

## CHAPTER 65.

## AN ACT

[H. B. 32]

Establishing a Territorial Board of Accountancy and defining its powers and providing a penalty for the unlawful use of titles and degrees, and appropriating funds for the organization and maintenance of such board.

*Be it enacted by the Legislature of the Territory of Alaska:*

Section 1. There is hereby created a Territorial Board of Accountancy consisting of three members. Each member of the Board shall be a person skilled in the knowledge and practice of accountancy, a citizen of the United States and a resident of the Territory of Alaska, and except as hereinafter provided, shall have passed a satisfactory examination and received a degree in public accounting as a certified public accountant under the laws of the Territory of Alaska. The first three members of the Board, by virtue of their appointment, shall be deemed certified public accountants during their term of office.

Board of  
Accountancy  
created.

Section 2. The first three members of the Board shall be appointed by the Governor of Alaska within thirty days after the date on which this Act becomes effective, or as soon thereafter as may be convenient. Of the members so appointed, one shall hold office for the period of two years from and after January 1, 1937, one for four years after said date, and one for six years after said date, and until the appointment of their successors. Each second year the Governor, with the advice and consent of the Senate shall appoint one member of the Board who shall serve for a term of six years and until his successor shall have been appointed. A vacancy on the Board shall be filled by the Governor

Members of  
board and term  
of office.

by appointment for the unexpired term, subject, however, to confirmation by the Senate when the Senate shall next again be in session, after the date of such appointment. The appointment of a member of the Board to fill a vacancy on the Board shall be in all respects valid and effective unless and until the Senate shall refuse to confirm such appointment.

Officers of board to give bond, and reports to be given Governor.

Section 3. The Board shall organize by electing one of its members President, and one Secretary and Treasurer. The Secretary and Treasurer shall give bond to the Territory in such sum and with such sureties as the Board shall direct, which bond shall be executed in duplicate, one for filing with the Board, and the other with the Territorial Treasurer. The Board shall keep a record of all its proceedings and shall report annually to the Governor.

Qualifications of "CPA."

Section 4. A citizen of the United States and of the Territory of Alaska, not less than twenty-five years of age, of good moral character, who shall have a diploma from a recognized high school or shall present satisfactory evidence of an equivalent education, who shall have had not less than five years' experience in the practice of accountancy, and who has received from the Territorial Board of Accountancy a certificate of his qualifications shall be styled and known as a Certified Public Accountant, and no other person, except as hereinafter provided, shall assume such title or use the letters "C.P.A." or other words indicating that he is a certified public accountant. Upon presentation of evidence that he is a holder of the degree of Certified Public Accountant, such holder shall be exempted from the performance of jury duty in civil actions if he so requests. A Certified Public Accountant shall not be subject to examination on confidential communications between his client and himself nor forced to divulge any information which he shall have acquired as a confidential communication, except at the instance of

Privileges.

his client, and any Certified Public Accountant who shall otherwise divulge such information shall have his certificate revoked and shall not afterwards be licensed to practice accountancy in the Territory.

Section 5. Examination shall be held at the times and places selected by the Board, but the Board shall not hold more than two examinations in any one calendar year. Examination shall be written and such additional oral examinations may be given as the Board may prescribe. The written examinations of applicants shall be those prescribed by the American Institute of Accountants in the rules of the Board of Examiners of that institute approved June 13, 1922, or as may alter from time to time by the Council of said American Institute of Accountants. The Board may make the necessary arrangements with the Council of the American Institute of Accountants to grade the answers of the candidates, but the final grading of the answers shall be made by the Board. Examinations to be held. Provided, however, that in any case the person wishing to take the examination resides in a place remote from the meeting place of the Board, the examination of such person may be given under the supervision of some reliable person, not a member of the Board, of good standing in the community in which he resides, such examiner to be appointed by the Board. Proviso. In such cases the Board shall make proper rules and regulations to insure a fair and proper examination. The answers of the person or persons so examined shall, upon close of the examination be immediately sealed up by the examiner and forthwith transmitted to the Board by registered mail, and the Board shall thereupon grade the examination papers the same as in the case of persons examined before the members of the Board. Nothing herein contained shall be so construed as to prevent one member of the Board from giving examinations under directions of and with consent of the Board, but all examination papers shall be finally graded by the Board.

Fees for  
examination.

Section 6. At the time of examination each applicant shall pay to the Board a fee of Twenty-five Dollars (\$25.00) which shall not be refunded, but an applicant may be re-examined once without the payment of an additional fee within eighteen months from the date of his first examination. All fees so collected shall be covered into the Territorial Treasury.

License tax  
required.

Section 7. An annual license fee of Ten Dollars (\$10.00) shall be paid into the Territorial Treasury by each practicing Certified Public Accountant and failure to make payment of this license fee shall be sufficient reason to cancel the delinquent holder's certificate.

Appropriation  
for board.

Section 8. For the establishment and maintenance of the Board there is hereby appropriated out of any money in the Territorial Treasury not otherwise appropriated, the sum of Five Hundred Dollars, the same to be disbursed as other Territorial funds, but vouchers for all such disbursements must be approved by at least one member of the Board.

Qualified ap-  
plicants from  
other jurisdic-  
tions admitted  
—Fee.

Section 9. A person who shall qualify for examination and shall in addition present satisfactory evidence that he is the holder of an unrevoked certificate from another state or a foreign country may be granted a certificate by the Board without formal examination and upon the payment of such fee as the Board shall direct, but which shall not exceed one hundred (\$100.00) dollars.

Certificate may  
be revoked.

Section 10. The Board shall have the authority to revoke upon reasonable cause any certificate issued by it after a hearing shall have been had by the Board. The holder of such certificate shall be notified of such hearing at least two months prior to the date thereof by registered mail.

Section 11. Nothing in this Act shall be construed to prohibit any person from practicing accountancy. Nothing in this Act shall be construed to prohibit the holder of an unrevoked degree from another state or foreign nation from describing himself as so authorized; provided, that such person shall indicate in full, not by abbreviation, and after each title or description each and every time it is used, the source thereof or authority therefor.

Act does not prohibit the practice of accountancy.

Proviso.

Section 12. Any person or persons who shall unlawfully make use of words or descriptions to indicate that he or they are in possession of a certificate from the Board shall be deemed guilty of a misdemeanor, and shall be punishable by a fine of not more than One Hundred (\$100.00) Dollars or imprisonment for not more than one month, or both, at the discretion of the court.

Violation of act and punishment therefor.

Section 13. The Secretary and Treasurer of the Board shall each year, within thirty days after January first, render to the Governor of Alaska a report setting out the number who received the degree of Certified Public Accountant from the Board during the year, the number of persons examined by the Board, and the number of those examined who failed to pass such examination, the number of persons re-examined, the number of certificates revoked, and the total amounts received and disbursed by the Board. With such report the Secretary and Treasurer of the Board shall transmit, by money order, draft or other form of exchange payable to the Treasurer of the Territory of Alaska, all funds in possession of the Board.

Full report made to Governor by board.

Approved March 11, 1937.