

SB

88

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/15/97

FURTHER: REPORTED OUT OF APR 24 1997

DATE TURNED IN TO OFFICE: 4-24-97

Finance Committee considered SENATE BILL NO. 88

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

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS SB 88 (L&C)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical change
 - new: SCR# _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Reed E. Kelly</i>	✓				
<i>Mark Gardell</i>	✓				
<i>Lil Edner</i>	X				
<i>David W. Kelly</i>	✓				
Co-Chair: <i>Deane</i>	✓	Co-Chair:			
Co-Chair: <i>Bob King</i>	✓	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

DCED	4/3	✓	

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

REPORTED OUT OF
SFC APR 24 1997

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. CSSB 88(L&C)

Revision Date: _____
 Title: An Act relating to the Board of Public Accountancy;
extending the termination date....
 Sponsor: Senate Rules
 Requestor: Senate State Affairs

Department: Commerce and Economic Development
 BRU: Occupational Licensing
 Component: Operations
 COMPONENT SERIAL NO. _____ 18/14

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES						
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1091 Designated PR						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 97) cost: \$ 139.5

POSITIONS						
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)
 CSSB 88(L&C) extends the Board of Public Accountancy to June 30, 2001 and makes other amendments to AS 08.04. Funding for continuation of the board in the amount of \$139.5 is included in the department's FY 98 operating budget request; therefore, new funds are not required to implement this bill. The program is required to cover its costs with licensing fees under AS 08.01.065, and revenue generated by board fees are anticipated to cover its full operating costs.

Prepared by: Jennifer Strickler, Administrative Manager *JS*
 Division: Occupational Licensing *JSR*
 Approved by Commissioner: William L. Hensley *W. Hensley*
 Agency: Commerce and Economic Development

Phone: 465-2144
 Date: 4/3/97
 Date: 4-3-97

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

No. 1
Bill Version: SB88
(S) Publish Date: 3/7/97

Revision Date: _____ Department: Commerce and Economic Development
Title: An Act relating to the Board of Public Accountancy; BRU: Occupational Licensing
extending the termination date.... _____ Component: Operations
Sponsor: Senate Rules
Requestor: Senate Labor & Commerce COMPONENT SERIAL NO. 1844

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	67.7	67.7	67.7	67.7	67.7	67.7
TRAVEL	16.4	16.4	16.4	16.4	16.4	16.4
CONTRACTUAL	52.5	52.5	52.5	52.5	52.5	52.5
SUPPLIES	2.1	2.1	2.1	2.1	2.1	2.1
EQUIPMENT	0.8	0.8	0.8	0.8	0.8	0.8
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	139.5	139.5	139.5	139.5	139.5	139.5

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES	220.7	58.3	220.7	58.3	220.7	58.3
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1091 Designated PR	139.5	139.5	139.5	139.5	139.5	139.5
TOTAL	139.5	139.5	139.5	139.5	139.5	139.5

Estimate of any current year (FY 97) cost: \$ 139.5

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

SB 88 extends the Board of Public Accountancy to June 30, 2003 and makes other amendments to AS 08.04. The costs shown on this fiscal note are included in the department's FY 98 operating budget request; therefore, new funds are not required to implement this bill. The program is required to cover its costs with licensing fees under AS 08.01.065. The revenue collection reflects the biennial licensing cycle in which licenses are issued.

Prepared by: Jennifer Strickler, Administrative Manager
Division: Occupational Licensing
Approved by Commissioner: William L. Hensley
Agency: Commerce and Economic Development

Phone: 465-2144
Date: 3/3/97
Date: 3-4-97

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CS FOR SENATE BILL NO. 88(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 3/7/97

Referred: State Affairs, Finance

**Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND
AUDIT COMMITTEE**

A BILL

FOR AN ACT ENTITLED

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

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

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

5 (1) Board of Public Accountancy (AS 08.04.010) -- June 30, 2001
6 [1997];

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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