

(PRE-FILED)

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

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 15, 1996

CHAPTER ____

1 AN ACT concerning

2 **State Board of Public Accountancy - Membership, Licensure, and Examinations**

3 [TAG ftpt]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 and permit holders to the public; ~~allowing~~ requiring permit holders and
6 licensees to designate at a certain time a mailing address which may be released to
7 the public; altering the circumstances under which the Board may grant a waiver of
8 certain examination requirements; and generally relating to the State Board of
9 Public Accountancy.

10 BY repealing and reenacting, with amendments,

- 11 Article - Business Occupations and Professions
- 12 Section 2-202, 2-207, 2-208, 2-209, 2-210, and 2-308
- 13 Annotated Code of Maryland
- 14 (1995 Replacement Volume and 1995 Supplement)

15 BY adding to

- 16 Article - Business Occupations and Professions
- 17 Section 2-208
- 18 Annotated Code of Maryland
- 19 (1995 Replacement Volume and 1995 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
21 MARYLAND, That the Laws of Maryland read as follows:

2

1 **Article - Business Occupations and Professions**

2 2-202.

3 (a) (1) The Board consists of 7 members.

4 (2) Of the 7 members of the Board:

5 (i) [4] 5 shall be licensed certified public accountants, of whom:

6 1. [3] 4 shall practice certified public accountancy actively; and

7 2. 1 shall be a full-time professor of accounting at an accredited
8 college; AND

9 (ii) 2 shall be consumer members[; and].

10 [(iii) 1 shall be a lawyer who:

11 1. practices law in the State;

12 2. is in good standing with the Court of Appeals; and

13 3. is not a certified public accountant.]

14 (3) The Governor shall appoint the members with the advice of the
15 Secretary.

16 (b) Each member of the Board shall be:

17 (1) a citizen of the United States; and

18 (2) a resident of the State.

19 (c) Each consumer member of the Board:

20 (1) shall be a member of the general public;

21 (2) may not be a licensee or otherwise be subject to regulation by the Board;

22 (3) may not be required to meet the qualifications for the professional
23 members of the Board; and

24 (4) may not, within 1 year before appointment, have had a financial interest
25 in or have received compensation from a person regulated by the Board.

26 (d) While a member of the Board, a consumer member may not:

27 (1) have a financial interest in or receive compensation from a person
28 regulated by the Board; or

29 (2) grade any examination given by or for the Board.

30 (e) Before taking office, each appointee to the Board shall take the oath required
31 by Article I, § 9 of the Maryland Constitution.

32 (f) (1) The term of a member is 3 years and begins on July 1.

3

1 (2) The terms of members are staggered as required by the terms provided
2 for members of the Board on October 1, 1989.

3 (3) At the end of a term, a member continues to serve until a successor is
4 appointed and qualifies.

5 (4) A member who is appointed after a term has begun serves only for the
6 rest of the term and until a successor is appointed and qualifies.

7 (5) A member may not serve more than 2 terms consecutively, but following
8 the 2nd term, may serve again after an interval of at least 3 years.

9 (g) (1) The Governor may remove a member for incompetence or misconduct.

10 (2) The Governor shall remove a member who ceases to meet the
11 requirements under which the member was appointed, as provided under subsections (a)
12 and (b) of this section.

13 2-207.

14 (a) In addition to any powers set forth elsewhere, the Board may adopt:

15 (1) any bylaw that is necessary to do the business of the Board; and

16 (2) any regulation to carry out this title.

17 (b) In addition to any duties set forth elsewhere, the Board shall:

18 (1) adopt rules of professional conduct as appropriate to establish a high
19 standard of integrity and dignity for practicing certified public accountancy; AND

20 (2) keep a record of its proceedings[; and

21 (3) keep a list of all licensed certified public accountants and permit
22 holders].

23 2-208.

24 (A) THE BOARD SHALL MAINTAIN A LISTING OF THE NAMES AND MAILING
25 ADDRESSES OF ALL LICENSEES AND PERMIT HOLDERS.

26 (B) THE BOARD MAY RELEASE ITS LIST TO THE PUBLIC.

27 (C) THE LICENSEE OR PERMIT HOLDER SHALL DESIGNATE THE MAILING
28 ADDRESS AT THE TIME OF ISSUANCE OF THE ORIGINAL LICENSE OR PERMIT AND ON
29 THE RENEWAL OF THE LICENSE OR PERMIT.

30 [2-208.] 2-209.

31 The Board shall pay all money collected under this title into the General Fund of
32 the State.

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1 [2-209.] 2-210.

2 Any person aggrieved by a final decision of the Board in a contested case, as
3 defined in § 10-202 of the State Government Article, may take an appeal as allowed in §§
4 10-222 and 10-223 of the State Government Article.

5 [2-210.] 2-211.

6 The Board exercises its powers, duties, and functions subject to the authority of the
7 Secretary.

8 2-308.

9 (a) Subject to the provisions of this section, the Board may waive any examination
10 requirement of this subtitle for:

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

12 (2) the holder of a license, certificate, or degree that is issued by another
13 country and is recognized as authority for the holder to practice public accountancy in
14 that country in a manner comparable to practicing certified public accountancy in this
15 State.

16 (b) The Board may grant a waiver under this section only if the applicant:

17 (1) is of good character and reputation;

18 (2) is at least 18 years of age;

19 (3) pays to the Board an application fee of \$50; and

20 (4) (I) provides adequate evidence that, at the time the applicant was
21 licensed by the other state or country, the applicant met educational, EXAMINATION, and
22 experience requirements that were substantially equivalent to those then required by the
23 laws of this State; OR

24 ~~(II) HAS PASSED THE UNIFORM PUBLIC ACCOUNTANCY~~
25 ~~EXAMINATION AND HAS PRACTICED FULL TIME AS A CERTIFIED PUBLIC~~
26 ~~ACCOUNTANT, PURSUANT TO (A)(1) OR (A)(2) OF THIS SECTION, 5 OUT OF THE LAST~~
27 ~~10 YEARS IMMEDIATELY PRECEDING SUBMISSION OF THE APPLICATION HAS~~
28 ~~PRACTICED FULL TIME AS A CERTIFIED PUBLIC ACCOUNTANT IN ACCORDANCE~~
29 ~~WITH SUBSECTION (A)(1) OR (2) OF THIS SECTION FOR 5 OUT OF THE LAST 10 YEARS~~
30 ~~IMMEDIATELY PRECEDING SUBMISSION OF THE APPLICATION AND HAS PASSED THE~~
31 ~~UNIFORM PUBLIC ACCOUNTANCY EXAMINATION.~~

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 1996.

