

SENATE BILL 148

C3

(PRE-FILED)

5lr1598
CF HB 427

By: **Senator Ellis**

Requested: October 31, 2024

Introduced and read first time: January 8, 2025

Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 27, 2025

CHAPTER _____

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**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 2-311.

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

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

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

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

8 2-313.1.

9 (A) THE BOARD MAY PLACE A LICENSEE ON EMERITUS STATUS, IF THE
10 LICENSEE SUBMITS TO THE BOARD AN APPLICATION FOR EMERITUS STATUS ON THE
11 FORM REQUIRED BY THE BOARD.

12 (B) THE BOARD SHALL PLACE A LICENSEE ON EMERITUS STATUS IF THE
13 INDIVIDUAL:

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

16 (2) IS NOT UNDER INVESTIGATION BY THE BOARD FOR A VIOLATION
17 OF THIS TITLE OR A COMPARABLE BODY OF ANOTHER STATE FOR A VIOLATION OF A
18 PROVISION THAT IS COMPARABLE TO A PROVISION OF THIS TITLE;

19 (3) IS NOT THE SUBJECT OF A PENDING DISCIPLINARY ACTION
20 RELATED TO THE PRACTICE OF CERTIFIED PUBLIC ACCOUNTANCY IN THE STATE OR
21 ANOTHER STATE;

22 (4) (I) 1. HAS PRACTICED PUBLIC ACCOUNTANCY IN THE
23 STATE FOR AT LEAST ~~20 YEARS~~ 6 YEARS AS AN ACTIVE CERTIFIED PUBLIC
24 ACCOUNTANT; AND

25 2. IS AT LEAST 60 YEARS OLD; OR

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

28 (5) ATTESTS THAT:

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

1 (II) THE INDIVIDUAL WILL NOT PROVIDE OR BE COMPENSATED
 2 FOR CERTIFIED PUBLIC ACCOUNTANCY SERVICES UNLESS REINSTATED IN
 3 ACCORDANCE WITH § 2-314 OF THIS SUBTITLE.

4 (C) THE BOARD SHALL REVIEW AN APPLICATION SUBMITTED UNDER THIS
 5 SECTION WITHIN ~~60~~ 90 DAYS OF RECEIPT OF THE APPLICATION.

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

8 (1) WRITTEN NOTICE OF THE APPROVAL; AND

9 (2) A CERTIFICATE OF EMERITUS STATUS.

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

11 (1) THE CONTINUING EDUCATION REQUIREMENTS UNDER § 2-312 OF
 12 THIS SUBTITLE; AND

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

14 2-314.

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

18 (1) otherwise is entitled to be licensed; AND

19 (2) ~~EXCEPT AS PROVIDED UNDER § 2-313.1 OF THIS SUBTITLE,~~
 20 ~~complies with each continuing education requirement that the Board sets for this purpose;~~
 21 ~~and~~

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

24 2-601.

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

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

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

3 **(I) PRACTICE, ATTEMPT TO PRACTICE, OR OFFER TO PRACTICE**
 4 **CERTIFIED PUBLIC ACCOUNTANCY ~~IN THE STATE;~~**

5 **(II) SIGN OR CERTIFY FINANCIAL STATEMENTS, TAX RETURNS,**
 6 **OR AUDIT REPORTS; OR**

7 **(III) PROVIDE ATTESTATION SERVICES.**

8 2-603.

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

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

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

18 **(2) THE DESCRIPTION OF A LICENSEE WHO IS ON EMERITUS STATUS**
 19 **UNDER § 2-313.1 OF THIS TITLE, PROVIDED THAT THE LICENSEE DOES NOT**
 20 **REPRESENT TO THE PUBLIC THAT THE LICENSEE IS AUTHORIZED TO PRACTICE**
 21 **CERTIFIED PUBLIC ACCOUNTANCY IN THE STATE; OR**

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

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

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

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

- 1 [(iii)] 3. “public accountant”;
- 2 [(iv)] 4. “auditor”; or
- 3 [(v)] 5. an abbreviation of any of these titles.

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

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

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 15 1, 2025.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.