

HOUSE AMENDMENTS TO HOUSE BILL 3180

By COMMITTEE ON GENERAL GOVERNMENT AND CONSUMER PROTECTION

April 26

1 On page 1 of the printed bill, line 2, after “182.454” insert “, 673.150, 673.160”.

2 In line 3, after “673.170” insert “, 673.220”.

3 On page 5, after line 23, insert:

“FEES

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7 “**SECTION 11.** ORS 673.150 is amended to read:

8 “673.150. (1) The Oregon Board of Accountancy shall issue biennially a permit to engage in the
9 practice of public accountancy in this state to an applicant who is:

10 “(a) A holder of the certificate of certified public accountant issued under ORS 673.040 to
11 673.075; or

12 “(b) A public accountant licensed under ORS 673.100.

13 “(2) The board by rule shall cause all permits issued under this section to be renewed biennially.

14 “(3) Applications for permits or for renewals of permits may be submitted to the board on a form
15 prescribed by the board within such time periods as the board prescribes by rule. Applications for
16 permits or for renewals of permits must be accompanied by a fee in [*the amount of \$160*] **an amount**
17 **determined by the board by rule.**

18 “(4) Applications for renewals of permits must be accompanied by evidence satisfactory to the
19 board that the applicant has complied with continuing education requirements under ORS 673.165
20 unless those requirements have been waived by the board.

21 “(5) A permit that is not renewed by the close of the permit period may be restored upon pay-
22 ment to the board of a delinquent renewal fee in an amount determined by the board by rule. A
23 permit that is not renewed within 60 days after the close of the permit period for which it was is-
24 sued or renewed lapses. The board may restore a lapsed permit upon payment of all past unpaid
25 renewal fees and the delinquent renewal fee. However, the board may restore a permit issued or
26 renewed for a permit period that ended more than five years prior to the date of the application for
27 restoration only upon demonstration satisfactory to the board that the applicant is qualified to en-
28 gage in the practice of public accountancy.

29 “(6) Notwithstanding subsection (3) of this section, the board may by rule prescribe a reduced
30 fee for renewal of permits of those certified public accountants and public accountants who have
31 reached the age of 65 years.

32 “**SECTION 12.** ORS 673.160 is amended to read:

33 “673.160. (1) Business organizations of certified public accountants or of public accountants shall
34 register with the Oregon Board of Accountancy if the business organization:

35 “(a) Has an office in this state and:

1 “(A) Uses the terms ‘certified public accountants’ or ‘public accountants’ or abbreviations for
2 such terms in this state; or

3 “(B) Performs attestation or compilation services in this state;

4 “(b) Holds itself out to clients in this state or the public in this state as a business organization
5 engaged in the practice of public accountancy; or

6 “(c) Does not have an office in this state and performs attestation services described in ORS
7 673.010 (1)(a), (c) or (d) for a client having an office in this state.

8 “(2) This section does not require a holder of a permit under ORS 673.150 to register under this
9 section unless the permit holder:

10 “(a) Holds the permit holder out to clients in this state or the public in this state as a business
11 organization composed of more than one licensee except as authorized by ORS 673.320 (12); or

12 “(b) Performs attestation or compilation services in this state.

13 “(3)(a) Notwithstanding subsection (1) of this section, a business organization of certified public
14 accountants that does not have an office in this state may perform attestation services described in
15 ORS 673.010 (1)(b) or compilation services for a client in this state and may use the terms ‘certified
16 public accountants’ or ‘certified public accounting firm,’ abbreviations of those terms or any similar
17 title, designation, words or letters without obtaining a registration issued by the board under this
18 section if the business organization:

19 “(A) Has the qualifications described in subsection (5) of this section; and

20 “(B) Performs the services through a person authorized to practice public accountancy in this
21 state under ORS 673.153.

22 “(b) A business organization of certified public accountants that is not a business organization
23 described in subsection (1) of this section or paragraph (a) of this subsection may perform profes-
24 sional services in this state, other than attestation or compilation services, using the terms ‘certified
25 public accountants’ or ‘certified public accounting firm’ or abbreviations of those terms without
26 registering with the board under this section if the business organization:

27 “(A) Performs the professional services through a person authorized to practice public
28 accountancy in this state under ORS 673.153; and

29 “(B) May lawfully perform the professional services in the state where the principal place of
30 business of the person authorized to practice public accountancy in this state under ORS 673.153 is
31 located.

32 “(4) Registrations shall be issued and renewed for periods of not more than two years. Applica-
33 tions for registration shall be made in a form prescribed by the board by rule. Applications for re-
34 newal shall be made between the dates prescribed by the board by rule.

35 “(5) The following requirements must be satisfied before a registration may be issued or renewed
36 under this section:

37 “(a)(A) Notwithstanding any other provision of law, a simple majority of the ownership of the
38 business organization, in terms of financial interests and voting rights of all partners, officers,
39 shareholders, members or managers, must belong to holders of permits or holders of certificates who
40 are licensed in any state, and the partners, officers, shareholders, members or managers of the
41 business organization whose principal place of business is in this state and who perform public
42 accountancy services in this state, must be holders of permits under ORS 673.150. If a majority of
43 the ownership of the business organization is held by holders of permits who are public accountants
44 holding licenses issued under ORS 673.100, the business organization may not use the name ‘C.P.A.
45 Firm’ or any similar name indicating that a majority of the ownership of the firm holds certificates

1 issued under ORS 673.040.

2 “(B) A business organization registered under this section that does not meet the ownership
3 requirement specified in subparagraph (A) of this paragraph may request an extension of time to
4 comply with the ownership requirement in accordance with the process for granting an extension
5 for compliance that the board shall adopt by rule.

6 “(b) In the case of a business organization that includes owners who are not holders of permits
7 under ORS 673.150, a holder of a permit in this state shall be responsible for the management and
8 proper registration of the business organization.

9 “(c) In the case of a business organization required to register under subsection (1) of this sec-
10 tion, a person who is authorized to practice public accountancy in this state under ORS 673.153 is
11 responsible for the management and proper registration of the business organization.

12 “(d) All owners of the business organization who are not licensees must be active individual
13 participants in the business organization or affiliated entities.

14 “(e) Any person who is responsible for supervising attestation or compilation services and who
15 signs or authorizes someone to sign the accountant’s report on the financial statements on behalf
16 of the business organization in this state, must:

17 “(A)(i) Hold a permit under ORS 673.150; or

18 “(ii) Be authorized to practice public accountancy in this state under ORS 673.153; and

19 “(B) Meet the competency requirements established in the professional standards adopted by the
20 board by rule under ORS 673.445.

21 “(6) An application for registration or renewal of registration under this section shall:

22 “(a) List all states in which the business organization has applied for or holds permits to prac-
23 tice public accountancy; and

24 “(b) Provide evidence that the requirements of subsection (5) of this section are satisfied.

25 “(7) Each applicant for registration or renewal under this section and each registrant shall no-
26 tify the board in writing, within the time period specified by the board by rule, of:

27 “(a) The identities of partners, officers, shareholders, members, managers or owners of the
28 business organization who work regularly in this state;

29 “(b) The number or location of offices in this state;

30 “(c) The identity of the persons in charge of the offices in this state;

31 “(d) Any issuance, denial, revocation, lapse or suspension of authority to perform professional
32 or other services in any jurisdiction against a partner, officer, shareholder, member, manager or
33 owner of the applicant or registrant that seeks registration or is registered in this state; and

34 “(e) The filing of a lawsuit relating to professional services of the business organization, the
35 commencement of any civil action an essential element of which involves fraud, dishonesty or mis-
36 representation, or of any criminal action against the applicant or registrant that seeks registration
37 or is registered in this state or against a partner, officer, shareholder, member, manager or owner
38 of the applicant or registrant that seeks registration or is registered in this state.

39 “(8) The board shall charge a fee **in an amount determined by the board by rule** for each
40 application for issuance or renewal of registration under this section [*in the amount of \$175*]. A
41 registration under this section that is not renewed by the close of the registration period may be
42 restored upon payment to the board of a delinquent renewal fee in an amount determined by the
43 board by rule.

44 “(9) Applicants for renewals of registrations under this section shall undergo a peer review as
45 provided under ORS 673.455, unless the registrant notifies the board that the registrant is exempt

1 from peer review requirements because the registrant does not perform attestation or compilation
2 services in this state.

3 **“SECTION 13.** ORS 673.220 is amended to read:

4 **“673.220.** (1) The Oregon Board of Accountancy may grant inactive status to a licensee who does
5 not represent to clients or the public that the licensee is a certified public accountant or a public
6 accountant and who does not engage in the practice of public accountancy, if the license is not
7 suspended or revoked.

8 **“(2)** A licensee granted inactive status by the board:

9 **“(a)** Must pay a fee **in an amount determined by the board by rule:**

10 **“(A)** [*In the amount of \$50*] For becoming or remaining inactive; and

11 **“(B)** [*In an amount determined by the board by rule*] For becoming active.

12 **“(b)** May not represent to clients or the public that the licensee is a certified public accountant
13 or a public accountant or otherwise engage in the practice of public accountancy until restored to
14 active status.

15 **“(3)** The board by rule shall adopt procedures and requirements for granting and renewing in-
16 active status and for restoring to active status any licensee on inactive status.

17 **“(4)** The board may restore a lapsed permit to inactive status upon payment of all past unpaid
18 renewal fees and the delinquent renewal fee as provided in ORS 673.150 (5).

19 **“(5)** The board shall maintain a current roster of all licensees granted inactive status.”.

20 Delete lines 27 through 34 and insert:

21 **“SECTION 14.** (1) **Sections 4 to 10 of this 2011 Act and the amendments to ORS 182.454,**
22 **673.150, 673.160, 673.170, 673.220 and 673.410 by sections 1 to 3 and 11 to 13 of this 2011 Act**
23 **become operative on January 1, 2012.**

24 **“(2)** **The Oregon Board of Accountancy may take any action before the operative date**
25 **specified in subsection (1) of this section that is necessary to exercise, on and after the op-**
26 **erative date specified in subsection (1) of this section, all of the duties, functions and powers**
27 **conferred on the board by sections 4 to 10 of this 2011 Act and the amendments to ORS**
28 **182.454, 673.150, 673.160, 673.170, 673.220 and 673.410 by sections 1 to 3 and 11 to 13 of this 2011**
29 **Act.”.**

30 In line 38, delete “12” and insert “15”.

31 In line 44, delete “13” and insert “16”.