

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 422 By: Dugger of the Senate  
3 and  
4 West (Kevin) of the House  
5  
6

7 An Act relating to the Oklahoma Accountancy Board;  
8 amending 59 O.S. 2011, Sections 15.1A, as amended by  
9 Section 1, Chapter 60, O.S.L. 2015, 15.2, as amended  
10 by Section 1, Chapter 55, O.S.L. 2014, 15.10A, 15.14  
11 and 15.14A (59 O.S. Supp. 2018, Sections 15.1A and  
12 15.2), which relate to definitions, qualifications,  
13 examinations, registration, and permits; modifying  
14 definition; modifying sunset date; making application  
15 fee nonrefundable; modifying language; expanding  
16 reinstatement license fee; increasing permit fee;  
17 updating statutory reference; providing an effective  
18 date; and declaring an emergency.

15 AMENDMENT NO. 1. Replace the title, enacting clause and entire bill  
16 and insert

17 "An Act relating to the Oklahoma Accountancy Board;  
18 amending 59 O.S. 2011, Sections 15.1A, as amended by  
19 Section 1, Chapter 60, O.S.L. 2015, 15.2, as amended  
20 by Section 1, Chapter 55, O.S.L. 2014, 15.10A, 15.14  
21 and 15.14A (59 O.S. Supp. 2018, Sections 15.1A and  
22 15.2), which relate to definitions, qualifications,  
23 examinations, registration, and permits; modifying  
24 definition; making application fee nonrefundable;  
modifying language; expanding reinstatement license  
fee; increasing permit fee; updating statutory  
reference; providing an effective date; and  
declaring an emergency.

1 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

2 SECTION 1. AMENDATORY 59 O.S. 2011, Section 15.1A, as  
3 amended by Section 1, Chapter 60, O.S.L. 2015 (59 O.S. Supp. 2018,  
4 Section 15.1A), is amended to read as follows:

5 Section 15.1A As used in the Oklahoma Accountancy Act:

6 1. "Accountancy" means the profession or practice of  
7 accounting;

8 2. "AICPA" means the American Institute of Certified Public  
9 Accountants;

10 3. "Applicant" means an individual or entity that has made  
11 application to the Board for a certificate, license, or permit and  
12 said application has not been approved;

13 4. "Assurance" means independent professional services that  
14 improve the quality of information, or its context, for decision  
15 makers;

16 5. "Attest" means providing the following services:

17 a. any audit or other engagement to be performed in  
18 accordance with the Statements on Auditing Standards  
19 (SAS),

20 b. any review of a financial statement to be performed in  
21 accordance with the Statements on Standards for  
22 Accounting and Review Services (SSARS),

23

24

1 c. any engagement performed in accordance with the  
2 Statements on Standards for Attestation Engagements  
3 (SSAE), and

4 d. any engagement to be performed in accordance with the  
5 Auditing Standards of the Public Company Accounting  
6 Oversight Board (PCAOB).

7 The statements on standards specified in this definition shall  
8 be adopted by reference by the Board pursuant to rulemaking and  
9 shall be those developed for general application by recognized  
10 national accountancy organizations, such as the AICPA, IFAC and the  
11 PCAOB;

12 6. "Audit" can only be performed by an individual or entity who  
13 is registered with the Board and holding a valid permit issued  
14 pursuant to the Oklahoma Accountancy Act, or an individual granted  
15 practice privileges under Section 15.12A of this title, and means a  
16 systematic investigation or appraisal of information, procedures, or  
17 operations performed in accordance with generally accepted auditing  
18 standards in the United States, for the purpose of determining  
19 conformity with established criteria and communicating the results  
20 to interested parties;

21 7. "Board" means the Oklahoma Accountancy Board;

22 8. "Candidate" means an individual who has been qualified and  
23 approved by the Board to take an examination for a certificate or  
24 license;

1 9. "Certificate" means the Oklahoma document issued by the  
2 Board to a candidate upon successful completion of the certified  
3 public accountant examination designating the holder as a certified  
4 public accountant pursuant to the laws of Oklahoma. "Certificate"  
5 shall also mean the Oklahoma document issued by reciprocity to an  
6 individual who has previously been certified in another  
7 jurisdiction;

8 10. "Certified public accountant" means any person who has  
9 received a certificate from the Board or other jurisdictions;

10 11. "Client" means the individual or entity which retains a  
11 registrant, an individual granted practice privileges under Section  
12 15.12A of this title, or a firm exempt from the permit and  
13 registration requirements under Section 15.15C of this title to  
14 perform professional services;

15 12. "Compilation" when used with reference to financial  
16 statements, means presenting information in the form of financial  
17 statements which is the representation of management or owners  
18 without undertaking to express any assurance on the statements;

19 13. "CPA" or "C.P.A." means certified public accountant;

20 14. "Designated manager" means the ~~individual domiciled in~~  
21 ~~Oklahoma and~~ Oklahoma certified public accountant or public  
22 accountant appointed by the firm partners or shareholders to be  
23 responsible for the administration of the office;

24

1        15. "Designee" means the National Association of State Boards  
2 of Accountancy (NASBA) or other entities so designated by the Board;

3        16. "Entity" means an organization whether for profit or not,  
4 recognized by the State of Oklahoma to conduct business;

5        17. "Examination" means the test sections of Auditing and  
6 Attestation, Business Environment and Concepts, Financial Accounting  
7 and Reporting, and Regulation or their successors, administered,  
8 supervised, and graded by, or at the direction of, the Board or  
9 other jurisdiction that is required for a certificate as a certified  
10 public accountant or a license as a public accountant;

11       18. "Executive director" means the chief administrative officer  
12 of the Board;

13       19. "Financial statements" means statements and footnotes  
14 related thereto that undertake to present an actual or anticipated  
15 financial position as of a point in time, or results of operations,  
16 cash flow, or changes in financial position for a period of time, in  
17 conformity with generally accepted accounting principles or another  
18 comprehensive basis of accounting. The term does not include  
19 incidental financial data included in management advisory service  
20 reports to support recommendations to a client; nor does it include  
21 tax returns and supporting schedules;

22       20. "Firm" means an entity that is either a sole  
23 proprietorship, partnership, professional limited liability company,  
24 professional limited liability partnership, limited liability

1 partnership or professional corporation, or any other professional  
2 form of organization organized under the laws of the State of  
3 Oklahoma or the laws of another jurisdiction and issued a permit in  
4 accordance with Section 15.15A of this title or exempt from the  
5 permit requirement under Section 15.15C of this title, including  
6 individual partners or shareholders, that is engaged in accountancy;

7 21. "Holding out" means any representation by an individual  
8 that he or she holds a certificate or license and a valid permit, or  
9 by an entity that it holds a valid permit. Any such representation  
10 is presumed to invite the public to rely upon the professional  
11 skills implied by the certificate or license and valid permit in  
12 connection with the services or products offered;

13 22. "Home office" means the location specified by the client as  
14 the address to which a service described in Section 15.12A of this  
15 title is directed;

16 23. "IFAC" means the International Federation of Accountants;

17 24. "Individual" means a human being;

18 25. "Jurisdiction" means any state or territory of the United  
19 States and the District of Columbia;

20 26. "License" means the Oklahoma document issued by the Board  
21 to a candidate upon successful completion of the public accountant  
22 examination designating the holder as a public accountant pursuant  
23 to the laws of Oklahoma. "License" shall also mean the Oklahoma  
24 document issued by the Board by reciprocity to a public accountant

1 who has previously been licensed by examination in another  
2 jurisdiction;

3 27. "Management advisory services", also known as "management  
4 consulting services", "management services", "business advisory  
5 services" or other similar designation, hereinafter collectively  
6 referred to as "MAS", means the function of providing advice and/or  
7 technical assistance, performed in accordance with standards for MAS  
8 engagements and MAS consultations such as those issued by the  
9 American Institute of Certified Public Accountants, where the  
10 primary purpose is to help the client improve the use of its  
11 capabilities and resources to achieve its objectives including but  
12 not limited to:

- 13 a. counseling management in analysis, planning,  
14 organizing, operating, risk management and controlling  
15 functions,
- 16 b. conducting special studies, preparing recommendations,  
17 proposing plans and programs, and providing advice and  
18 technical assistance in their implementation,
- 19 c. reviewing and suggesting improvement of policies,  
20 procedures, systems, methods, and organization  
21 relationships, and
- 22 d. introducing new ideas, concepts, and methods to  
23 management.

24

1 MAS shall not include recommendations and comments prepared as a  
2 direct result of observations made while performing an audit,  
3 review, or compilation of financial statements or while providing  
4 tax services, including tax consultations;

5 28. "NASBA" means the National Association of State Boards of  
6 Accountancy;

7 29. "PA" or "P.A." means public accountant;

8 30. "Partnership" means a contractual relationship based upon a  
9 written, oral, or implied agreement between two or more individuals  
10 who combine their resources and activities in a joint enterprise and  
11 share in varying degrees and by specific agreement in the management  
12 and in the profits or losses. A partnership may be general or  
13 limited as the laws of this state define those terms;

14 31. "PCAOB" means the Public Company Accounting Oversight  
15 Board;

16 32. "Peer Review" means a review performed pursuant to a set of  
17 peer review rules established by the Board. The term "peer review"  
18 also encompasses the term "quality review";

19 33. "Permit" means the written authority granted annually by  
20 the Board to individuals or firms to practice public accounting in  
21 Oklahoma, which is issued pursuant to the Oklahoma Accountancy Act;

22 34. a. "Practice of public accounting", also known as  
23 "practice public accounting", "practice" and "practice  
24 accounting", refers to the activities of a registrant,



1 an individual granted practice privileges under  
2 Section 15.12A of this title, or a firm exempt from  
3 the permit and registration requirements under Section  
4 15.15C of this title in reference to accountancy. An  
5 individual or firm shall be deemed to be engaged in  
6 the practice of public accounting if the individual or  
7 firm holds itself out to the public in any manner as  
8 one skilled in the knowledge, science, and practice of  
9 accounting and auditing, taxation and management  
10 advisory services and is qualified to render such  
11 professional services as a certified public accountant  
12 or public accountant, and performs the following:

- 13 (1) maintains an office for the transaction of  
14 business as a certified public accountant or  
15 public accountant,
- 16 (2) offers to prospective clients to perform or who  
17 does perform on behalf of clients professional  
18 services that involve or require an audit,  
19 verification, investigation, certification,  
20 presentation, or review of financial transactions  
21 and accounting records or an attestation  
22 concerning any other written assertion,
- 23 (3) prepares or certifies for clients reports on  
24 audits or investigations of books or records of

1 account, balance sheets, and other financial,  
2 accounting and related schedules, exhibits,  
3 statements, or reports which are to be used for  
4 publication or for the purpose of obtaining  
5 credit, or for filing with a court of law or with  
6 any governmental agency, or for any other  
7 purpose,

8 (4) generally or incidentally to the work described  
9 herein, renders professional services to clients  
10 in any or all matters relating to accounting  
11 procedure and to the recording, presentation, or  
12 certification of financial information or data,

13 (5) keeps books, or prepares trial balances,  
14 financial statements, or reports, all as a part  
15 of bookkeeping services for clients,

16 (6) prepares or signs as the tax preparer, tax  
17 returns for clients, consults with clients on tax  
18 matters, conducts studies for clients on tax  
19 matters and prepares reports for clients on tax  
20 matters, unless the services are uncompensated  
21 and are limited solely to the registrant's, or  
22 the registrant's spouse's lineal and collateral  
23 heirs,  
24

1 (7) prepares personal financial or investment plans  
2 or provides to clients products or services of  
3 others in implementation of personal financial or  
4 investment plans, or

5 (8) provides management advisory services to clients.

6 b. Except for an individual granted practice privileges  
7 under Section 15.12A of this title or a firm exempt  
8 from the permit and registration requirements under  
9 Section 15.15C of this title, an individual or firm  
10 not holding a certificate, license or permit shall not  
11 be deemed to be engaged in the practice of public  
12 accounting if the individual or firm does not hold  
13 itself out, solicit, or advertise for clients using  
14 the certified public accountant or public accountant  
15 designation and engages only in the following  
16 services:

17 (1) keeps books, or prepares trial balances,  
18 financial statements, or reports, provided such  
19 instruments do not use the terms "audit",  
20 "audited", "exam", "examined", "review" or  
21 "reviewed" or are not exhibited as having been  
22 prepared by a certified public accountant or  
23 public accountant. Except for an individual  
24 granted practice privileges under Section 15.12A

1 of this title or a firm exempt from the permit  
2 and registration requirements under Section  
3 15.15C of this title, nonregistrants may use the  
4 following disclaimer language in connection with  
5 financial statements and be in compliance with  
6 the Oklahoma Accountancy Act: "I (we) have not  
7 audited, examined or reviewed the accompanying  
8 financial statements and accordingly do not  
9 express an opinion or any other form of assurance  
10 on them.",

11 (2) prepares or signs as the tax preparer, tax  
12 returns for clients, consults with clients on tax  
13 matters, conducts studies for clients on tax  
14 matters and prepares reports for clients on tax  
15 matters,

16 (3) prepares personal financial or investment plans  
17 or provides to clients products or services of  
18 others in implementation of personal financial or  
19 investment plans, or

20 (4) provides management advisory services to clients.

21 c. Only permit holders, individuals granted practice  
22 privileges under Section 15.12A of this title, or  
23 firms exempt from the permit and registration  
24 requirements under Section 15.15C of this title may

1 render or offer to render any attest service, as  
2 defined herein, or issue a report on financial  
3 statements which purport to be in compliance with the  
4 Statements on Standards for Accounting and Review  
5 Services (SSARS). This restriction shall not prohibit  
6 any act of a public official or public employee in the  
7 performance of that person's duties. This restriction  
8 shall not be construed to prohibit the performance by  
9 any unlicensed individual of other services as set out  
10 in subparagraph b of this paragraph.

- 11 d. A person is not deemed to be practicing public  
12 accounting within the meaning of this section solely  
13 by displaying an Oklahoma CPA certificate or a PA  
14 license in an office, identifying himself or herself  
15 as a CPA or PA on letterhead or business cards, or  
16 identifying himself or herself as a CPA or PA.  
17 However, the designation of CPA or PA on such  
18 letterheads, business cards, public signs,  
19 advertisements, publications directed to clients or  
20 potential clients, financial or tax documents of a  
21 client, performance of any attest service or issuance  
22 of a report constitutes the practice of public  
23 accounting and requires a permit, practice privileges  
24 under Section 15.12A of this title, or an exemption

1 from the permit and registration requirements under  
2 Section 15.15C of this title;

3 35. "Preissuance review" means a review performed pursuant to a  
4 set of procedures that include review of engagement document,  
5 report, and clients' financial statements in order to permit the  
6 reviewer to assess compliance with all applicable professional  
7 standards;

8 36. "Principal place of business" means the office location  
9 designated by the licensee for the purposes of substantial  
10 equivalency and reciprocity;

11 37. "Professional corporation" means a corporation organized  
12 pursuant to the laws of this state;

13 38. "Professional" means arising out of or related to the  
14 specialized knowledge or skills associated with CPAs or PAs;

15 39. "Public accountant" means any individual who has received a  
16 license from the Board;

17 40. "Public interest" means the collective well-being of the  
18 community of people and institutions the profession serves;

19 41. "Qualification applicant" means an individual who has made  
20 application to the Board to qualify to become a candidate for  
21 examination;

22 42. "Registrant" means a CPA, PA, or firm composed of certified  
23 public accountants or public accountants or combination of both  
24

1 currently registered with the Board pursuant to the authority of the  
2 Oklahoma Accountancy Act;

3 43. "Report", when used with reference to any attest or  
4 compilation service, means an opinion, report or other form of  
5 language that states or implies assurance as to the reliability of  
6 the attested information or compiled financial statements, and that  
7 also includes or is accompanied by any statement or implication that  
8 the person or firm issuing it has special knowledge or competence in  
9 accounting or auditing. Such a statement or implication of special  
10 knowledge or competence may arise from use by the issuer of the  
11 report of names or titles indicating that the person or firm is an  
12 accountant or auditor, or from the language of the report itself.  
13 The term "report" includes any form of language which disclaims an  
14 opinion when such form of language is conventionally understood to  
15 imply any positive assurance as to the reliability of the attested  
16 information or compiled financial statements referred to and/or  
17 special competence on the part of the person or firm issuing such  
18 language; and it includes any other form of language that is  
19 conventionally understood to imply such assurance and/or such  
20 special knowledge or competence. This definition is not intended to  
21 include a report prepared by a person not holding a certificate or  
22 license or not granted practice privileges under Section 15.12A of  
23 this title. However, such report shall not refer to "audit",  
24 "audited", "exam", "examined", "review" or "reviewed", nor use the

1 language "in accordance with standards established by the American  
2 Institute of Certified Public Accountants" or successor of said  
3 entity, or governmental agency approved by the Board, except for the  
4 Internal Revenue Service. Except for an individual granted practice  
5 privileges under Section 15.12A of this title or a firm exempt from  
6 the permit and registration requirements under Section 15.15C of  
7 this title, nonregistrants may use the following disclaimer language  
8 in connection with financial statements not to be in violation of  
9 the Oklahoma Accountancy Act: "I (we) have not audited, examined,  
10 or reviewed the accompanying financial statements and accordingly do  
11 not express an opinion or any other form of assurance on them.";

12 44. "Representation" means any oral or written communication  
13 including but not limited to the use of title or legends on  
14 letterheads, business cards, office doors, advertisements, and  
15 listings conveying the fact that an individual or entity holds a  
16 certificate, license or permit;

17 45. "Review", when used with reference to financial statements,  
18 means a registrant or an individual granted practice privileges  
19 under Section 15.12A of this title, or a firm exempt from the permit  
20 and registration requirements under Section 15.15C of this title  
21 performing inquiry and analytical procedures that provide the  
22 registrant with a reasonable basis for expressing limited assurance  
23 that there are no material modifications that should be made to the  
24 statements in order for them to be in conformity with generally



1 accepted accounting principles or, if applicable, with another  
2 comprehensive basis of accounting; and

3 46. "Substantial equivalency" is a determination by the  
4 Oklahoma Accountancy Board or its designee that:

5 a. the education, examination and experience requirements  
6 contained in the statutes and administrative rules of  
7 another jurisdiction are comparable to, or exceed, the  
8 education, examination and experience requirements  
9 contained in the AICPA/NASBA Uniform Accountancy Act,  
10 or

11 b. that an individual certified public accountant's or  
12 public accountant's education, examination and  
13 experience qualifications are comparable to or exceed  
14 the education, examination and experience requirements  
15 contained in the Oklahoma Accountancy Act and rules of  
16 the Board.

17 In ascertaining substantial equivalency as used in the Oklahoma  
18 Accountancy Act, the Board or its designee shall take into account  
19 the qualifications without regard to the sequence in which  
20 experience, education, or examination requirements were attained.

21 SECTION 2. AMENDATORY 59 O.S. 2011, Section 15.2, as  
22 amended by Section 1, Chapter 55, O.S.L. 2014 (59 O.S. Supp. 2018,  
23 Section 15.2), is amended to read as follows:

24

1 Section 15.2 A. There is hereby re-created, to continue until  
2 July 1, 2020, in accordance with the provisions of the Oklahoma  
3 Sunset Law, the Oklahoma Accountancy Board. The Oklahoma  
4 Accountancy Board shall have the responsibility for administering  
5 and enforcing the Oklahoma Accountancy Act. The Oklahoma  
6 Accountancy Board shall be composed of seven (7) members, who shall  
7 have professional or practical experience in the use of accounting  
8 services and financial matters, so as to be qualified to make  
9 judgments about the qualifications and conduct of persons and firms  
10 subject to regulation under ~~this act~~ the Oklahoma Accountancy Act to  
11 be appointed by the Governor and confirmed by the Senate. The  
12 number of registrant members shall not be more than six, not  
13 including a firm, who shall serve terms of five (5) years. No  
14 member who has served two successive complete terms shall be  
15 eligible for reappointment, but an appointment to fill an unexpired  
16 term shall not be considered a complete term for this purpose. The  
17 public member shall serve coterminously with the Governor appointing  
18 the public member.

19 B. One member shall be either a public accountant licensed and  
20 holding a permit pursuant to the provisions of the Oklahoma  
21 Accountancy Act, or a person with professional or practical  
22 experience in the use of accounting services and financial matters  
23 and who shall have met the educational requirements to qualify as a  
24 candidate for examination for the license of public accountant as

1 provided in subsection B of Section 15.8 of this title. A list of  
2 qualified persons shall be compiled and submitted to the Governor by  
3 the Oklahoma Society of Public Accountants, or successor  
4 organization from time to time as appointment of the Board member is  
5 required to be made. A list of three names shall be submitted for  
6 each single appointment from which the Governor may make the  
7 appointment.

8 C. Five members shall be certified public accountants holding  
9 certificates and four shall hold permits issued pursuant to the  
10 provisions of the Oklahoma Accountancy Act, at least four of whom  
11 shall have been engaged in the practice of public accounting as a  
12 certified public accountant continuously for not less than five (5)  
13 out of the last fifteen (15) years immediately preceding their  
14 appointments. A list of qualified persons shall be compiled and  
15 submitted to the Governor by the Oklahoma Society of Certified  
16 Public Accountants from time to time as appointments of the  
17 certified public accountant Board members are required. A list of  
18 three names shall be submitted for each single appointment from  
19 which the Governor may make the appointment.

20 D. One member shall be a public member who is not a certified  
21 public accountant or licensed public accountant. The public member  
22 shall be appointed by the Governor to a term coterminous with the  
23 Governor. The public member shall serve at the pleasure of the  
24 Governor.

1 E. Upon the expiration of the term of office, a member shall  
2 continue to serve until a qualified successor has been appointed.  
3 Confirmation by the Senate is required during the next regular  
4 session of the Oklahoma Senate for the member to continue to serve.

5 SECTION 3. AMENDATORY 59 O.S. 2011, Section 15.10A, is  
6 amended to read as follows:

7 Section 15.10A Each candidate shall pay fees, to be determined  
8 by the Oklahoma Accountancy Board, not to exceed One Thousand  
9 Dollars (\$1,000.00) for each examination.

10 An application fee, payable to the Board, shall be paid by the  
11 candidate at the time the application for the examination is filed.  
12 The application fee shall ~~not be refunded unless the Board~~  
13 ~~determines that the candidate is unqualified to sit for the~~  
14 ~~examination or for such other good causes as determined by the Board~~  
15 ~~on a case-by-case basis~~ nonrefundable. Also, each candidate shall  
16 pay test fees to the organizations designated by the Board to  
17 provide a computer-based examination. In no event shall the total  
18 fees paid by a candidate for each examination exceed One Thousand  
19 Dollars (\$1,000.00).

20 SECTION 4. AMENDATORY 59 O.S. 2011, Section 15.14, is  
21 amended to read as follows:

22 Section 15.14 A. In addition to obtaining a certificate or  
23 license, certified public accountants and public accountants, unless  
24 granted practice privileges under Section 15.12A of this title,

1 shall register with the Oklahoma Accountancy Board and pay a  
2 registration fee.

3 ~~B. Until January 1, 2010, all valid certificates and licenses~~  
4 ~~ending in an odd number shall expire on July 31 of each odd-numbered~~  
5 ~~year. All valid certificates and licenses ending in an even number~~  
6 ~~shall expire on July 31 of each even-numbered year. All such~~  
7 ~~registrations shall expire on the last day of July and may be~~  
8 ~~renewed for a period of two (2) years. The Board shall implement~~  
9 ~~rules for the scheduling of expiration and renewal of certificates~~  
10 ~~and licenses, including the prorating of fees.~~

11 ~~C.~~ After the initial registration, renewal of registrations  
12 shall be accomplished by registrants in good standing upon filing of  
13 the registration and upon payment of the registration fee. Interim  
14 registration shall be at full rates.

15 ~~D. Effective January 1, 2010, all~~

16 C. All valid certificates or licenses shall be renewed ~~based on~~  
17 ~~staggered expiration dates on~~ by the last day of the individuals'  
18 birth months. Renewal will be effective for a twelve-month period.  
19 The Board shall implement rules for the scheduling of expiration and  
20 renewal of certificates and licenses, including the prorating of  
21 fees.

22 ~~E.~~ D. Not less than thirty (30) calendar days before the  
23 expiration of a valid certificate or license, written notice of the  
24 expiration date shall be mailed to the individual holding the valid

1 certificate or license at the last-known address of such individual  
2 according to the official records of the Board.

3 ~~F.~~ E. A certificate or license shall be renewed by payment of a  
4 registration renewal fee set by the Board which shall not exceed Two  
5 Hundred Dollars (\$200.00) for each two-year period.

6 1. Upon failure of an individual to pay registration fees on or  
7 before the expiration date, the Board shall notify the individual in  
8 writing by certified mail to the last known address of the  
9 individual, as reflected in the records of the Board, of the  
10 individual's failure to comply with the Oklahoma Accountancy Act.

11 2. A certificate or license granted under authority of the  
12 Oklahoma Accountancy Act shall automatically be revoked if the  
13 individual fails to pay registration fees within thirty (30) days  
14 after the expiration date.

15 3. Any individual whose certificate or license is canceled,  
16 revoked for cause or automatically revoked by this provision may be  
17 reinstated by the Board upon payment of:

18 a. a fee set by the Board which shall not exceed Three  
19 Hundred Dollars (\$300.00) for a renewal within one (1)  
20 year of the due date, or

21 b. a fee set by the Board which shall not exceed ~~Six~~  
22 ~~Hundred Dollars (\$600.00) for a renewal after the~~  
23 ~~expiration of a year~~ Five Thousand Dollars (\$5,000.00)  
24 after one (1) year of the expiration date.

1        However, an individual whose certificate or license has been  
2 ~~expired, surrendered, canceled or~~ revoked for cause for five (5)  
3 years or more may not renew the certificate or license. The  
4 individual may obtain a new certificate or license by complying with  
5 the requirements and procedures, including the examination  
6 requirements, for obtaining an original certificate or license.  
7 This provision shall not apply to an individual who is licensed to  
8 practice in another jurisdiction for the five (5) years immediately  
9 preceding their application for reinstatement.

10        ~~G.~~ F. The Board shall establish rules whereby the registration  
11 fee for certified public accountants and public accountants may,  
12 upon written application to the Board, be reduced or waived by the  
13 Board for registrants who have retired upon reaching retirement age,  
14 or who have attained the age of sixty-five (65) years, or who have  
15 become disabled to a degree precluding the continuance of their  
16 practice for six (6) months or more prior to the due date of any  
17 renewal fee. The Board shall use its discretion in determining  
18 conditions required for retirement or disability.

19        ~~H.~~ G. All notifications of criminal arrests or charges,  
20 disciplinary actions by any other jurisdiction or foreign country,  
21 revocation or suspension by enforcement action of any professional  
22 credential and all changes of employment or mailing address shall be  
23 reported to the Board within thirty (30) calendar days of such  
24 changes becoming effective.

1        ~~F.~~ H. At the direction of the Board, a register of registrants  
2 may be published in any media format the Board considers appropriate  
3 for public distribution.

4        SECTION 5.        AMENDATORY        59 O.S. 2011, Section 15.14A, is  
5 amended to read as follows:

6        Section 15.14A A. Before any individual may practice public  
7 accounting or hold himself or herself out as being engaged in the  
8 practice of public accounting as a certified public accountant or  
9 public accountant in this state, such person shall obtain a permit  
10 from the Oklahoma Accountancy Board, unless such person is granted  
11 practice privileges under Section 15.12A of this title. Any  
12 individual, corporation or partnership or any other entity who  
13 provides any of the services defined hereinabove as the "practice of  
14 public accounting" without holding a license and permit, or without  
15 holding a certificate and permit, shall be assessed a fine not to  
16 exceed Ten Thousand Dollars (\$10,000.00) for each separate offense,  
17 unless such person is granted practice privileges under Section  
18 15.12A of this title, or such entity is exempt from the permit and  
19 registration requirements of Section 15.15C of this title.

20        B. The Board shall promulgate rules establishing the  
21 qualifications for obtaining a permit to practice public accounting  
22 in this state. Such rules shall include but not be limited to  
23 provisions that:

24



1 1. Any individual seeking a permit must have a valid  
2 certificate or license;

3 2. Any individual or entity seeking a permit must be registered  
4 pursuant to the provisions of the Oklahoma Accountancy Act;

5 3. Any individual seeking a permit must meet continuing  
6 professional education requirements as set forth by the Oklahoma  
7 Accountancy Act and rules promulgated by the Board; and

8 4. There shall be no examination for obtaining a permit.

9 C. All such individuals shall, upon application and compliance  
10 with the rules establishing qualifications for obtaining a permit  
11 and payment of the fees, be granted an annual permit to practice  
12 public accounting in this state. ~~Until January 1, 2010, all permits~~  
13 ~~issued shall expire on June 30 of each year and may be renewed from~~  
14 ~~year to year. Effective January 1, 2010, all~~ All permits issued  
15 shall be renewed ~~based on staggered expiration dates~~ on the last day  
16 of the individual's birth month in conjunction with the registrant's  
17 certificate or license renewal. The Board may issue interim permits  
18 upon payment of the same fees required for annual permits.

19 D. Failure to apply for and obtain a permit shall disqualify an  
20 individual from practicing public accounting in this state until  
21 such time as a valid permit has been obtained.

22 E. The Board shall charge a fee for each individual permit not  
23 to exceed ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars  
24 (\$200.00).

1 SECTION 6. This act shall become effective July 1, 2019.

2 SECTION 7. It being immediately necessary for the preservation  
3 of the public peace, health or safety, an emergency is hereby  
4 declared to exist, by reason whereof this act shall take effect and  
5 be in full force from and after its passage and approval."

6 Passed the House of Representatives the 16th day of April, 2019.

7

8

9 \_\_\_\_\_  
Presiding Officer of the House of  
10 Representatives

11 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2019.

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14 \_\_\_\_\_  
Presiding Officer of the Senate

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1 ENGROSSED SENATE  
BILL NO. 422

By: Dugger of the Senate

2  
3 and

4 West (Kevin) of the House  
5

6 An Act relating to the Oklahoma Accountancy Board;  
7 amending 59 O.S. 2011, Sections 15.1A, as amended by  
8 Section 1, Chapter 60, O.S.L. 2015, 15.2, as amended  
9 by Section 1, Chapter 55, O.S.L. 2014, 15.10A, 15.14  
10 and 15.14A (59 O.S. Supp. 2018, Sections 15.1A and  
11 15.2), which relate to definitions, qualifications,  
12 examinations, registration, and permits; modifying  
13 definition; modifying sunset date; making application  
14 fee nonrefundable; modifying language; expanding  
15 reinstatement license fee; increasing permit fee;  
16 updating statutory reference; providing an effective  
17 date; and declaring an emergency.

18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 8. AMENDATORY 59 O.S. 2011, Section 15.1A, as  
20 amended by Section 1, Chapter 60, O.S.L. 2015 (59 O.S. Supp. 2018,  
21 Section 15.1A), is amended to read as follows:

22 Section 15.1A. As used in the Oklahoma Accountancy Act:

23 1. "Accountancy" means the profession or practice of  
24 accounting;

2. "AICPA" means the American Institute of Certified Public  
Accountants;

1       3. "Applicant" means an individual or entity that has made  
2 application to the Board for a certificate, license, or permit and  
3 said application has not been approved;

4       4. "Assurance" means independent professional services that  
5 improve the quality of information, or its context, for decision  
6 makers;

7       5. "Attest" means providing the following services:

- 8       a. any audit or other engagement to be performed in  
9             accordance with the Statements on Auditing Standards  
10            (SAS),
- 11       b. any review of a financial statement to be performed in  
12            accordance with the Statements on Standards for  
13            Accounting and Review Services (SSARS),
- 14       c. any engagement performed in accordance with the  
15            Statements on Standards for Attestation Engagements  
16            (SSAE), and
- 17       d. any engagement to be performed in accordance with the  
18            Auditing Standards of the Public Company Accounting  
19            Oversight Board (PCAOB).

20       The statements on standards specified in this definition shall  
21 be adopted by reference by the Board pursuant to rulemaking and  
22 shall be those developed for general application by recognized  
23 national accountancy organizations, such as the AICPA, IFAC and the  
24 PCAOB;

1       6. "Audit" can only be performed by an individual or entity who  
2 is registered with the Board and holding a valid permit issued  
3 pursuant to the Oklahoma Accountancy Act, or an individual granted  
4 practice privileges under Section 15.12A of this title, and means a  
5 systematic investigation or appraisal of information, procedures, or  
6 operations performed in accordance with generally accepted auditing  
7 standards in the United States, for the purpose of determining  
8 conformity with established criteria and communicating the results  
9 to interested parties;

10       7. "Board" means the Oklahoma Accountancy Board;

11       8. "Candidate" means an individual who has been qualified and  
12 approved by the Board to take an examination for a certificate or  
13 license;

14       9. "Certificate" means the Oklahoma document issued by the  
15 Board to a candidate upon successful completion of the certified  
16 public accountant examination designating the holder as a certified  
17 public accountant pursuant to the laws of Oklahoma. "Certificate"  
18 shall also mean the Oklahoma document issued by reciprocity to an  
19 individual who has previously been certified in another  
20 jurisdiction;

21       10. "Certified public accountant" means any person who has  
22 received a certificate from the Board or other jurisdictions;

23       11. "Client" means the individual or entity which retains a  
24 registrant, an individual granted practice privileges under Section

1 15.12A of this title, or a firm exempt from the permit and  
2 registration requirements under Section 15.15C of this title to  
3 perform professional services;

4 12. "Compilation" when used with reference to financial  
5 statements, means presenting information in the form of financial  
6 statements which is the representation of management or owners  
7 without undertaking to express any assurance on the statements;

8 13. "CPA" or "C.P.A." means certified public accountant;

9 14. "Designated manager" means the ~~individual domiciled in~~  
10 ~~Oklahoma and~~ Oklahoma certified public accountant or public  
11 accountant appointed by the firm partners or shareholders to be  
12 responsible for the administration of the office;

13 15. "Designee" means the National Association of State Boards  
14 of Accountancy (NASBA) or other entities so designated by the Board;

15 16. "Entity" means an organization whether for profit or not,  
16 recognized by the State of Oklahoma to conduct business;

17 17. "Examination" means the test sections of Auditing and  
18 Attestation, Business Environment and Concepts, Financial Accounting  
19 and Reporting, and Regulation or their successors, administered,  
20 supervised, and graded by, or at the direction of, the Board or  
21 other jurisdiction that is required for a certificate as a certified  
22 public accountant or a license as a public accountant;

23 18. "Executive director" means the chief administrative officer  
24 of the Board;

1 19. "Financial statements" means statements and footnotes  
2 related thereto that undertake to present an actual or anticipated  
3 financial position as of a point in time, or results of operations,  
4 cash flow, or changes in financial position for a period of time, in  
5 conformity with generally accepted accounting principles or another  
6 comprehensive basis of accounting. The term does not include  
7 incidental financial data included in management advisory service  
8 reports to support recommendations to a client; nor does it include  
9 tax returns and supporting schedules;

10 20. "Firm" means an entity that is either a sole  
11 proprietorship, partnership, professional limited liability company,  
12 professional limited liability partnership, limited liability  
13 partnership or professional corporation, or any other professional  
14 form of organization organized under the laws of the State of  
15 Oklahoma or the laws of another jurisdiction and issued a permit in  
16 accordance with Section 15.15A of this title or exempt from the  
17 permit requirement under Section 15.15C of this title, including  
18 individual partners or shareholders, that is engaged in accountancy;

19 21. "Holding out" means any representation by an individual  
20 that he or she holds a certificate or license and a valid permit, or  
21 by an entity that it holds a valid permit. Any such representation  
22 is presumed to invite the public to rely upon the professional  
23 skills implied by the certificate or license and valid permit in  
24 connection with the services or products offered;

1       22. "Home office" means the location specified by the client as  
2 the address to which a service described in Section 15.12A of this  
3 title is directed;

4       23. "IFAC" means the International Federation of Accountants;

5       24. "Individual" means a human being;

6       25. "Jurisdiction" means any state or territory of the United  
7 States and the District of Columbia;

8       26. "License" means the Oklahoma document issued by the Board  
9 to a candidate upon successful completion of the public accountant  
10 examination designating the holder as a public accountant pursuant  
11 to the laws of Oklahoma. "License" shall also mean the Oklahoma  
12 document issued by the Board by reciprocity to a public accountant  
13 who has previously been licensed by examination in another  
14 jurisdiction;

15       27. "Management advisory services", also known as "management  
16 consulting services", "management services", "business advisory  
17 services" or other similar designation, hereinafter collectively  
18 referred to as "MAS", means the function of providing advice and/or  
19 technical assistance, performed in accordance with standards for MAS  
20 engagements and MAS consultations such as those issued by the  
21 American Institute of Certified Public Accountants, where the  
22 primary purpose is to help the client improve the use of its  
23 capabilities and resources to achieve its objectives including but  
24 not limited to:



- a. counseling management in analysis, planning, organizing, operating, risk management and controlling functions,
- b. conducting special studies, preparing recommendations, proposing plans and programs, and providing advice and technical assistance in their implementation,
- c. reviewing and suggesting improvement of policies, procedures, systems, methods, and organization relationships, and
- d. introducing new ideas, concepts, and methods to management.

MAS shall not include recommendations and comments prepared as a direct result of observations made while performing an audit, review, or compilation of financial statements or while providing tax services, including tax consultations;

28. "NASBA" means the National Association of State Boards of Accountancy;

29. "PA" or "P.A." means public accountant;

30. "Partnership" means a contractual relationship based upon a written, oral, or implied agreement between two or more individuals who combine their resources and activities in a joint enterprise and share in varying degrees and by specific agreement in the management and in the profits or losses. A partnership may be general or limited as the laws of this state define those terms;

1 31. "PCAOB" means the Public Company Accounting Oversight  
2 Board;

3 32. "Peer Review" means a review performed pursuant to a set of  
4 peer review rules established by the Board. The term "peer review"  
5 also encompasses the term "quality review";

6 33. "Permit" means the written authority granted annually by  
7 the Board to individuals or firms to practice public accounting in  
8 Oklahoma, which is issued pursuant to the Oklahoma Accountancy Act;

9 34. a. "Practice of public accounting", also known as  
10 "practice public accounting", "practice" and "practice  
11 accounting", refers to the activities of a registrant,  
12 an individual granted practice privileges under  
13 Section 15.12A of this title, or a firm exempt from  
14 the permit and registration requirements under Section  
15 15.15C of this title in reference to accountancy. An  
16 individual or firm shall be deemed to be engaged in  
17 the practice of public accounting if the individual or  
18 firm holds itself out to the public in any manner as  
19 one skilled in the knowledge, science, and practice of  
20 accounting and auditing, taxation and management  
21 advisory services and is qualified to render such  
22 professional services as a certified public accountant  
23 or public accountant, and performs the following:  
24

- 1 (1) maintains an office for the transaction of  
2 business as a certified public accountant or  
3 public accountant,
- 4 (2) offers to prospective clients to perform or who  
5 does perform on behalf of clients professional  
6 services that involve or require an audit,  
7 verification, investigation, certification,  
8 presentation, or review of financial transactions  
9 and accounting records or an attestation  
10 concerning any other written assertion,
- 11 (3) prepares or certifies for clients reports on  
12 audits or investigations of books or records of  
13 account, balance sheets, and other financial,  
14 accounting and related schedules, exhibits,  
15 statements, or reports which are to be used for  
16 publication or for the purpose of obtaining  
17 credit, or for filing with a court of law or with  
18 any governmental agency, or for any other  
19 purpose,
- 20 (4) generally or incidentally to the work described  
21 herein, renders professional services to clients  
22 in any or all matters relating to accounting  
23 procedure and to the recording, presentation, or  
24 certification of financial information or data,

- 1 (5) keeps books, or prepares trial balances,  
2 financial statements, or reports, all as a part  
3 of bookkeeping services for clients,  
4 (6) prepares or signs as the tax preparer, tax  
5 returns for clients, consults with clients on tax  
6 matters, conducts studies for clients on tax  
7 matters and prepares reports for clients on tax  
8 matters, unless the services are uncompensated  
9 and are limited solely to the registrant's, or  
10 the registrant's spouse's lineal and collateral  
11 heirs,  
12 (7) prepares personal financial or investment plans  
13 or provides to clients products or services of  
14 others in implementation of personal financial or  
15 investment plans, or  
16 (8) provides management advisory services to clients.

17 b. Except for an individual granted practice privileges  
18 under Section 15.12A of this title or a firm exempt  
19 from the permit and registration requirements under  
20 Section 15.15C of this title, an individual or firm  
21 not holding a certificate, license or permit shall not  
22 be deemed to be engaged in the practice of public  
23 accounting if the individual or firm does not hold  
24 itself out, solicit, or advertise for clients using

1 the certified public accountant or public accountant  
2 designation and engages only in the following  
3 services:

- 4 (1) keeps books, or prepares trial balances,  
5 financial statements, or reports, provided such  
6 instruments do not use the terms "audit",  
7 "audited", "exam", "examined", "review" or  
8 "reviewed" or are not exhibited as having been  
9 prepared by a certified public accountant or  
10 public accountant. Except for an individual  
11 granted practice privileges under Section 15.12A  
12 of this title or a firm exempt from the permit  
13 and registration requirements under Section  
14 15.15C of this title, nonregistrants may use the  
15 following disclaimer language in connection with  
16 financial statements and be in compliance with  
17 the Oklahoma Accountancy Act: "I (we) have not  
18 audited, examined or reviewed the accompanying  
19 financial statements and accordingly do not  
20 express an opinion or any other form of assurance  
21 on them.",
- 22 (2) prepares or signs as the tax preparer, tax  
23 returns for clients, consults with clients on tax  
24 matters, conducts studies for clients on tax

1 matters and prepares reports for clients on tax  
2 matters,

3 (3) prepares personal financial or investment plans  
4 or provides to clients products or services of  
5 others in implementation of personal financial or  
6 investment plans, or

7 (4) provides management advisory services to clients.

8 c. Only permit holders, individuals granted practice  
9 privileges under Section 15.12A of this title, or  
10 firms exempt from the permit and registration  
11 requirements under Section 15.15C of this title may  
12 render or offer to render any attest service, as  
13 defined herein, or issue a report on financial  
14 statements which purport to be in compliance with the  
15 Statements on Standards for Accounting and Review  
16 Services (SSARS). This restriction shall not prohibit  
17 any act of a public official or public employee in the  
18 performance of that person's duties. This restriction  
19 shall not be construed to prohibit the performance by  
20 any unlicensed individual of other services as set out  
21 in subparagraph b of this paragraph.

22 d. A person is not deemed to be practicing public  
23 accounting within the meaning of this section solely  
24 by displaying an Oklahoma CPA certificate or a PA

1 license in an office, identifying himself or herself  
2 as a CPA or PA on letterhead or business cards, or  
3 identifying himself or herself as a CPA or PA.  
4 However, the designation of CPA or PA on such  
5 letterheads, business cards, public signs,  
6 advertisements, publications directed to clients or  
7 potential clients, financial or tax documents of a  
8 client, performance of any attest service or issuance  
9 of a report constitutes the practice of public  
10 accounting and requires a permit, practice privileges  
11 under Section 15.12A of this title, or an exemption  
12 from the permit and registration requirements under  
13 Section 15.15C of this title;

14 35. "Preissuance review" means a review performed pursuant to a  
15 set of procedures that include review of engagement document,  
16 report, and clients' financial statements in order to permit the  
17 reviewer to assess compliance with all applicable professional  
18 standards;

19 36. "Principal place of business" means the office location  
20 designated by the licensee for the purposes of substantial  
21 equivalency and reciprocity;

22 37. "Professional corporation" means a corporation organized  
23 pursuant to the laws of this state;

1       38. "Professional" means arising out of or related to the  
2 specialized knowledge or skills associated with CPAs or PAs;

3       39. "Public accountant" means any individual who has received a  
4 license from the Board;

5       40. "Public interest" means the collective well-being of the  
6 community of people and institutions the profession serves;

7       41. "Qualification applicant" means an individual who has made  
8 application to the Board to qualify to become a candidate for  
9 examination;

10       42. "Registrant" means a CPA, PA, or firm composed of certified  
11 public accountants or public accountants or combination of both  
12 currently registered with the Board pursuant to the authority of the  
13 Oklahoma Accountancy Act;

14       43. "Report", when used with reference to any attest or  
15 compilation service, means an opinion, report or other form of  
16 language that states or implies assurance as to the reliability of  
17 the attested information or compiled financial statements, and that  
18 also includes or is accompanied by any statement or implication that  
19 the person or firm issuing it has special knowledge or competence in  
20 accounting or auditing. Such a statement or implication of special  
21 knowledge or competence may arise from use by the issuer of the  
22 report of names or titles indicating that the person or firm is an  
23 accountant or auditor, or from the language of the report itself.  
24 The term "report" includes any form of language which disclaims an



1 opinion when such form of language is conventionally understood to  
2 imply any positive assurance as to the reliability of the attested  
3 information or compiled financial statements referred to and/or  
4 special competence on the part of the person or firm issuing such  
5 language; and it includes any other form of language that is  
6 conventionally understood to imply such assurance and/or such  
7 special knowledge or competence. This definition is not intended to  
8 include a report prepared by a person not holding a certificate or  
9 license or not granted practice privileges under Section 15.12A of  
10 this title. However, such report shall not refer to "audit",  
11 "audited", "exam", "examined", "review" or "reviewed", nor use the  
12 language "in accordance with standards established by the American  
13 Institute of Certified Public Accountants" or successor of said  
14 entity, or governmental agency approved by the Board, except for the  
15 Internal Revenue Service. Except for an individual granted practice  
16 privileges under Section 15.12A of this title or a firm exempt from  
17 the permit and registration requirements under Section 15.15C of  
18 this title, nonregistrants may use the following disclaimer language  
19 in connection with financial statements not to be in violation of  
20 the Oklahoma Accountancy Act: "I (we) have not audited, examined,  
21 or reviewed the accompanying financial statements and accordingly do  
22 not express an opinion or any other form of assurance on them.";

23 44. "Representation" means any oral or written communication  
24 including but not limited to the use of title or legends on

1 letterheads, business cards, office doors, advertisements, and  
2 listings conveying the fact that an individual or entity holds a  
3 certificate, license or permit;

4 45. "Review", when used with reference to financial statements,  
5 means a registrant or an individual granted practice privileges  
6 under Section 15.12A of this title, or a firm exempt from the permit  
7 and registration requirements under Section 15.15C of this title  
8 performing inquiry and analytical procedures that provide the  
9 registrant with a reasonable basis for expressing limited assurance  
10 that there are no material modifications that should be made to the  
11 statements in order for them to be in conformity with generally  
12 accepted accounting principles or, if applicable, with another  
13 comprehensive basis of accounting; and

14 46. "Substantial equivalency" is a determination by the  
15 Oklahoma Accountancy Board or its designee that:

- 16 a. the education, examination and experience requirements  
17 contained in the statutes and administrative rules of  
18 another jurisdiction are comparable to, or exceed, the  
19 education, examination and experience requirements  
20 contained in the AICPA/NASBA Uniform Accountancy Act,  
21 or  
22 b. that an individual certified public accountant's or  
23 public accountant's education, examination and  
24 experience qualifications are comparable to or exceed

1 the education, examination and experience requirements  
2 contained in the Oklahoma Accountancy Act and rules of  
3 the Board.

4 In ascertaining substantial equivalency as used in the Oklahoma  
5 Accountancy Act, the Board or its designee shall take into account  
6 the qualifications without regard to the sequence in which  
7 experience, education, or examination requirements were attained.

8 SECTION 9. AMENDATORY 59 O.S. 2011, Section 15.2, as  
9 amended by Section 1, Chapter 55, O.S.L. 2014 (59 O.S. Supp. 2018,  
10 Section 15.2), is amended to read as follows:

11 Section 15.2. A. There is hereby re-created, to continue until  
12 July 1, ~~2020~~ 2024, in accordance with the provisions of the Oklahoma  
13 Sunset Law, the Oklahoma Accountancy Board. The Oklahoma  
14 Accountancy Board shall have the responsibility for administering  
15 and enforcing the Oklahoma Accountancy Act. The Oklahoma  
16 Accountancy Board shall be composed of seven (7) members, who shall  
17 have professional or practical experience in the use of accounting  
18 services and financial matters, so as to be qualified to make  
19 judgments about the qualifications and conduct of persons and firms  
20 subject to regulation under ~~this act~~ the Oklahoma Accountancy Act to  
21 be appointed by the Governor and confirmed by the Senate. The  
22 number of registrant members shall not be more than six, not  
23 including a firm, who shall serve terms of five (5) years. No  
24 member who has served two successive complete terms shall be

1 eligible for reappointment, but an appointment to fill an unexpired  
2 term shall not be considered a complete term for this purpose. The  
3 public member shall serve coterminously with the Governor appointing  
4 the public member.

5 B. One member shall be either a public accountant licensed and  
6 holding a permit pursuant to the provisions of the Oklahoma  
7 Accountancy Act, or a person with professional or practical  
8 experience in the use of accounting services and financial matters  
9 and who shall have met the educational requirements to qualify as a  
10 candidate for examination for the license of public accountant as  
11 provided in subsection B of Section 15.8 of this title. A list of  
12 qualified persons shall be compiled and submitted to the Governor by  
13 the Oklahoma Society of Public Accountants, or successor  
14 organization from time to time as appointment of the Board member is  
15 required to be made. A list of three names shall be submitted for  
16 each single appointment from which the Governor may make the  
17 appointment.

18 C. Five members shall be certified public accountants holding  
19 certificates and four shall hold permits issued pursuant to the  
20 provisions of the Oklahoma Accountancy Act, at least four of whom  
21 shall have been engaged in the practice of public accounting as a  
22 certified public accountant continuously for not less than five (5)  
23 out of the last fifteen (15) years immediately preceding their  
24 appointments. A list of qualified persons shall be compiled and

1 submitted to the Governor by the Oklahoma Society of Certified  
2 Public Accountants from time to time as appointments of the  
3 certified public accountant Board members are required. A list of  
4 three names shall be submitted for each single appointment from  
5 which the Governor may make the appointment.

6 D. One member shall be a public member who is not a certified  
7 public accountant or licensed public accountant. The public member  
8 shall be appointed by the Governor to a term coterminous with the  
9 Governor. The public member shall serve at the pleasure of the  
10 Governor.

11 E. Upon the expiration of the term of office, a member shall  
12 continue to serve until a qualified successor has been appointed.  
13 Confirmation by the Senate is required during the next regular  
14 session of the Oklahoma Senate for the member to continue to serve.

15 SECTION 10. AMENDATORY 59 O.S. 2011, Section 15.10A, is  
16 amended to read as follows:

17 Section 15.10A. Each candidate shall pay fees, to be determined  
18 by the Oklahoma Accountancy Board, not to exceed One Thousand  
19 Dollars (\$1,000.00) for each examination.

20 An application fee, payable to the Board, shall be paid by the  
21 candidate at the time the application for the examination is filed.  
22 The application fee shall ~~not be refunded unless the Board~~  
23 ~~determines that the candidate is unqualified to sit for the~~  
24 ~~examination or for such other good causes as determined by the Board~~

1 ~~on a case-by-case basis~~ nonrefundable. Also, each candidate shall  
2 pay test fees to the organizations designated by the Board to  
3 provide a computer-based examination. In no event shall the total  
4 fees paid by a candidate for each examination exceed One Thousand  
5 Dollars (\$1,000.00).

6 SECTION 11. AMENDATORY 59 O.S. 2011, Section 15.14, is  
7 amended to read as follows:

8 Section 15.14. A. In addition to obtaining a certificate or  
9 license, certified public accountants and public accountants, unless  
10 granted practice privileges under Section 15.12A of this title,  
11 shall register with the Oklahoma Accountancy Board and pay a  
12 registration fee.

13 ~~B. Until January 1, 2010, all valid certificates and licenses~~  
14 ~~ending in an odd number shall expire on July 31 of each odd-numbered~~  
15 ~~year. All valid certificates and licenses ending in an even number~~  
16 ~~shall expire on July 31 of each even-numbered year. All such~~  
17 ~~registrations shall expire on the last day of July and may be~~  
18 ~~renewed for a period of two (2) years. The Board shall implement~~  
19 ~~rules for the scheduling of expiration and renewal of certificates~~  
20 ~~and licenses, including the prorating of fees.~~

21 ~~C.~~ After the initial registration, renewal of registrations  
22 shall be accomplished by registrants in good standing upon filing of  
23 the registration and upon payment of the registration fee. Interim  
24 registration shall be at full rates.

1 ~~D. Effective January 1, 2010, all~~

2 C. All valid certificates or licenses shall be renewed ~~based on~~  
3 ~~staggered expiration dates on~~ by the last day of the individuals'  
4 birth months. Renewal will be effective for a twelve-month period.  
5 The Board shall implement rules for the scheduling of expiration and  
6 renewal of certificates and licenses, including the prorating of  
7 fees.

8 ~~F.~~ D. Not less than thirty (30) calendar days before the  
9 expiration of a valid certificate or license, written notice of the  
10 expiration date shall be mailed to the individual holding the valid  
11 certificate or license at the last-known address of such individual  
12 according to the official records of the Board.

13 ~~F.~~ E. A certificate or license shall be renewed by payment of a  
14 registration renewal fee set by the Board which shall not exceed Two  
15 Hundred Dollars (\$200.00) for each two-year period.

16 1. Upon failure of an individual to pay registration fees on or  
17 before the expiration date, the Board shall notify the individual in  
18 writing by certified mail to the last known address of the  
19 individual, as reflected in the records of the Board, of the  
20 individual's failure to comply with the Oklahoma Accountancy Act.

21 2. A certificate or license granted under authority of the  
22 Oklahoma Accountancy Act shall automatically be revoked if the  
23 individual fails to pay registration fees within thirty (30) days  
24 after the expiration date.

1           3. Any individual whose certificate or license is cancelled,  
2 revoked for cause or automatically revoked by this provision may be  
3 reinstated by the Board upon payment of:

4           a. a fee set by the Board which shall not exceed Three  
5           Hundred Dollars (\$300.00) for a renewal within one (1)  
6           year of the due date, or

7           b. a fee set by the Board which shall not exceed ~~Six~~  
8 ~~Hundred Dollars (\$600.00) for a renewal after the~~  
9 ~~expiration of a year~~ Five Thousand Dollars (\$5,000.00)  
10 after one year of the expiration date.

11           However, an individual whose certificate or license has been  
12 ~~expired, surrendered, canceled or~~ revoked for cause for five (5)  
13 years or more may not renew the certificate or license. The  
14 individual may obtain a new certificate or license by complying with  
15 the requirements and procedures, including the examination  
16 requirements, for obtaining an original certificate or license.  
17 This provision shall not apply to an individual who is licensed to  
18 practice in another jurisdiction for the five (5) years immediately  
19 preceding their application for reinstatement.

20           ~~G.~~ F. The Board shall establish rules whereby the registration  
21 fee for certified public accountants and public accountants may,  
22 upon written application to the Board, be reduced or waived by the  
23 Board for registrants who have retired upon reaching retirement age,  
24 or who have attained the age of sixty-five (65) years, or who have



1 become disabled to a degree precluding the continuance of their  
2 practice for six (6) months or more prior to the due date of any  
3 renewal fee. The Board shall use its discretion in determining  
4 conditions required for retirement or disability.

5 ~~H.~~ G. All notifications of criminal arrests or charges,  
6 disciplinary actions by any other jurisdiction or foreign country,  
7 revocation or suspension by enforcement action of any professional  
8 credential and all changes of employment or mailing address shall be  
9 reported to the Board within thirty (30) calendar days of such  
10 changes becoming effective.

11 ~~F.~~ H. At the direction of the Board, a register of registrants  
12 may be published in any media format the Board considers appropriate  
13 for public distribution.

14 SECTION 12. AMENDATORY 59 O.S. 2011, Section 15.14A, is  
15 amended to read as follows:

16 Section 15.14A. A. Before any individual may practice public  
17 accounting or hold himself or herself out as being engaged in the  
18 practice of public accounting as a certified public accountant or  
19 public accountant in this state, such person shall obtain a permit  
20 from the Oklahoma Accountancy Board, unless such person is granted  
21 practice privileges under Section 15.12A of this title. Any  
22 individual, corporation or partnership or any other entity who  
23 provides any of the services defined hereinabove as the "practice of  
24 public accounting" without holding a license and permit, or without

1 holding a certificate and permit, shall be assessed a fine not to  
2 exceed Ten Thousand Dollars (\$10,000.00) for each separate offense,  
3 unless such person is granted practice privileges under Section  
4 15.12A of this title, or such entity is exempt from the permit and  
5 registration requirements of Section 15.15C of this title.

6 B. The Board shall promulgate rules establishing the  
7 qualifications for obtaining a permit to practice public accounting  
8 in this state. Such rules shall include but not be limited to  
9 provisions that:

10 1. Any individual seeking a permit must have a valid  
11 certificate or license;

12 2. Any individual or entity seeking a permit must be registered  
13 pursuant to the provisions of the Oklahoma Accountancy Act;

14 3. Any individual seeking a permit must meet continuing  
15 professional education requirements as set forth by the Oklahoma  
16 Accountancy Act and rules promulgated by the Board; and

17 4. There shall be no examination for obtaining a permit.

18 C. All such individuals shall, upon application and compliance  
19 with the rules establishing qualifications for obtaining a permit  
20 and payment of the fees, be granted an annual permit to practice  
21 public accounting in this state. ~~Until January 1, 2010, all permits~~  
22 ~~issued shall expire on June 30 of each year and may be renewed from~~  
23 ~~year to year. Effective January 1, 2010, all~~ All permits issued  
24 shall be renewed ~~based on staggered expiration dates~~ on the last day

1 of the individual's birth month in conjunction with the registrant's  
2 certificate or license renewal. The Board may issue interim permits  
3 upon payment of the same fees required for annual permits.

4 D. Failure to apply for and obtain a permit shall disqualify an  
5 individual from practicing public accounting in this state until  
6 such time as a valid permit has been obtained.

7 E. The Board shall charge a fee for each individual permit not  
8 to exceed ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars  
9 (\$200.00).

10 SECTION 13. This act shall become effective July 1, 2019.

11 SECTION 14. It being immediately necessary for the preservation  
12 of the public peace, health or safety, an emergency is hereby  
13 declared to exist, by reason whereof this act shall take effect and  
14 be in full force from and after its passage and approval.

15 Passed the Senate the 7th day of March, 2019.

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Presiding Officer of the Senate

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19 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,

20 2019.

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Presiding Officer of the House  
of Representatives

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