

Introduced: 4/8/80  
Referred: Commerce

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 HOUSE BILL NO. 997

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation of certified public  
7 accountants and continuing the existence of the Board  
8 of Public Accountancy; and providing for an effective  
9 date."

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

11 \* Section 1. AS 08.01.050(a)(19) is amended to read:

12 (19) provide investigative services to the boards established  
13 under AS 08.04, AS 08.20, AS 08.32, AS 08.36, AS 08.64, AS 08.68,  
14 AS 08.71, AS 08.72, AS 08.80, AS 08.84, and AS 08.86, for the purpose of  
15 assisting those boards in matters of professional discipline and in  
16 responding to consumer complaints.

17 \* Sec. 2. AS 08.03.010(c) is amended by adding a new paragraph to read:

18 (2) Board of Public Accountancy (AS 08.04.0\_0) -- June 30,  
19 1984.

20 \* Sec. 3. AS 08.04.010 is amended to read:

21 Sec. 08.04.010. CREATION OF BOARD. There is created the [A BOARD  
22 OF PUBLIC ACCOUNTANCY TO BE KNOWN AS THE ALASKA STATE] Board of Public  
23 Accountancy.

24 \* Sec. 4. AS 08.04.020 is amended to read:

25 Sec. 08.04.020. APPOINTMENT AND QUALIFICATIONS OF BOARD. The  
26 board consists of seven members appointed by the governor. Each member  
27 shall be a resident of this state for at least one year. Five [THREE]  
28 members shall be certified public accountants or public accountants and  
29 [,] two members shall be public members in accordance with AS 08.01.025

1 [, AND THE REMAINING MEMBERS SHALL BE PUBLIC ACCOUNTANTS]. Except for  
2 public members, no one may be appointed who does not hold a current  
3 certificate or license and [ISSUED UNDER THE LAWS OF THIS STATE. EXCEPT  
4 FOR PUBLIC MEMBERS, NO ONE MAY BE APPOINTED] who is not eligible to  
5 receive permits under this chapter. Public members may not be employed  
6 by a person licensed under this chapter or by a business entity holding  
7 a permit under this chapter.

8 \* Sec. 5. AS 08.04.040 is amended to read:

9 Sec. 08.04.040. TERM OF OFFICE. The term of office for each  
10 member of the board is three years [, EXCEPT THAT MEMBERS OF THE FIRST  
11 BOARD APPOINTED SHALL HOLD OFFICE AS FOLLOWS: ONE FOR ONE YEAR, TWO FOR  
12 TWO YEARS, AND TWO FOR THREE YEARS FROM APRIL 26, 1960]. A vacancy  
13 shall be filled by appointment for the unexpired term and all vacancies  
14 shall be filled within 60 days. After the expiration of his term of  
15 office a member continues to serve until his successor is appointed and  
16 qualifies, formally advises the board of acceptance of the appointment,  
17 and appears at the next meeting of the board.

18 \* Sec. 6. AS 08.04.070 is amended by adding new subsections to read:

19 (e) The board shall tape record all board meetings and submit the  
20 tapes to the department with a request that they be kept on file for at  
21 least two years.

22 (f) The board shall adopt a formal statement of goals, objectives  
23 and policies to be reviewed and updated annually.

24 (g) The board shall submit an annual report to the governor con-  
25 taining

26 (1) a statement of the board's purpose and goals for the  
27 year;

28 (2) programs planned by the board;

29 (3) statistics relating to operations, including

- 1 (A) the number of applicants processed;  
2 (B) the number of certificates, licenses, and permits  
3 issued;  
4 (C) the number of persons who pass or fail an examina-  
5 tion; and  
6 (D) the number of complaints received;  
7 (4) significant developments and concerns of the board;  
8 (5) amendments offered and adopted to regulations;  
9 (6) proposed statutory changes;  
10 (7) member participation and appointment status; and  
11 (8) budget information.

12 \* Sec. 7. AS 08.04.220 is amended to read:

13 Sec. 08.04.220. CERTIFICATION OF FOREIGN ACCOUNTANTS. Upon  
14 finding that an applicant meets the requirements of AS 08.04.110 and  
15 08.04.120 the board shall [MAY] issue a certified public accountant  
16 certificate to an applicant who holds a certified public accountant  
17 certificate in effect under the laws of any state, or who holds a  
18 certificate, license or degree in effect in a foreign country which  
19 constitutes a recognized qualification for the practice of public  
20 accounting in that country comparable to that of a certified public  
21 accountant in this state.

22 \* Sec. 8. AS 08.04 is amended by adding a new section to read:

23 Sec. 08.04.345. PREVIOUS LICENSURE. A person holding a valid  
24 license as a public accountant under AS 08.04.270 and a person holding a  
25 valid permit under AS 08.04.390 on June 29, 1980, may continue to  
26 practice under the conditions imposed by statute and regulation on that  
27 date but is otherwise subject to this chapter. Licenses and permits  
28 effective under this section may be renewed under conditions imposed by  
29 statute and regulation which were in effect on June 29, 1980, except

1 that any renewal fee required under this chapter shall apply.

2 \* Sec. 9. AS 08.04.350 is amended to read:

3 Sec. 08.04.350. REGISTRATION OF OFFICES. Each office established  
4 or maintained in this state for the practice of public accounting in  
5 this state (1) by a certified public accountant, partnership or corpora-  
6 tion of certified public accountants, or (2) by a public accountant,  
7 partnership or corporation of public accountants under AS 08.04.345,  
8 shall register annually with the board. No fee may be charged for  
9 registration. The board shall prescribe registration procedure by regu-  
10 lation.

11 \* Sec. 10. AS 08.04.400 is amended to read:

12 Sec. 08.04.400. PERMIT FOR PARTNERSHIP OR CORPORATE PRACTICE AS A  
13 PUBLIC ACCOUNTANT. The board shall issue a permit to engage in the  
14 practice of public accounting as a partnership or as a corporation to a  
15 partnership or corporation registered under AS 08.04.240 or 08.04.345  
16 [AS 08.04.330 - 08.04.340]. The biennial permit fee is \$60. A permit  
17 is valid only for practice under the registered name of the partnership  
18 or corporation.

19 \* Sec. 11. AS 08.04.430 is amended to read:

20 Sec. 08.04.430. EXPIRATION AND RENEWAL. A permit or registration  
21 under this chapter [AS 08.04.390 - 08.04.420], unless revoked or  
22 suspended, shall be renewed biennially upon payment of a renewal fee in  
23 the same amount as the initial biennial fee.

24 \* Sec. 12. AS 08.04.440 is amended to read:

25 Sec. 08.04.440. EFFECT OF FAILURE TO OBTAIN PERMIT. Failure of a  
26 person, partnership or corporation to apply for the annual permit to  
27 practice or to pay the annual fee within (1) three years from the  
28 expiration date of the permit to practice or annual registration last  
29 obtained or renewed, or (2) three years from the date upon which the

1 certificate holder or licensee was granted his certificate as a certi-  
2 fied public accountant or license as a public accountant under AS 08-  
3 04.345 deprives him of the right to a permit or annual registration or  
4 renewal of a permit, unless the board determines that the failure is  
5 excusable. In case of excusable failure, the fee shall not exceed three  
6 times the annual fee.

7 \* Sec. 13. AS 08.04.600 is amended to read:

8 Sec. 08.04.600. DISCLOSURE OF LACK OF PERMIT. No person, partner-  
9 ship or corporation not holding a live permit may hold himself or itself  
10 out to the public as a certified public accountant or public accountant  
11 under AS 08.04.345 by use of such words or abbreviations on any sign,  
12 card, letterhead or in any advertisement or directory, without indi-  
13 cating that the person, partnership, or corporation does not hold a  
14 permit. This section does not prohibit (1) an officer, employee, part-  
15 ner, or principal of an organization from describing himself by the  
16 position, title, or office which he holds in the organization, (2) an  
17 act of a public official or public employee in the performance of his  
18 duties, or (3) any person from maintaining a bookkeeping or tax service.

19 \* Sec. 14. AS 08.04.680(1) is amended to read:

20 (1) "board" means the [ALASKA STATE] Board of Public Account-  
21 ancy;

22 \* Sec. 15. AS 08.03.010(b)(1); AS 08.04.090, 08.04.270, 08.04.280, 08.04.-  
23 290, 08.04.300, 08.04.310, 08.04.320, 08.04.330, and 08.04.340 are repealed.

24 \* Sec. 16. This Act takes effect June 30, 1980.  
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