provided that such examination shall have been designated  
24 in advance by the Board as an examination for the license of  
25 Public Accountant.

26 (5) The examination described in subsection (4) of this  
27 Section shall be held by the Board as often as the Board shall  
28 determine to be desirable but not less than once each year.

29 (6) The Board shall charge each candidate a fee of

1 \$25.00 for any examination given in accordance with the provisions  
2 of subsection (4) of this Section, such fee to be paid by the  
3 candidate at the time he applies for examination.

4 (7) Any person who has received from the Board a  
5 license as a Public Accountant and who holds a permit issued under  
6 Section 10 of this Act, both of which are in full force and effect,  
7 shall be styled and known as a "Public Accountant" and may also  
8 use the abbreviation "PA".

9 (8) Persons who, on the effective date of this Act,  
10 held licenses as Public Accountant theretofore issued under the  
11 laws of the State (or Territory) of Alaska shall not be required  
12 to obtain "new" licenses under this Act but shall otherwise be  
13 subject to all provisions of this Act, and such licenses thereto-  
14 fore issued shall for all purposes be considered licenses issued  
15 under this Act and subject to the provisions hereof.

16 Sec. 8. PARTNERSHIPS COMPOSED OF PUBLIC ACCOUNTANTS: REGIS-  
17 TRATION THEREOF.

18 (1) A partnership engaged in this State in the practice  
19 of public accounting may register with the Board as a partnership  
20 of Public Accountants, provided it meets the requirements of  
21 subsection (2) of this Section. The Board shall in each case  
22 determine whether the applicant is eligible for registration.  
23 Application for such registration must be made upon the affidavit  
24 of a general partner of such partnership who is a Certified Public  
25 Accountant or Public Accountant of this State in good standing.  
26 A partnership which is so registered and which holds a permit  
27 issued under Section 10 of this Act may use the words "Public  
28 Accountants" or the abbreviation "PAs" in connection with its  
29 partnership name. Notification shall be given the Board within

1 one month from the date any partner is admitted to or withdraws  
2 from any partnership so registered. The Board shall by regulation  
3 prescribe the procedure to be followed in effecting such registra-  
4 tion.

5 (2) The Board shall permit the registration of only  
6 those partnerships which meet all the following requirements:

7 (a) At least one general partner thereof must be a Certified  
8 Public Accountant or Public Accountant of this State in good  
9 standing, and (b) each partner thereof personally engaged within  
10 this State in the practice of public accounting must be a Certi-  
11 fied Public Accountant or Public Accountant of this State in  
12 good standing and must hold a valid permit to practice issued  
13 under Section 10 of this Act, and (c) each non-resident partner  
14 thereof must be a Certified Public Accountant of some State in  
15 good standing, and (d) all offices of such partnership established  
16 or maintained in this State for the practice of public accounting  
17 in this State must be maintained and registered as required under  
18 Section 9 of this Act.

19 Sec. 9. REGISTRATION OF OFFICES.

20 (1) Each office established or maintained in this  
21 State for the practice of public accounting in this State by a  
22 Certified Public Accountant or partnership of Certified Public  
23 Accountants, or by a Public Accountant or partnership of Public  
24 Accountants, or by one registered under Section 4 of this Act,  
25 shall be registered annually under this Act with the Board, but  
26 no fee shall be charged for such registration. The Board shall  
27 by regulation prescribe the procedure to be followed in effect-  
28 ing such registration.

29 (2) Each office shall be under the direct supervision

1 of a person in residence who holds a permit under Section 10 of  
2 this Act. Such person may be either a sole proprietor, partner,  
3 principal or staff employee. Such resident person may serve in  
4 such capacity at one office only.

5 (3) The title or designation "Certified Public Account-  
6 ant" or the abbreviation "CPA", or the plurals thereof, shall not  
7 be used in connection with any office registered under this Act  
8 unless the "person in residence" required by subsection (2) of  
9 this section is the holder of a certificate as a Certified Public  
10 Accountant under Sections 3 or 6 of this Act which is then in  
11 full force and effect.

12 (4) The Board in its discretion may waive the require-  
13 ments of subsections (2) and (3) of this Section in the following  
14 circumstances: (a) In communities having a population of 2,000  
15 persons or less and (b) if the firm opening or maintaining such  
16 office maintains another office in this State which meets the  
17 requirements outlined in subsections (2) and (3) of this Section.

18 Sec. 10. ANNUAL PERMITS TO PRACTICE AND FEES.

19 (1) Permits to practice and fees under this Act shall  
20 be as provided in subsections (2) through (8) of this Section.

21 (2) Permits to engage in the practice of public  
22 accounting as a principal in this State shall be issued by the  
23 Board to holders of a certificate issued under Sections 3 or 6  
24 of this Act, and to persons registered under Section 4 or  
25 licensed under Section 7 of this Act, provided all offices of  
26 such certificate holder, registrant or licensee are maintained and  
27 registered as required under Section 9 of this Act. There shall  
28 be an annual permit fee of \$25.00, provided that no permit fee  
29 for the year 1960 will be required if the Certified Public Account-

1 ant, Public Accountant or registered foreign accountant shall  
2 have paid his license fee for 1960 under the prior law.

3 (3) Permits to engage in the practice of public  
4 accounting in this State as a partnership shall be issued by the  
5 Board to partnerships registered under Sections 5 or 8 of this  
6 Act. There shall be an annual permit fee of \$10.00; provided,  
7 however, that a fee of \$5.00 must accompany notification to the  
8 Board when any partner is admitted to or withdraws from any  
9 partnership holding a permit under this subsection. Such permit  
10 to practice shall be valid only for practice under the registered  
11 name of such partnership.

12 (4) Any person holding a certificate or license under  
13 this Act who does not desire to engage in the practice of public  
14 accounting as a principal but who desires to maintain his certi-  
15 ficate or license in good standing shall register with the Board  
16 and shall pay an annual registration fee of \$10.00.

17 (5) Any Certified Public Accountant or partnership  
18 thereof in good standing in any State, neither holding a permit  
19 under subsections (2) or (3) of this Section nor maintaining an  
20 office within this State but engaging in the practice of public  
21 accounting in this State, shall apply to the Board for a permit  
22 to practice. The Board shall in each case determine whether the  
23 applicant is eligible for such permit. An annual fee of \$100.00  
24 shall be required for the issuance of such permit.

25 (6) All permits and registrations under this Section,  
26 unless otherwise revoked, shall expire on the last day of December  
27 of each year and, unless otherwise revoked or suspended, shall  
28 be renewed by the Board annually upon payment by the certificate  
29 holder, licensee or registrant of a renewal fee in the amount of

1 the original fee.

2 (7) Failure of any person or partnership subject to  
3 the provisions of this Act to apply for the annual permit to  
4 practice or to pay the annual fee as provided by this Section  
5 within (a) three years from the expiration date of the permit to  
6 practice or annual registration last obtained or renewed, or  
7 (b) three years from the date upon which the certificate holder  
8 or licensee was granted his certificate as a Certified Public  
9 Accountant or license as a Public Accountant under this Act,  
10 shall deprive him of the right to receive a permit or annual  
11 registration or renewal thereof, unless the Board in its discre-  
12 tion determines such failure to have been excusable. In such  
13 case the fee shall be such amount as the Board shall, from time  
14 to time, determine, but not in excess of three times the annual  
15 fee.

16 (8) Permits and registrations and renewals thereof  
17 under this Section shall be issued by the Board upon application  
18 of such rules and procedures, promulgated in accordance with the  
19 Administrative Procedure Act and in such form as the Board may  
20 prescribe.

21 Sec. 11. REVOCATION OR SUSPENSION OF CERTIFICATE, LICENSE,  
22 REGISTRATION OR PERMIT.

23 (1) After notice and hearing as provided in the State  
24 Administrative Procedure Act the Board may revoke or suspend  
25 any certificate issued under Section 3 of this Act, or any  
26 registration granted under Section 4 of this Act, or any license  
27 issued under Section 7 of this Act, or may revoke, suspend or  
28 refuse to renew any permit issued under Section 10 of this Act,  
29 or may censure any certificate holder, licensee, registrant

1 or permit holder for any one or any combination of the following  
2 causes: (a) Fraud or deceit in obtaining a certificate as  
3 Certified Public Accountant, or license as Public Accountant,  
4 or in obtaining registration under this Act, or in obtaining  
5 a permit to practice public accounting under this Act; (b) Dis-  
6 honesty or gross negligence in the practice of public accounting,  
7 fraud, or other acts discreditable to the accounting profession;  
8 (c) Violation of any of the provisions of Section 15 of this Act;  
9 (d) Violation of a rule of professional conduct or other regula-  
10 tion promulgated by the Board under the authority granted by  
11 this Act; (e) Conviction of a felony under the laws of any State  
12 or of the United States; (f) Conviction of any crime, an essential  
13 element of which is dishonesty or fraud, under the laws of any  
14 State or of the United States; (g) Cancellation, revocation,  
15 suspension or refusal to renew authority to practice as a Certi-  
16 fied Public Accountant or Public Accountant in any other State  
17 for any cause other than failure to pay an annual registration  
18 fee in such State; (h) Suspension or revocation of the right to  
19 practice before any State or Federal agency; (i) Failure to  
20 become a citizen of the United States within six years by any  
21 person not a citizen of the United States when he received a  
22 certificate as a Certified Public Accountant or license as a  
23 Public Accountant under this Act.

24 (2) The revocation or suspension of a certificate,  
25 license or registration required for the issuance of a permit  
26 under Section 10 of this Act shall automatically operate to  
27 revoke or suspend such permit.

28 Sec. 12. REVOCATION OR SUSPENSION OF PARTNERSHIP REGISTRA-  
29 TION OR PERMIT.

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Engrossed as amended  
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1 (1) After notice and hearing as provided in the State  
2 Administrative Procedure Act, the Board shall revoke the regis-  
3 tration and permit to practice of a partnership if at any time  
4 it does not have all the qualifications prescribed by the Section  
5 of this Act under which it qualified for registration.

6 (2) After notice and hearing as provided in the State  
7 Administrative Procedure Act, the Board may revoke or suspend  
8 the registration and permit to practice of a partnership or may  
9 revoke, suspend or refuse to renew its permit to practice or  
10 may censure the partnership for any of the causes enumerated  
11 in Section 11 of this Act, or for any of the following additional  
12 causes: (a) The revocation or suspension of the certificate,  
13 license or registration of any partner; (b) The revocation,  
14 suspension or refusal to renew the permit to practice of any  
15 partner; (c) The cancellation, revocation, suspension or refusal  
16 to renew the authority of the partnership or any partner thereof  
17 to practice public accounting in any other State for any cause  
18 other than failure to pay an annual registration fee in such  
19 other State.

20 Sec. 13. HEARINGS AND PROCEDURES BEFORE BOARD: The pro-  
21 cedures to be followed by the Board relative to the promulgation  
22 of rules and regulations and the holding of hearings before the  
23 Board shall be in accordance with the procedures set forth in  
24 the State Administrative Procedure Act.

25 Sec. 14. REINSTATEMENT. Upon application in writing and  
26 after hearing pursuant to the Administrative Procedure Act,  
27 the Board may issue a new certificate to a Certified Public  
28 Accountant whose certificate has been revoked, or may permit the  
29 re-registration of anyone whose registration has been revoked,

1 or may modify the suspension of or may reissue any certificate,  
2 license or permit to practice public accounting which has been  
3 revoked or suspended.

4 Sec. 15. ACTS DECLARED UNLAWFUL.

5 (1) No person shall assume or use the title or  
6 designation Certified Public Accountant or the abbreviation CPA  
7 or any other title, designation, words, letters, abbreviations,  
8 sign, card, or device tending to indicate that such person is a  
9 Certified Public Accountant, unless such person has received a  
10 certificate as a Certified Public Accountant under Sections 3 or  
11 6 of this Act, holds a permit issued under Section 10 of this  
12 Act which is not revoked or suspended, hereinafter referred to  
13 as a "live" permit, and all of such person's offices in this  
14 State for the practice of public accounting are maintained and  
15 registered as required under Section 9 of this Act; provided,  
16 however, that a Certified Public Accountant in good standing in  
17 any State, not holding a certificate under Sections 3 or 6 of  
18 this Act but holding a permit under Section 10 (5) of this Act,  
19 may use the title or designation Certified Public Accountant;  
20 and provided further that a foreign accountant who has registered  
21 under the provisions of Section 4 of this Act and who holds a  
22 live permit issued under Section 10 of this Act and all of whose  
23 offices in this State for the practice of public accounting are  
24 maintained and registered as required under Section 9 of this  
25 Act may use the title under which he is generally known in his  
26 own country followed by the name of the country from which he  
27 received his certificate, license or degree.

28 (2) No partnership shall assume or use the title or  
29 designation Certified Public Accountants or the abbreviation

1 CPAs or any other title, designation, words, letters, abbreviation,  
2 sign, card, or device tending to indicate that such partnership  
3 is composed of Certified Public Accountants, unless such partner-  
4 ship is registered as a partnership of Certified Public Account-  
5 ants under Section 5 of this Act, holds a live permit issued  
6 under Section 10 of this Act, is practicing under its registered  
7 name, and all of such partnership's offices in this State for  
8 the practice of public accounting are maintained and registered  
9 as required under Section 9 of this Act; provided, however, that  
10 a partnership of Certified Public Accountants in good standing  
11 in any State, not registered as a partnership of Certified  
12 Public Accountants under Section 5 of this Act but holding a  
13 permit under Section 10 (5) of this Act, may use the title or  
14 designation Certified Public Accountants.

15 (5) No person shall assume or use the title or  
16 designation Public Accountant or the abbreviation PA or any  
17 other title, designation, words, letters, abbreviation, sign,  
18 card, or device tending to indicate that such person is a Public  
19 Accountant, unless such person holds a live permit issued under  
20 Section 10 of this Act, and all of such person's offices in this  
21 State for the practice of public accounting are maintained and  
22 registered as required under Section 9 of this Act.

23 (4) No partnership shall assume or use the designation  
24 Public Accountants or the abbreviation PAs or any other title,  
25 designation, words, letters, abbreviation, sign, card, or device  
26 tending to indicate that such partnership is composed of Public  
27 Accountants, unless such partnership holds a live permit issued  
28 under Section 10 of this Act, is practicing under its registered  
29 name, and all of such partnership's offices in this State for the

1 practice of public accounting are maintained and registered as  
2 required under Section 9 of this Act.

3 (5) No person or partnership shall assume or use the  
4 title or designation Certified Accountant, Chartered Accountant,  
5 Enrolled Accountant, Licensed Accountant, Registered Accountant,  
6 or any other title or designation likely to be confused with  
7 Certified Public Accountant or Public Accountant, or any of the  
8 abbreviations CA, EA, LA, RA, or similar abbreviations likely to  
9 be confused with CPA or PA; provided, however, that anyone who  
10 holds a live permit issued under Section 10 of this Act and all  
11 of whose offices in this State for the practice of public ac-  
12 counting are maintained and registered as required under Section  
13 9 of this Act may hold himself or itself out to the public as an  
14 Accountant or Auditor; and provided further that a foreign  
15 accountant, registered under Section 4 of this Act and who holds  
16 a live permit issued under Section 10 of this Act and all of whose  
17 offices in this State for the practice of public accounting are  
18 maintained and registered as required under Section 9 of this  
19 Act, may use the title under which he is generally known in his  
20 own country followed by the name of the country from which he  
21 received his certificate, license or degree.

22 (6) No corporation shall assume or use the title or  
23 designation Certified Public Accountant or Public Accountant,  
24 nor shall any corporation assume or use the title or designation  
25 Certified Accountant, Chartered Accountant, Enrolled Accountant,  
26 Licensed Accountant, Registered Accountant, or any other title  
27 or designation likely to be confused with Certified Public  
28 Accountant or Public Accountant, or either of the abbreviations  
29 CPA or PA, or any of the abbreviations CA, EA, LA, RA, or similar

1 abbreviations likely to be confused with CPA or PA.

2 (7) No person shall sign or affix his name or any  
3 trade or assumed name used by him with any wording indicating  
4 that he is a Certified Public Accountant or Public Accountant,  
5 nor shall any person assume or use the title or designation  
6 Certified Accountant, Chartered Accountant, Enrolled Accountant,  
7 Licensed Accountant, Registered Accountant, or any other title  
8 or designation likely to be confused with Certified Public  
9 Accountant or Public Accountant, or either of the abbreviations  
10 CPA or PA, or any of the abbreviations CA, EA, LA, RA, or  
11 similar abbreviations likely to be confused with CPA or PA,  
12 or with any wording indicating that he has expert knowledge in  
13 accounting or auditing to any accounting or financial statement  
14 or to any opinion on, report on any accounting or financial  
15 statement, unless he holds a live permit issued under Section 10  
16 of this Act, and all of his offices in this State for the  
17 practice of public accounting are maintained and registered as  
18 required under Section 9 of this Act; provided, however, that  
19 the provisions of this subsection shall not prohibit any officer,  
20 employee, partner, or principal of any organization from affix-  
21 ing his signature to any statement or report in reference to the  
22 financial affairs of such organization together with any wording  
23 designating the position, title or office which he holds in such  
24 organization, nor shall the provisions of this subsection pro-  
25 hibit any act of a public official or public employee in the  
26 performance of his duties as such; nor shall the provisions of  
27 this subsection prohibit any person maintaining a bookkeeping or  
28 tax service from affixing his signature to any record, statement  
29 or report maintained or prepared by him.

1 (8) No person shall sign or affix a partnership name  
2 with any wording indicating that it is a partnership composed  
3 of accountants or auditors or persons having expert knowledge in  
4 accounting or auditing to any accounting or financial statement,  
5 or to any opinion on, report on or certificate to any accounting  
6 or financial statement unless the partnership holds a live permit  
7 issued under Section 10 of this Act, is practicing under its  
8 registered name, and all of its offices in this State for the  
9 practice of public accounting are maintained and registered as  
10 required under Section 9 of this Act.

11 (9) No person shall sign or affix a corporate name  
12 with any wording indicating that it is a corporation performing  
13 services as accountants or auditors, or composed of accountants  
14 or auditors or persons having expert knowledge in accounting or  
15 auditing, to any accounting or financial statement, or to any  
16 opinion on, report on or certificate to any accounting or  
17 financial statement.

18 (10) No person or partnership not holding a live  
19 permit issued under Section 10 of this Act, and no corporation,  
20 in any event shall hold himself or itself out to the public as  
21 a Certified Public Accountant or Public Accountant by use of  
22 either or both of such words or abbreviations on any sign, card,  
23 letterhead or in any advertisement or directory, without indi-  
24 cating thereon or therein that such person or partnership or  
25 corporation does not hold such a permit; provided, however, that  
26 this subsection shall not prohibit any officer, employee partner  
27 or principal of any organization from describing himself by the  
28 position, title, or office which he holds in such organization;  
29 nor shall the provisions of this subsection prohibit any act

1 of a public official or public employee in the performance of his  
2 duties as such; nor shall the provisions of this subsection pro-  
3 hibit any person from maintaining a bookkeeping or tax service.

4 (11) No person shall assume or use the title or  
5 designation Certified Public Accountant or Public Accountant, or  
6 the plurals thereof or any abbreviation thereof, in conjunction  
7 with a name or names indicating or implying that there is a  
8 partnership, or in conjunction with the designation "and Company"  
9 or "and Co." or any similar designation if, in any such case,  
10 there is in fact no bona fide partnership registered under such  
11 name under Sections 5 or 8 of this Act; provided, however, that  
12 a sole proprietor or partnership lawfully using such title or  
13 designation in conjunction with such names or designation on the  
14 effective date of this Act may continue to do so if he or it  
15 otherwise complies with the provisions of this Act.

16 Sec. 16. EXCEPTIONS: ACTS NOT PROHIBITED.

17 (1) Nothing contained in this Act shall prohibit any  
18 person not a Certified Public Accountant or Public Accountant  
19 from serving as an employee of or as an assistant to any person  
20 or partnership holding a live permit issued under Section 10 of  
21 this Act; provided, however, that no such employee or assistant  
22 shall issue any accounting or financial statement over, under  
23 or connected with his own name.

24 (2) Nothing contained in this Act shall prohibit any  
25 Certified Public Accountant or Public Accountant from indicating  
26 that he holds a certificate or license entitling him to such  
27 designation if, in fact, he does hold a valid, unrevoked certifi-  
28 cate or license in any State; provided, however, that no such  
29 person may indicate that his services are available to the public

1 unless he holds a live permit issued under Section 10 of this Act.

2 (3) Nothing contained in this Act shall prohibit any  
3 holder of a valid certificate, license or degree from a foreign  
4 country constituting a recognized qualification for the practice  
5 of public accounting in such country from indicating that he holds  
6 such certificate, license or degree if, in fact, he does hold such  
7 certificate, license or degree; provided, however, that no such  
8 person may indicate that his services are available to the public  
9 unless he holds a live permit issued under Section 10 of this Act.

10 Sec. 17. INJUNCTION AGAINST UNLAWFUL ACT. Whenever in the  
11 judgment of the Board any person has engaged in any act or practice  
12 which constitutes, or will constitute, a violation of Section 15  
13 of this Act, the Board may make application to the appropriate  
14 court for an order enjoining such act or practice. Upon a showing  
15 by the Board that such person has engaged in any such act or  
16 practice, the court shall grant without bond an injunction, a  
17 restraining order or such other order as may be appropriate.

18 Sec. 18. MISDEMEANORS: PENALTY. Any person who violates any  
19 provision of Section 15 of this Act shall be guilty of a misdemeanor  
20 and upon conviction thereof shall be subject to a fine of not more  
21 than five hundred dollars, or to imprisonment for not more than  
22 one year, or to both such fine and imprisonment. Whenever the  
23 Board has reason to believe that any person is liable to punishment  
24 under this Section it may certify the facts to the Attorney General  
25 of this State (or other appropriate enforcement officer) who may,  
26 in his discretion, cause appropriate proceedings to be brought.

27 Sec. 19. SINGLE ACT EVIDENCE OF PRACTICE. The display or  
28 uttering by a person of a card, sign, advertisement or other  
29 printed, engraved or written instrument or device, bearing a

1 person's name in conjunction with the words Certified Public  
2 Accountant, or any abbreviation thereof, or with the words Public  
3 Accountant, or any abbreviation thereof, or any words or abbrevia-  
4 tions likely to be confused with any of them, shall be prima facie  
5 evidence in any action brought under Sections 17 or 18 of this  
6 Act that the person whose name is so displayed caused or procured  
7 the display or uttering of such card, sign, advertisement or other  
8 printed, engraved or written instrument or device, and that such  
9 person is holding himself out to be a Certified Public Accountant  
10 or Public Accountant holding a live permit to practice under  
11 Section 10 of this Act. In any such action, evidence of the com-  
12 mission of a single act prohibited by this Act shall be sufficient  
13 to justify an injunction or a conviction without evidence of a  
14 general course of conduct.

15 Sec. 20. OWNERSHIP OF ACCOUNTANTS WORKING PAPERS. All state-  
16 ments, records, schedules, working papers, and memoranda made by  
17 a Certified Public Accountant, Public Accountant, or registered  
18 foreign accountant incident to or in the course of professional  
19 service to clients by such accountant, except reports submitted by  
20 a Certified Public Accountant, Public Accountant, or registered  
21 foreign accountant to a client, shall be and remain the property  
22 of such accountant, in the absence of an express agreement between  
23 such accountant and the client to the contrary. No such statement,  
24 record, schedule, working paper, or memorandum shall be sold,  
25 transferred or bequeathed, without the consent of the client or  
26 his personal representative or assignee, to anyone other than one  
27 or more surviving partners or new partners of such accountant.

28 Sec. 21. DEFINITIONS.

29 (1) The term "Board" when used in this Act means the

1 "Alaska State Board of Public Accountancy" created by Section 2  
2 of this Act.

3 (2) Masculine terms when used in this Act shall also  
4 include the feminine.

5 (3) The term "state" when used in this Act includes any  
6 state, territory, or insular possession of the United States, or  
7 the District of Columbia.

8 Sec. 22. CONSTRUCTION. If any provision or provisions of  
9 this Act or the application thereof to any person or to any circum-  
10 stances is held invalid, the remainder of this Act and the applica-  
11 tion of such provision or provisions to other persons or other  
12 circumstances shall not be affected thereby.

13 Sec. 23. REPEAL PROVISIONS. Sections 35-2-4, 35-2-5,  
14 35-2-6, 35-2-8, 35-2-9 and 35-2-12 of Ch. 35, ACLA 1949, all of  
15 Ch. 95, SLA 1949 (except Section 11 thereof), all of Ch. 18, SLA  
16 1951, all of Ch. 161, SLA 1957, and all other Acts or parts of  
17 Acts in conflict herewith are hereby repealed; provided, however,  
18 that nothing contained in this Act shall invalidate or affect any  
19 action taken under any law in effect prior to the effective date  
20 of this Act, and nothing contained in this Act shall invalidate or  
21 affect any proceedings instituted under such law before the  
22 effective date of this Act.

23 Sec. 24. EFFECTIVE DATE. This Act shall take effect thirty  
24 (30) days after its passage and approval or upon its becoming law  
25 without such approval.  
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