
By: **Chairman, Economic Matters Committee (By Request - Departmental - Labor, Licensing and Regulation)**

Introduced and read first time: January 19, 2004

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 10, 2004

CHAPTER 496

1 AN ACT concerning

2 **State Board of Public Accountancy - Grounds for Disciplinary Action**

3 FOR the purpose of providing for additional grounds for a certain disciplinary action

4 that may be taken by the State Board of Public Accountancy against an

5 applicant or licensee under the Maryland public accountancy laws; and

6 generally relating to the State Board of Public Accountancy.

7 BY repealing and reenacting, with amendments,

8 Article - Business Occupations and Professions

9 Section 2-315

10 Annotated Code of Maryland

11 (2000 Replacement Volume and 2003 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Business Occupations and Professions**

15 2-315.

16 (a) (1) Subject to the hearing provisions of § 2-317 of this subtitle, the
17 Board, on the affirmative vote of a majority of its members, may deny a license to any
18 applicant, reprimand any licensee, or suspend or revoke a license if the applicant or
19 licensee:

20 (i) fraudulently or deceptively obtains or attempts to obtain a
21 license for the applicant or licensee or for another;

- 1 (ii) fraudulently or deceptively uses a license;
- 2 (iii) under the laws of the United States or of any state, is convicted
- 3 of:
- 4 1. a felony; or
- 5 2. a misdemeanor that is directly related to the fitness and
- 6 qualification of the applicant or licensee to practice certified public accountancy;
- 7 (iv) is guilty of fraud or other dishonesty in the practice of
- 8 accountancy;
- 9 (v) is guilty of gross negligence in the practice of accountancy;
- 10 (vi) violates any provision of Subtitle 6 of this title;
- 11 (vii) has had the right to practice as a certified public accountant in
- 12 another state denied, revoked, or [suspended or] SUSPENDED;
- 13 (VIII) HAS BEEN SANCTIONED IN ANOTHER STATE IN A MATTER
- 14 RELATING TO THE PRACTICE OF PUBLIC ACCOUNTANCY;
- 15 (IX) has had the renewal of [that] THE right TO PRACTICE AS A
- 16 CERTIFIED PUBLIC ACCOUNTANT IN ANOTHER STATE denied for any cause other
- 17 than failure to pay a renewal fee;
- 18 [(viii)] (X) has had the right to practice as a certified public
- 19 accountant before any unit of the State or federal government revoked or suspended;
- 20 [or
- 21 (ix)] (XI) HAS BEEN SANCTIONED BY ANY UNIT OF STATE OR
- 22 FEDERAL GOVERNMENT FOR AN ACT OR ~~MISSION~~ OMISSION THAT DIRECTLY
- 23 RELATES TO THE FITNESS OF THE APPLICANT OR LICENSEE TO PRACTICE PUBLIC
- 24 ACCOUNTANCY; OR
- 25 (XII) violates a rule of professional conduct adopted by the Board.
- 26 (2) (i) Instead of or in addition to reprimanding the licensee or
- 27 suspending or revoking a license under this subsection, the Board may impose a
- 28 penalty not exceeding \$5,000 for each violation.
- 29 (ii) To determine the amount of the penalty imposed under this
- 30 subsection, the Board shall consider:
- 31 1. the seriousness of the violation;
- 32 2. the harm caused by the violation;
- 33 3. the good faith of the licensee; and

