Unofficial Copy 1996 Regular Session (PRE-FILED)

C2 6lr0805

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

Requested: November 8, 1995

Introduced and read first time: January 10, 1996

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning	
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## ${\bf 2\ \ State\ Board\ of\ Public\ Accountancy\ -\ Membership,\ Licensure,\ and\ Examinations}$

- 3 FOR the purpose of altering the qualifications for membership of the State Board of
- 4 Public Accountancy in a certain manner; authorizing the Board to release its list of
- 5 licensees to the public; allowing licensees to designate a mailing address which may
- 6 be released to the public; altering the circumstances under which the Board may
- 7 grant a waiver of certain examination requirements; and generally relating to the
- 8 State Board of Public Accountancy.
- 9 BY repealing and reenacting, with amendments,
- 10 Article Business Occupations and Professions
- 11 Section 2-202, 2-207, 2-208, 2-209, 2-210, and 2-308
- 12 Annotated Code of Maryland
- 13 (1995 Replacement Volume and 1995 Supplement)
- 14 BY adding to
- 15 Article Business Occupations and Professions
- 16 Section 2-208
- 17 Annotated Code of Maryland
- 18 (1995 Replacement Volume and 1995 Supplement)

## 19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

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

## 21 Article - Business Occupations and Professions

- 22 2-202.
- 23 (a) (1) The Board consists of 7 members.
- 24 (2) Of the 7 members of the Board:
- 25 (i) [4] 5 shall be licensed certified public accountants, of whom:
- 26 1. [3] 4 shall practice certified public accountancy actively; and

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1 2	2. 1 shall be a full-time professor of accounting at an accredited college; AND
3	(ii) 2 shall be consumer members[; and].
4	[(iii) 1 shall be a lawyer who:
5	1. practices law in the State;
6	2. is in good standing with the Court of Appeals; and
7	3. is not a certified public accountant.]
8 9	(3) The Governor shall appoint the members with the advice of the Secretary.
10	(b) Each member of the Board shall be:
11	(1) a citizen of the United States; and
12	(2) a resident of the State.
13	(c) Each consumer member of the Board:
14	(1) shall be a member of the general public;
15	(2) may not be a licensee or otherwise be subject to regulation by the Board;
16 17	(3) may not be required to meet the qualifications for the professional members of the Board; and
18 19	(4) may not, within 1 year before appointment, have had a financial interest in or have received compensation from a person regulated by the Board.
20	(d) While a member of the Board, a consumer member may not:
21 22	(1) have a financial interest in or receive compensation from aperson regulated by the Board; or
23	(2) grade any examination given by or for the Board.
24 25	(e) Before taking office, each appointee to the Board shall take theoath required by Article I, § 9 of the Maryland Constitution.
26	(f) (1) The term of a member is 3 years and begins on July 1.
27 28	(2) The terms of members are staggered as required by the termsprovided for members of the Board on October 1, 1989.
29 30	(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.
31 32	(4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.
33	(5) A member may not serve more than 2 terms consecutively, butfollowing

34 the 2nd term, may serve again after an interval of at least 3 years.

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1 (g) (1) The Governor may remove a member for incompetence or misconduct. 2 (2) The Governor shall remove a member who ceases to meet the 3 requirements under which the member was appointed, as provided under subsections (a) 4 and (b) of this section. 5 2-207. 6 (a) In addition to any powers set forth elsewhere, the Board may adopt: 7 (1) any bylaw that is necessary to do the business of the Board; and 8 (2) any regulation to carry out this title. 9 (b) In addition to any duties set forth elsewhere, the Board shall: 10 (1) adopt rules of professional conduct as appropriate to establish a high 11 standard of integrity and dignity for practicing certified public accountancy; AND 12 (2) keep a record of its proceedings[; and 13 (3) keep a list of all licensed certified public accountants and permit 14 holders]. 15 2-208. (A) THE BOARD SHALL MAINTAIN A LISTING OF THE NAMES AND MAILING 17 ADDRESSES OF ALL LICENSEES AND PERMIT HOLDERS. (B) THE BOARD MAY RELEASE ITS LIST TO THE PUBLIC. 18 (C) THE LICENSEE OR PERMIT HOLDER SHALL DESIGNATE THE MAILING 19 20 ADDRESS AT THE TIME OF ISSUANCE OF THE ORIGINAL LICENSE OR PERMIT AND ON 21 THE RENEWAL OF THE LICENSE OR PERMIT. 22 [2-208.] 2-209. 23 The Board shall pay all money collected under this title into the General Fund of 24 the State. 25 [2-209.] 2-210. Any person aggrieved by a final decision of the Board in a contestedcase, as 26 27 defined in § 10-202 of the State Government Article, may take an appealas allowed in §§ 28 10-222 and 10-223 of the State Government Article. 29 [2-210.] 2-211. The Board exercises its powers, duties, and functions subject to theauthority of the 31 Secretary. 32 2-308. (a) Subject to the provisions of this section, the Board may waive any examination 33

(1) a certified public accountant licensed by another state; or

34 requirement of this subtitle for:

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18 October 1, 1996.

(b) The Board may grant a waiver under this section only if the applicant:  (1) is of good character and reputation;  (2) is at least 18 years of age;  (3) pays to the Board an application fee of \$50; and  (4) (I) provides adequate evidence that, at the time the applicant was licensed by the other state or country, the applicant met educational, EXAMINATION, and experience requirements that were substantially equivalent to those then required by the laws of this State; OR  (II) HAS PASSED THE UNIFORM PUBLIC ACCOUNTANCY EXAMINATION AND HAS PRACTICED FULL-TIME AS A CERTIFIED PUBLIC ACCOUNTANT, PURSUANT TO (A)(1) OR (A)(2) OF THIS SECTION, 5 OUT OF THE LAS 10 YEARS IMMEDIATELY PRECEDING SUBMISSION OF THE APPLICATION.	3	(2) the holder of a license, certificate, or degree that is issued by another country and is recognized as authority for the holder to practice public accountancy in that country in a manner comparable to practicing certified public accountancy in this State.
7 (2) is at least 18 years of age;  8 (3) pays to the Board an application fee of \$50; and  9 (4) (I) provides adequate evidence that, at the time the applicant was  10 licensed by the other state or country, the applicant met educational, EXAMINATION, and  11 experience requirements that were substantially equivalent to those then required by the  12 laws of this State; OR  13 (II) HAS PASSED THE UNIFORM PUBLIC ACCOUNTANCY  14 EXAMINATION AND HAS PRACTICED FULL-TIME AS A CERTIFIED PUBLIC  15 ACCOUNTANT, PURSUANT TO (A)(1) OR (A)(2) OF THIS SECTION, 5 OUT OF THE LAS	5	(b) The Board may grant a waiver under this section only if the applicant:
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14 EXAMINATION AND HAS PRACTICED FULL-TIME AS A CERTIFIED PUBLIC 15 ACCOUNTANT, PURSUANT TO (A)(1) OR (A)(2) OF THIS SECTION, 5 OUT OF THE LAS	10 11	licensed by the other state or country, the applicant met educational, EXAMINATION, and experience requirements that were substantially equivalent to those then required by the
	14 15	EXAMINATION AND HAS PRACTICED FULL-TIME AS A CERTIFIED PUBLIC ACCOUNTANT, PURSUANT TO (A)(1) OR (A)(2) OF THIS SECTION, 5 OUT OF THE LAST

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect