



OFFICE OF THE
SECRETARY

2015 DEC 21 PM 5:18

MURIEL BOWSER
MAYOR

DEC 21 2015

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Ave., NW, Suite 506
Washington, D.C. 20004

Dear Chairman Mendelson:

Enclosed for consideration and approval by the Council of the District of Columbia is a proposed bill entitled the "Accountancy Practice Act of 2015."

The District's regulations on the practice of accountancy are outdated in certain areas. This bill makes updates to these regulations to better protect consumers and to ensure the regulations are in conformance with best practices around nation.

The enclosed bill makes the following five changes: (1) It conforms the definition of "attestation services" to section 23 of the Uniform Accountancy Act. (2) It revises the eligibility requirements for licensure to eliminate restrictions concerning residency and place of employment. (3) It clarifies licensure requirements for firms of certified public accountants that provide attestation services to clients located in the District. (4) It repeals outdated provisions relating to permitting requirements. (5) It expands the range of disciplinary action that may be imposed on firms of certified public accountants that are licensed or permitted to operate in the District of Columbia.

I urge prompt consideration and approval of this measure.

If you have any questions on this matter, please contact Melinda Bolling, Director, Department of Consumer and Regulatory Affairs, at (202) 442-8935.

Sincerely,

A handwritten signature in black ink, appearing to read "Muriel Bowser", written over a large, stylized flourish.

Muriel Bowser

Enclosures


Chairman Phil Mendelson
at the request of the Mayor

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Chairman Phil Mendelson, at the request of the Mayor, introduced the following bill, which was referred to the Committee on _____.

To amend Chapter 28 of Title 47 of the District of Columbia Code to conform the definition of attestation services to section 23 of the Uniform Accountancy Act, to revise the eligibility requirements for licensure to eliminate restrictions concerning residency and place of employment, to clarify licensure requirements for firms of certified public accountants that provide attestation services to clients located in the District, to repeal permitting requirements, and to expand the range of disciplinary actions that may be imposed on firms of certified public accountants that are licensed or permitted to operate in the District of Columbia.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Accountancy Practice Act of 2015.”

Sec. 2. Chapter 28 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by striking the phrase “47-2853.47. Permits; issuance.” and inserting the phrase “47-2853.47. Permits; issuance. [Repealed]” in its place.

(b) Section 47-2853.41(1) is amended as follows:

(1) Subparagraph (C) is amended by striking the phrase “: and” and inserting a semicolon in its place.

(2) Subparagraph (D) is amended by striking the period at the end and inserting the phrase “; and” in its place.

1 (3) A new subparagraph (E) is added to read as follows:

2 “(E) An examination, review, or agreed upon procedures engagement to be
3 performed in accordance with the Statements on Standards for Attestation Engagements, other
4 than an examination described in subparagraph (C) of this paragraph.”.

5 (c) Section 47-2853.42 is amended as follows:

6 (1) Paragraph (2) is repealed.

7 (2) Strike the period at the end of paragraph (4)(C) and insert the phrase “; and”
8 in its place.

9 (3) Add a new paragraph (5) to read as follows:

10 “(5) Meets any other requirements established by rule to ensure that the applicant has had
11 the proper training, experience, and qualifications to practice as a certified public accountant.”.

12 (d) Section 47-2853.43 is amended as follows:

13 (1) Subsection (a) is amended as follows:

14 (A) Strike the phrase “and holds a valid permit to practice as a certified
15 public accountant in the District”.

16 (B) Strike the phrase “and holds a valid permit under § 47-2853.47”.

17 (C) Strike the phrase “under § 47-2853.44(a)(2) or (3)” and insert the
18 phrase “under § 47-2853.44(a)(4)” in its place.

19 (2) Subsection (b) is amended as follows:

20 (A) Strike the phrase “and holds a valid permit issued in accordance with
21 § 47-2853.47”.

22 (B) Strike the phrase “under § 47-2853.44(a)(2) or (3)” and insert the
23 phrase “under § 47-2853.44(a)(4)” in its place.

1 (3) Subsection (c) is amended by striking the phrase “anyone who holds a valid
2 permit issued under the special rules in § 47-2853.47, or”.

3 (4) Subsection (d)(1) is amended by striking the word “permit” and inserting the
4 phrase “license or registration” in its place.

5 (5) Subsection (e) is amended as follows:

6 (A) Strike the word “permit” and insert the word “registration” in its
7 place.

8 (B) Strike the phrase “and its offices in the District for the practice of
9 public accounting are maintained and registered as required under § 47-2853.44”.

10 (C) Strike the phrase “under § 47-2853.44(a)(2) or (3)” and insert the
11 phrase “under § 47-2853.44(a)(4)” in its place.

12 (6) Subsection (f) is amended by striking the phrase “under § 47-2853.44(a)(2) or
13 (3)” and inserting the phrase “under § 47-2853.44(a)(4)” in its place.

14 (7) Subsection (g) is amended as follows:

15 (A) Strike the word “permit” and insert the word “registration” in its
16 place.

17 (B) Strike the phrase “requirements of § 47-2853.44(a)(2) or (3),
18 whichever is applicable” and insert the phrase “requirements of § 47-2853.44(a)(4)” in its place.

19 (e) Section 47-2853.44 is amended as follows:

20 (1) Subsection (a) is amended as follows:

21 (A) Paragraph (3) is repealed.

22 (B) The lead-in language of paragraph (4) is amended to read as follows:

23 “(4) A firm that is not subject to the requirements of paragraph (2) of this

1 subsection may perform other professional services in the practice of certified public accounting
2 in the District and may use the title "CPA" or "CPA firm" without registering under this section,
3 if the firm:".

4 (2) Subsection (b) is amended as follows:

5 (A) Paragraph (1) is amended by striking the phrase "subsection
6 (a)(2)(A)" and inserting the phrase "subsection (a)(2)(C)" in its place.

7 (B) Paragraph (5)(A) is amended by striking the phrase "subsection
8 (a)(2)(A)" and inserting the phrase "subsection (a)(2)(C)" in its place.

9 (3) Subsection (d) is amended as follows:

10 (A) Strike the phrase "and holds a permit issued by the Board".

11 (B) Strike the phrase "and permit under subsection (a)(2) and (3)" and
12 insert the phrase "under subsection (a)(4)" in its place.

13 (C) Strike the phrase "provided in subsection (a)(2) and (3)" and insert the
14 phrase "provided in subsection (a)(4)" in its place.

15 (4) Subsection (e) is amended by striking the word "permit" and inserting the
16 word "registration" in its place.

17 (5) Subsection (f) is amended to read as follows:

18 "(f) An applicant firm for initial issuance or renewal of a registration under this section
19 shall, in its application, list all states (including the District) in which the firm has applied for or
20 has been registered as a CPA firm and list any past denial, revocation, or suspension of a license
21 or registration by the District or any other state, and each licensee or applicant for a registration
22 under this section shall notify the Board in writing, within 30 days after its occurrence, of any
23 change in the identities of partners, officers, shareholders, members, or managers whose

1 principal place of business is in the District, any change in the number or location of offices
2 within the District, any change in the identity of the persons in charge of such offices, and any
3 issuance, denial, revocation, or suspension of a license, permit or registration by any other
4 state.”.

5 (6) Subsection (g) is amended by striking the word “permit” and inserting the
6 word “registration” in its place.

7 (f) Section 47-2853.47 is repealed.

8 (g) Section 47-2853.48 is amended as follows:

9 (1) Subsection (a) is amended by striking the phrase “shall revoke the registration
10 and permit” and inserting the phrase “shall suspend or revoke the registration” in its place.

11 (2) Subsection (b) is amended to read as follows:

12 “(b) After a notice and hearing as provided in this subchapter, and upon a determination
13 by the Board that an applicant or firm has committed any of the acts described in § 47-
14 2853.17(a), or violated any rule promulgated pursuant to this subchapter, the Board may take any
15 of the following disciplinary actions:

16 “(1) Deny a registration or refuse to renew a registration of a firm;

17 “(2) Revoke or suspend the registration of a firm;

18 “(3) Censure or reprimand any firm registered or permitted to practice in the
19 District;

20 “(4) Impose a civil fine not to exceed \$25,000 for each violation by any applicant,
21 or any firm registered or permitted to practice in the District; or

22 “(5) Restrict a firm from offering or providing attest services, as defined in § 47-
23 2853.41(1), in the District.”.

1 (h) Section 47-2853.49 is amended as follows:

2 (1) Subsection (b) is amended as follows:

3 (A) The lead-in language is amended as follows:

4 (i) Strike the phrase “and permit holders”.

5 (ii) Strike the phrase “or a permit under § 47-2853.47,”.

6 (B) Paragraph (1) is amended by striking the phrase “valid license” and
7 inserting the phrase “valid, unrestricted license” in its place.

8 (2) Subsection (e) is amended to read as follows:

9 “(e) An individual who has been granted practice privileges under this section, who
10 performs any of the services listed in § 47-2853.41(1), and who performs the services for an
11 entity with its home office in the District, may only perform the services through a firm that has
12 obtained a registration under § 47-2853.44.”.

13 (3) Subsection (f) is amended as follows:

14 (A) Strike the phrase “firm permit” and insert the phrase “firm
15 registration” in its place.

16 (B) Strike the phrase “or a permit under § 47-2953.47”.

17 (4) Subsection (g) is amended by striking the phrase “permit holder” wherever it
18 appears in subsection (g) and inserting the word “licensee” in its place.

19 Sec. 3. The Council adopts the fiscal impact statement contained in the committee report
20 as the fiscal impact statement required by section 603(c)(3) of the District of Columbia Home
21 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

22 Sec. 4. This act shall take effect following approval by the Mayor (or in the event of veto
23 by the Mayor, action by this Council to override the veto), a 30-day period of Congressional

1 review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved
2 December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the
3 District of Columbia Register.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL



Legal Counsel Division



MEMORANDUM

TO: Lolita S. Alston
Director
Office of Legislative Support

FROM: Janet M. Robins
Deputy Attorney General
Legal Counsel Division

DATE: November 18, 2015

SUBJECT: Certification of Legal Sufficiency of Draft Bill, the "Accountancy Practice Act of 2015"
(AE-15-760)

This is to Certify that this Office has reviewed the above-referenced bill and has found it to be legally sufficient. If you have any questions regarding this certification, please do not hesitate to contact me at 724-5524.



Janet M. Robins