

HOUSE BILL 427

C3

5lr2095
CF SB 148

By: **Delegate Queen**

Introduced and read first time: January 16, 2025

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **State Board of Public Accountancy – Emeritus Status**

3 FOR the purpose of authorizing the State Board of Public Accountancy to place a licensee
4 on emeritus status under certain circumstances; requiring the Board to reinstate the
5 license of an individual who is on emeritus status under certain circumstances; and
6 generally relating to the State Board of Public Accountancy and emeritus status.

7 BY repealing and reenacting, with amendments,
8 Article – Business Occupations and Professions
9 Section 2–311(a), 2–314, 2–601, and 2–603
10 Annotated Code of Maryland
11 (2018 Replacement Volume and 2024 Supplement)

12 BY adding to
13 Article – Business Occupations and Professions
14 Section 2–313.1
15 Annotated Code of Maryland
16 (2018 Replacement Volume and 2024 Supplement)

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

19 **Article – Business Occupations and Professions**

20 2–311.

21 (a) **(1) THIS SUBSECTION DOES NOT APPLY TO A CERTIFIED PUBLIC**
22 **ACCOUNTANT WHO IS ON EMERITUS STATUS UNDER § 2–313.1 OF THIS SUBTITLE.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) Unless a license is renewed for a 2-year term as provided in this
 2 section, the license expires on the first December 31 that comes:

3 [(1)] (I) after the effective date of the license; and

4 [(2)] (II) in an even-numbered year.

5 **2-313.1.**

6 (A) THE BOARD MAY PLACE A LICENSEE ON EMERITUS STATUS, IF THE
 7 LICENSEE SUBMITS TO THE BOARD AN APPLICATION FOR EMERITUS STATUS ON THE
 8 FORM REQUIRED BY THE BOARD.

9 (B) THE BOARD SHALL PLACE A LICENSEE ON EMERITUS STATUS IF THE
 10 INDIVIDUAL:

11 (1) HAS AN ACTIVE OR INACTIVE LICENSE TO PRACTICE CERTIFIED
 12 PUBLIC ACCOUNTANCY UNDER THIS SUBTITLE;

13 (2) IS NOT UNDER INVESTIGATION BY THE BOARD FOR A VIOLATION
 14 OF THIS TITLE;

15 (3) IS NOT THE SUBJECT OF A PENDING DISCIPLINARY ACTION
 16 RELATED TO THE PRACTICE OF CERTIFIED PUBLIC ACCOUNTANCY IN THE STATE OR
 17 ANOTHER STATE;

18 (4) (I) 1. HAS PRACTICED PUBLIC ACCOUNTANCY IN THE
 19 STATE FOR AT LEAST 20 YEARS; AND

20 2. IS AT LEAST 60 YEARS OLD; OR

21 (II) HAS AT LEAST 40 YEARS OF EXPERIENCE AS A CERTIFIED
 22 PUBLIC ACCOUNTANT; AND

23 (5) ATTESTS THAT:

24 (I) THE INDIVIDUAL IS RETIRED AND IS NO LONGER ACTIVELY
 25 PRACTICING PUBLIC ACCOUNTANCY IN THE STATE; AND

26 (II) THE INDIVIDUAL WILL NOT PROVIDE CERTIFIED PUBLIC
 27 ACCOUNTANCY SERVICES UNLESS REINSTATED IN ACCORDANCE WITH § 2-314 OF
 28 THIS SUBTITLE.

1 **(C) THE BOARD SHALL REVIEW AN APPLICATION SUBMITTED UNDER THIS**
2 **SECTION WITHIN 60 DAYS OF RECEIPT OF THE APPLICATION.**

3 **(D) IF THE BOARD APPROVES AN APPLICATION FOR EMERITUS STATUS**
4 **UNDER THIS SECTION, THE BOARD SHALL SEND THE LICENSEE:**

5 **(1) WRITTEN NOTICE OF THE APPROVAL; AND**

6 **(2) A CERTIFICATE OF EMERITUS STATUS.**

7 **(E) A LICENSEE ON EMERITUS STATUS IS EXEMPT FROM:**

8 **(1) THE CONTINUING EDUCATION REQUIREMENTS UNDER § 2-312 OF**
9 **THIS SUBTITLE; AND**

10 **(2) THE REINSTATEMENT FEE UNDER § 2-341 OF THIS SUBTITLE.**

11 2-314.

12 In accordance with its regulations, the Board may reinstate the license of an
13 individual who has failed to renew the license for any reason **OR IS ON EMERITUS STATUS**
14 **UNDER § 2-313.1 OF THIS SUBTITLE** if the individual:

15 (1) otherwise is entitled to be licensed;

16 (2) **EXCEPT AS PROVIDED UNDER § 2-313.1 OF THIS SUBTITLE,**
17 **complies with each continuing education requirement that the Board sets for this purpose;**
18 **and**

19 (3) **EXCEPT AS PROVIDED UNDER § 2-313.1 OF THIS SUBTITLE,** pays to
20 **the Board a reinstatement fee set by the Board.**

21 2-601.

22 Except as otherwise provided in this title[,]:

23 **(1) a person may not practice, attempt to practice, or offer to practice**
24 **certified public accountancy in the State unless licensed by the Board or qualified for a**
25 **practice privilege under § 2-321 of this title; AND**

26 **(2) A LICENSEE ON EMERITUS STATUS UNDER § 2-313.1 OF THIS**
27 **TITLE MAY NOT:**

28 **(I) PRACTICE, ATTEMPT TO PRACTICE, OR OFFER TO PRACTICE**
29 **CERTIFIED PUBLIC ACCOUNTANCY IN THE STATE;**

1 (II) SIGN OR CERTIFY FINANCIAL STATEMENTS, TAX RETURNS,
2 OR AUDIT REPORTS; OR

3 (III) PROVIDE ATTESTATION SERVICES.

4 2-603.

5 (a) Subject to subsection (b) of this section and unless authorized under this title
6 to practice certified public accountancy, a person may not represent to the public, by use of
7 a title, including “licensed certified public accountant”, “certified public accountant”, “public
8 accountant”, or “auditor”, by use of the abbreviation “CPA”, by description of services,
9 methods, or procedures, or otherwise, that the person is authorized to practice certified
10 public accountancy in the State.

11 (b) Subsection (a) of this section does not prohibit:

12 (1) the description of a principal, officer, or employee of an organization by
13 the position, title, or office that the individual holds in the organization; [or]

14 (2) THE DESCRIPTION OF A LICENSEE WHO IS ON EMERITUS STATUS
15 UNDER § 2-313.1 OF THIS TITLE, PROVIDED THAT THE LICENSEE DOES NOT
16 REPRESENT TO THE PUBLIC THAT THE LICENSEE IS AUTHORIZED TO PRACTICE
17 CERTIFIED PUBLIC ACCOUNTANCY IN THE STATE; OR

18 [(2)] (3) a partnership, limited liability company, or corporation that
19 holds a permit or is exempt from the permit requirement under § 2-401 of this title from
20 using, in connection with the name of the partnership, limited liability company, or
21 corporation, any of the terms or the abbreviation to which subsection (a) of this section
22 refers.

23 (c) (1) (I) [The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
24 PARAGRAPH, THE display, distribution, or other use by a person of the person’s name, in
25 conjunction with any of the following list of titles or abbreviations in a card, sign,
26 advertisement, directory listing, or other instrument or device, is, in any proceeding under
27 this title, prima facie evidence that the person represents to the public that the person is
28 authorized to practice certified public accountancy:

29 [(i)] 1. “licensed certified public accountant”;

30 [(ii)] 2. “certified public accountant”;

31 [(iii)] 3. “public accountant”;

32 [(iv)] 4. “auditor”; or

1 [(v)] 5. an abbreviation of any of these titles.

2 (II) A LICENSEE WHO IS ON EMERITUS STATUS UNDER § 2-313.1
3 OF THIS TITLE MAY USE THE WORDS “CERTIFIED PUBLIC ACCOUNTANT EMERITUS”
4 OR THE ABBREVIATION “CPA EMERITUS” TO DESCRIBE THE OCCUPATION OF THE
5 INDIVIDUAL, PROVIDED THAT THE LICENSEE DOES NOT REPRESENT TO THE PUBLIC
6 THAT THE LICENSEE IS AUTHORIZED TO PRACTICE CERTIFIED PUBLIC
7 ACCOUNTANCY IN THE STATE.

8 (2) In a proceeding under this title, evidence of a single representation
9 described in paragraph (1) of this subsection is, without evidence of a general course of
10 conduct, adequate to justify a finding that a person has represented to the public that the
11 person is authorized to practice certified public accountancy in the State.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
13 1, 2025.