

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass and Be Placed on the Consent Calendar
Vote:	6 - 0 - 1
Yeas:	Berger, Edwards C., Esquivel, Holvey, Rosenbaum, Schaufler
Nays:	0
Exc.:	Smith P.
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	1/17, 2/16

WHAT THE MEASURE DOES: Clarifies current statute relating to licensing requirements for public accountants, licensed chartered accountants, and applicants under substantial equivalency provisions. Requires Oregon Board of Accountancy to establish by administrative rule the requirements for public accountancy experience for a person taking the public accountant license examination. Removes obsolete requirements relating to the Uniform Certificate of Public Accountant Exam (CPA Exam).

ISSUES DISCUSSED:

- Flexibility of CPA Exam due to the change from a paper-based process to a computer-based process
- Whether Oregon statutes relating to accountants are stricter than the Uniform Accountancy Act
- Necessity of proposed statutory changes

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: HB 2079 clarifies that those licenses under “substantial equivalency” are equivalent to current statute (ORS Chapter 673) versus the Uniform Accountancy Act (UAA). The UAA is model accountancy legislation developed by the National Association of State Boards of Accountancy and the American Institute of Certified Public Accountants. “Substantial equivalency” is a provision of the UAA; if a Certified Public Accountant (CPA) has a license in good standing from a state with CPA licensing criteria that are essentially equal to those outlined in the UAA, the CPA can practice in another state that is not his or her principal place of business.

The bill establishes that only chartered accountants who are licensed by a foreign country recognized by the Oregon Board of Accountancy are eligible for a reciprocal license in Oregon. Furthermore, applicants for a public accountant license are required to successfully complete designated sections of the CPA Exam, and are required to meet experience requirements established by the board by administrative rule to demonstrate eligibility to take the CPA Exam and also to qualify for a public accountant license. It also removes the requirement for CPA Exam applicants from other jurisdictions to pass at least two sections of the exam in order to receive credit in Oregon for exam sections successfully completed. This requirement is no longer necessary under the computer-based exam made available by the board in 2004.