

A BILL

21-541

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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To amend Chapter 28 of Title 47 of the District of Columbia Official 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 Amendment Act of 2016”.

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 [Repealed]” in its place.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) The lead-in language is amended by striking the phrase “financial statement”.

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

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

31 (4) A new subparagraph (E) is added to read as follows:

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

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

36 (1) The lead-in language is amended by striking the phrase “that he or she:” and  
37 inserting the phrase “that the applicant:” in its place

38 (2) Paragraph (2) is repealed.

39 (3) Paragraph (4)(C) is amended by striking the period and inserting the phrase “;  
40 and” in its place.

41 (4) A new paragraph (5) is added to read as follows:

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

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

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

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

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

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

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

53 (A) Strike the phrase “and holds a valid permit issued in accordance with  
54 § 47-2853.47”.

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

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

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

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

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

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

66 (C) Strike the phrase “under § 47-2853.44(a)(2) or (3)” and inserting the  
67 phrase “under § 47-2853.44(a)(4)” in its place.

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

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

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

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

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

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

77 (A) Paragraph (3) is repealed.

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

79 “(4) A firm that is not subject to the requirements of paragraph (2) of this  
80 subsection may perform other professional services in the practice of certified public accounting  
81 in the District and may use the title "CPA" or "CPA firm" without registering under this section,  
82 if the firm:”.

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

84 (A) Paragraph (1) is amended by striking the phrase “subsection  
85 (a)(2)(A)” and inserting the phrase “subsection (a)(2)(C)” in its place.

86 (B) Subparagraph (5)(A) is amended by striking the phrase “subsection  
87 (a)(2)(A)” and inserting the phrase “subsection (a)(2)(C)” in its place.

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

89 (A) Strike the phrase “and holds a permit issued by the Board,”.

90 (B) Strike the phrase “and permit under subsection (a)(2) and (3)” and  
91 insert the phrase “under subsection (a)(4)” in its place.

92 (C) Strike the phrase “provided in subsection (a)(2) and (3)” and insert the  
93 phrase “provided in subsection (a)(4)” in its place.

94 (4) Subsection (e) is amended by striking the word “permit” and inserting the  
95 word “registration” in its place.

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

97 “(f)(1) An applicant firm for initial issuance or renewal of a registration under this section  
98 shall, in its application, list all states (including the District) in which the firm has applied for or  
99 has been registered as a CPA firm and list any past denial, revocation, or suspension of a license  
100 or registration by the District or any other state.

101 “(2) Each licensee or applicant for a registration under this section shall notify the  
102 Board in writing, within 30 days after its occurrence, of any:

103 “(A) Change in the identities of partners, officers, shareholders, members,  
104 or managers whose principal place of business is in the District;

105 “(B) Change in the number or location of offices within the District;

106 “(C) Change in the identity of the persons in charge of offices within the  
107 District; or

108 “(D) Issuance, denial, revocation, or suspension of a license, permit, or  
109 registration by any other state.”.

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

112 (f) Section 47-2853.47 is repealed.

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

114 (1) Subsection (a) is amended by striking the phrase “shall revoke the registration

115 and permit” and inserting the phrase “shall suspend or revoke the registration” in its place.

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

117 “(b) After a notice and hearing as provided in this subchapter, and upon a determination  
118 by the Board that an applicant or firm has committed any of the acts described in § 47-  
119 2853.17(a), or violated any rule promulgated pursuant to this subchapter, the Board may take any  
120 of the following disciplinary actions:

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

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

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

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

127 “(5) Restrict a firm from offering or providing attest services, as defined in § 47-  
128 2853.41(1), in the District.”.

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

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

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

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

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

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

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

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

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

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

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

145 (4) Subsection (g) is amended by striking the phrase “permit holder” both times it  
146 appears and inserting the word “licensee” in its place.

147 Sec. 3. Fiscal impact statement.

148 The Council adopts the fiscal impact statement in the committee report as the fiscal  
149 impact statement required by section 4a of the General Legislative Procedures Act of 1975,  
150 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

151 Sec. 4. Effective date.

152 This act shall take effect following approval by the Mayor (or in the event of veto by the  
153 Mayor, action by this Council to override the veto), a 30-day period of Congressional review as  
154 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
155 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
156 Columbia Register.