



# LAWS OF ALASKA

1980

**Source**

CSHB 997 am

**Chapter No.**

82

## AN ACT

Relating to the regulation of certified public accountants and continuing the existence of the Board of Public Accountancy; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 11

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 12, 1980  
Actual Effective Date: June 30, 1980

AN ACT

Relating to the regulation of certified public accountants and continuing the existence of the Board of Public Accountancy; and providing for an effective date.

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

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

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

(2) Board of Public Accountancy (AS 08.04.010) -- June 30, 1984.

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

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

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

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

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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,  
7 and appears at the next meeting of the board.

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

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

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

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

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

8               (2) programs planned by the board;

9               (3) statistics relating to operations, including

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

\* Sec. 7. AS 08.04.260 is amended to read:

Sec. 08.04.260. TEMPORARY CERTIFICATE AS CERTIFIED PUBLIC ACCOUNTANT. If an applicant for a certificate as a certified public accountant meets all the requirements for a certificate and his application is pending or if he meets all the requirements for a certificate except the residence requirement, or the requirement that he have a place of business in the state or be an employee regularly employed in this state, the board may issue a temporary certificate as a certified public accountant. The certificate is effective until the board notifies the applicant that his application has been granted or rejected. A temporary certificate is effective for a period not exceeding six months. No fee may be charged for the issuance of a temporary certificate.

\* Sec. 8. AS 08.04 is amended by adding a new section to article 3 to read:

Sec. 08.04.345. PREVIOUS LICENSURE. A person holding a valid license as a public accountant under AS 08.04.270 or a person holding a valid permit under AS 08.04.390 on June 29, 1980, may continue to practice under the conditions imposed by statute and regulation on that date but that person is otherwise subject to this chapter. A license or

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permit effective under this section may be renewed under conditions imposed by statute and regulation which were in effect on June 29, 1980, except that any renewal fee required under this chapter applies.

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

Sec. 08.04.350. REGISTRATION OF OFFICES. Each office established or maintained in this state for the practice of public accounting in this state (1) by a certified public accountant, partnership or corporation of certified public accountants, or (2) by a public accountant, partnership or corporation of public accountants who hold licenses or permits under AS 08.04.345, shall register annually with the board. No fee may be charged for registration. The board shall prescribe registration procedure by regulation.

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

Sec. 08.04.400. PERMIT FOR PARTNERSHIP OR CORPORATE PRACTICE AS A PUBLIC ACCOUNTANT. The board shall issue a permit to engage in the practice of public accounting as a partnership or as a corporation to a partnership or corporation registered under AS 08.04.240 [OR AS 08.04.-330 - 08.04.340]. The biennial permit fee is \$60. A permit is valid only for practice under the registered name of the partnership or corporation. A partnership registered under AS 08.04.330 - 08.04.340 on June 29, 1980, qualifies for a permit under this section as long as each partner personally engaged in the practice of public accounting in this state holds a license or permit under AS 08.04.345.

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

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

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

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1           Sec. 08.04.440. EFFECT OF FAILURE TO OBTAIN PERMIT. Failure of a  
2 person, partnership or corporation to apply for the annual permit to  
3 practice or to pay the annual fee within (1) three years from the ex-  
4 piration date of the permit to practice or annual registration last  
5 obtained or renewed, or (2) three years from the date upon which the  
6 certificate holder or licensee was granted his certificate as a certi-  
7 fied public accountant or license as a public accountant valid under  
8 AS 08.04.345 deprives him of the right to a permit or annual registra-  
9 tion or renewal of a permit, unless the board determines that the fail-  
0 ure is excusable. In case of excusable failure, the fee shall not  
1 exceed three times the annual fee.

2 \* Sec. 13. AS 08.04.680(1) is amended to read:

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

5 \* Sec. 14. AS 08.04.680 is amended by adding a new paragraph to read:

6           (4) "attest function" means the ordinary examination of  
7 financial statements by the certified public accountant or public ac-  
8 countant which results in the report of the certified public accountant  
9 or public accountant; the report of a certified public accountant or a  
0 public accountant is the expression of an opinion or the disclaimer of  
1 an opinion on the fairness with which the financial statement presents  
2 the financial position, results of operations, and changes in financial  
3 position in conformity with generally accepted accounting principles.

4 \* Sec. 15. AS 08.03.010(b)(1); AS 08.04.090, 08.04.220, 08.04.270, 08.04.-  
5 280, 08.04.290, 08.04.300, 08.04.310, 08.04.320, 08.04.330, and 08.04.340 are  
6 repealed.

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