

LEGISLATIVE BILL 214

Approved by the Governor March 3, 2003

Introduced by Quandahl, 31

AN ACT relating to accountants; to amend sections 1-114, 1-118, 1-119, 1-120, 1-124, 1-135, and 1-136, Reissue Revised Statutes of Nebraska; to change provisions relating to examinations and fees; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 1-114, Reissue Revised Statutes of Nebraska, is amended to read:

1-114. (1) Prior to January 1, 1998, the board shall issue a certificate of certified public accountant to any person (a) who is a resident of this state or has a place of business therein or, as an employee, is regularly employed therein, (b) who has graduated from a college or university of recognized standing, and (c) who has passed a written examination in accounting, auditing, and such other related subjects as the board determines to be appropriate.

(2) On and after January 1, 1998, the board shall issue a certificate of certified public accountant to any person (a) who is a resident of this state or has a place of business in this state or, as an employee, is regularly employed in this state and (b) who has passed a ~~written~~ an examination in accounting, auditing, and such other related subjects as the board determines to be appropriate.

Sec. 2. Section 1-118, Reissue Revised Statutes of Nebraska, is amended to read:

1-118. (1) The board may by rule and regulation prescribe the terms and conditions under which a person who ~~passes~~ does not pass the examination in one ~~or more of the subjects indicated in section 1-114~~ sitting may be reexamined. ~~in only the remaining subjects with credit for the subjects previously passed.~~ The board may also provide by rule and regulation for a reasonable waiting period for reexamination.

(2) Any person who is eligible to take the examination under subsection (1) of section 1-116 and passes the examination in one or more of the subjects may be reexamined in the remaining subjects after January 1, 1998, without meeting the requirements of subsection (2) of section 1-116 subject to the rules and regulations of the board.

(3) A person shall be entitled to any number of reexaminations under section 1-114 subject to the rules and regulations of the board.

Sec. 3. Section 1-119, Reissue Revised Statutes of Nebraska, is amended to read:

1-119. The board shall charge a fee as established by the board not to exceed three hundred dollars on and after the effective date of this act and prior to January 1, 2004, and not to exceed two hundred dollars on and after January 1, 2004, for the initial examination provided for in section 1-114. An applicant for the examination may be required to pay additional fees as charged by and remitted or paid to a third party for administering the examination, if required by the board.

Sec. 4. Section 1-120, Reissue Revised Statutes of Nebraska, is amended to read:

1-120. The board shall charge fees as established by the board for reexaminations under section 1-114. Such fees shall not exceed seventy-five dollars on and after the effective date of this act and prior to January 1, 2004, and shall not exceed fifty dollars on and after January 1, 2004, for each subject in which a person is reexamined. An applicant for the reexamination may be required to pay additional fees as charged by and remitted or paid to a third party for administering the reexamination, if required by the board.

Sec. 5. Section 1-124, Reissue Revised Statutes of Nebraska, is amended to read:

1-124. The board may, in its discretion, waive the examination described in section 1-114 and may issue a reciprocal certificate as a certified public accountant to any person who possesses the qualifications specified in subdivision (1)(a) or (2)(a) of section 1-114 and section 1-116 and who is the holder of a certificate as a certified public accountant, then in full force and effect, issued under the laws of any state or is the holder of a certificate, license, or degree in a foreign country constituting a recognized qualification for the practice of public accountancy in such

country, comparable to that of a certified public accountant of this state, which is then in full force and effect. The board shall charge each person obtaining a reciprocal certificate issued under this section a fee as established by the board not to exceed ~~two~~ four hundred dollars.

Sec. 6. Section 1-135, Reissue Revised Statutes of Nebraska, is amended to read:

1-135. Each office established or maintained in this state for the practice of public accountancy in this state by a certified public accountant, by a partnership of certified public accountants or a limited liability company of certified public accountants registered under section 1-126, by a public accountant registered under sections 1-128 to 1-130 as such sections existed on September 20, 1957, by a partnership of public accountants or a limited liability company of public accountants registered under section 1-133, by a foreign accountant registered under section 1-125, or by a corporation registered under section 1-134 shall be registered annually under the Public Accountancy Act with the board. ~~7 but no fee shall be charged for the registration of the first office.~~ The board shall charge an annual fee for the registration of ~~the second and each additional~~ each office as established by the board not to exceed ~~fifty~~ one hundred dollars. The board shall by rule and regulation prescribe the procedure to be followed in effecting such registrations.

Each office shall be under the supervision of a manager who holds a permit issued under section 1-136 which is in full force and effect. Such manager may serve in such capacity at one office only. Such manager shall be directly responsible for the supervision and management of the office and may be subject to disciplinary action for the actions of the person or firm or any persons employed by that office of the person or firm within the State of Nebraska which relate to the practice of public accountancy.

Sec. 7. Section 1-136, Reissue Revised Statutes of Nebraska, is amended to read:

1-136. (1) Permits to engage in the practice of public accountancy in this state shall be issued by the board to (a) persons who are holders of the certificate of certified public accountant issued under sections 1-114 to 1-124 and who have met the experience requirements of section 1-136.02, (b) foreign accountants registered under section 1-125, (c) partnerships and limited liability companies of certified public accountants registered under section 1-126, (d) persons registered as public accountants under sections 1-128 to 1-130 as such sections existed on September 20, 1957, (e) partnerships and limited liability companies of public accountants registered under section 1-133, and (f) corporations registered under section 1-134 as long as all offices of such certificate holders or registrants in this state for the practice of public accountancy are maintained and registered as required under section 1-135.

(2)(a) Except as provided in the case of permits subject to subdivision (2)(b) of this section, the board shall charge an annual permit fee as established by the board not to exceed one hundred fifty dollars. All permits subject to this subdivision shall expire on June 30 of each year and may be renewed annually for a period of one year by certificate holders and registrants in good standing upon payment of an annual renewal fee as established by the board not to exceed one hundred fifty dollars. The board may prorate the fee for any permit subject to this subdivision issued for less than one year.

(b) ~~Commencing June 30, 1998, the~~ The board shall charge a biennial permit fee as established by the board not to exceed ~~two~~ three hundred dollars for permits issued under subdivisions (1)(a), (1)(b), and (1)(d) of this section. All permits subject to this subdivision shall expire on June 30 of the first calendar year after the calendar year of issuance in which the age of the certificate holder or the registrant becomes divisible by two, and may be renewed biennially for a period of two years by certificate holders and registrants in good standing upon payment of a biennial renewal fee as established by the board not to exceed ~~two~~ three hundred dollars. The board may prorate the fee for any permit subject to this subdivision issued for less than two years.

(3) Failure of a certificate holder or registrant to apply for a permit within (a) three years from the expiration date of the permit last obtained or renewed or (b) three years from the date upon which the certificate holder or registrant was issued a certificate or registration if no permit was ever issued to such person shall deprive him or her of the right to issuance or renewal of a permit unless the board, in its discretion, determines such failure to have been excusable. In such case the renewal fee or the fee for the issuance of the original permit, as the case may be, shall be such amount as established by the board not to exceed ~~one hundred dollars~~

and, commencing June 30, 1998, not to exceed ~~two~~ three hundred dollars.

(4) Any certificate holder or registrant who has not lost his or her right to issuance or renewal of a permit and who is not actively engaged in the practice of public accountancy in this state may file a written application with the board to be classified as inactive. A person so classified shall not be issued a permit or be deemed the holder of a permit but shall be carried upon an inactive roll to be maintained by the board upon the payment of an inactive fee as established by the board not to exceed ~~forty~~ fifty percent of the fee charged persons actively engaged in the practice of public accountancy as provided in this section. A person so classified shall not be deprived of the right to the issuance or renewal of a permit and may, upon application to the board and upon payment of the current permit fee, be issued a current permit.

Sec. 8. Original sections 1-114, 1-118, 1-119, 1-120, 1-124, 1-135, and 1-136, Reissue Revised Statutes of Nebraska, are repealed.

Sec. 9. Since an emergency exists, this act takes effect when passed and approved according to law.