

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 629

Short Title: CPA Revisions.

(Public)

Sponsors: Senator Hunt.

Referred to: Judiciary II.

March 30, 1993

A BILL TO BE ENTITLED
AN ACT TO MAKE CHANGES IN THE GENERAL STATUTES RELATING TO
CERTIFIED PUBLIC ACCOUNTANTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 93-12(5) reads as rewritten:

"(5) To issue certificates of qualification admitting to practice as certified public accountants, each applicant who, having the qualifications herein specified, shall have passed an examination to the satisfaction of the Board, in 'accounting theory,' 'accounting practice,' 'auditing,' 'business law,' and other related subjects.

From and after July 1, 1961, any person shall be eligible to take the examination given by the Board, or to receive a certificate of qualification to practice as a certified public accountant, Board who is a citizen of the United States or has declared his intention of becoming a citizen or is a resident alien, and has been domiciled in or resided for at least four months within the State of North Carolina immediately prior to the filing of an application to take the ~~examination or to receive a certificate of qualification, examination,~~ is 18 years of age or over, and is of good moral character, and submits evidence satisfactory to the Board that:

- a. He holds a ~~bachelor's~~ bachelors degree from a college or university accredited by one of the regional accrediting associations or from a college or university determined by the Board to have standards substantially equivalent to a regionally accredited institution, and

- 1 b. His degree studies included a concentration in accounting as
2 defined by the Board or that he supplemented his degree studies
3 with courses that the Board determines to be substantially
4 equivalent to a concentration in accounting, and
5 c. Satisfactory evidence of the completion of two years in an
6 accredited college or university or its equivalent with a
7 concentration in accounting as defined by the Board and two
8 years experience in the practice of public accountancy under the
9 direct supervision of a certified public accountant, in addition to
10 other experience requirements in this section, may be
11 substituted for a ~~bachelor's~~bachelors degree.

12 Provided, however, the Board may, in its discretion, waive the
13 education requirement of any candidate if the Board is satisfied from
14 the result of a special written examination given the candidate by the
15 Board to test his educational qualifications that he is as well equipped,
16 educationally, as if he met the education requirements specified above.
17 The Board may provide by regulation for the general scope of such
18 examinations and may obtain such advice and assistance as it deems
19 appropriate to assist it in preparing, administering and grading such
20 special examinations.

21 Such applicant, in addition to passing the examination given by the
22 Board, shall have the endorsement as to his eligibility of three certified
23 public accountants who currently hold licenses in any state or territory
24 of the United States or the District of Columbia and shall have had
25 either:

- 26 a. Two years experience in the field of accounting under the direct
27 supervision of a certified public accountant who currently holds
28 a valid license in any state or territory of the United States or
29 the District of Columbia, or
30 b. Five years experience teaching accounting in a four-year
31 college or university accredited by one of the regional
32 accrediting associations or in a college or university determined
33 by the Board to have standards substantially equivalent to a
34 regionally accredited institution; or
35 c. Five years experience in the field of accounting; or five years
36 experience teaching college transfer accounting courses at a
37 community college or technical institute accredited by one of
38 the regional accrediting associations; or
39 d. Any combination of such experience determined by the Board
40 to be substantially equivalent to the foregoing.

41 A Master's or more advanced degree in accounting, tax law,
42 economics, business administration, or the equivalent thereof, or a law
43 degree with emphasis in taxation or accounting from an accredited
44 college or university may be substituted for one year of experience.

1 The Board may permit persons otherwise eligible to take its
2 examinations and withhold certificates until such person shall have had
3 the required experience."

4 Sec. 2. Effective January 1, 1997, G.S. 93-12(5), as amended by Section 1 of
5 Chapter 214 of the 1991 Session Laws, and as further amended by Section 1 of this act,
6 reads as rewritten:

7 "(5) To issue certificates of qualification admitting to practice as certified
8 public accountants, each applicant who, having the qualifications
9 herein specified, shall have passed an examination to the satisfaction
10 of the Board, in 'accounting,' 'auditing,' 'business law,' and other
11 related subjects.

12 A person is eligible to take the examination given by the Board
13 who is a citizen of the United States or has declared his intention of
14 becoming a citizen or is a resident alien, and has been domiciled in or
15 resided for at least four months within the State of North Carolina
16 immediately prior to the filing of an application to take the
17 examination, is 18 years of age or over, and is of good moral character,
18 and submits evidence satisfactory to the Board that:

- 19 a. He holds a ~~bachelor's~~ bachelors degree from a college or
20 university accredited by one of the regional accrediting
21 associations or from a college or university determined by the
22 Board to have standards substantially equivalent to a regionally
23 accredited institution, and
24 b. His degree studies included a concentration in accounting as
25 defined by the Board or that he supplemented his degree studies
26 with courses that the Board determines to be substantially
27 equivalent to a concentration in accounting.
28 c. Repealed by Session Laws 1991, c. 214, s. 1, effective January
29 1, 1997.

30 Provided, however, the Board may, in its discretion, waive the
31 education requirement of any candidate if the Board is satisfied from
32 the result of a special written examination given the candidate by the
33 Board to test his educational qualifications that he is as well qualified
34 as if he met the education requirements specified above. The Board
35 may provide by regulation for the general scope of such examinations
36 and may obtain such advice and assistance as it deems appropriate to
37 assist it in preparing, administering and grading such special
38 examinations.

39 After January 1, 2001, all applicants for a Certificate of
40 Qualification must have completed 150 college semester hours which
41 include a bachelors degree, a concentration in accounting and such
42 other course work as the Board requires by regulation from a college
43 or university determined by the Board to have standards substantially
44 equivalent to a regionally accredited institution.

1 Such applicant, in addition to passing the examination given by the
2 Board, shall have the endorsement as to his eligibility of three certified
3 public accountants who currently hold licenses in any state or territory
4 of the United States or the District of Columbia and shall have had
5 either:

- 6 a. Two years experience in the field of accounting under the direct
7 supervision of a certified public accountant who currently holds
8 a valid license in any state or territory of the United States or
9 the District of Columbia, or
10 b. Five years experience teaching accounting in a four-year
11 college or university accredited by one of the regional
12 accrediting associations or in a college or university determined
13 by the Board to have standards substantially equivalent to a
14 regionally accredited institution; or
15 c. Five years experience in the field of accounting; or five years
16 experience teaching college transfer accounting courses at a
17 community college or technical institute accredited by one of
18 the regional accrediting associations; or
19 d. Any combination of such experience determined by the Board
20 to be substantially equivalent to the foregoing.

21 A Master's or more advanced degree in accounting, tax law,
22 economics, business administration, or the equivalent thereof, or a law
23 degree with emphasis in taxation or accounting from an accredited
24 college or university may be substituted for one year of experience.
25 The Board may permit persons otherwise eligible to take its
26 examinations and withhold certificates until such person shall have had
27 the required experience."

28 Sec. 3. G.S. 93-12(6) reads as rewritten:

29 "(6) In its discretion to grant certificates of qualification admitting to
30 practice as certified public accountants such applicants who shall be
31 the holders of valid and unrevoked certificates as certified public
32 accountants, or the equivalent, issued by or under the authority of any
33 state, or territory of the United States or the District of Columbia, or
34 country when in the judgment of the Board the requirements for the
35 issuing or granting of such certificates or degrees are substantially
36 equivalent to the requirements established by this Chapter: Provided,
37 however, that such applicant has been a bona fide resident of this State
38 for not less than four months or, if a nonresident, he has maintained or
39 has been a member of a firm that has maintained for not less than four
40 months a bona fide office within this State for the public practice of
41 accounting and, provided further, that the state or political subdivision
42 of the United States or country upon whose certificate the reciprocal
43 action is based grants the same privileges to holders of certificates as
44 certified public accountants issued pursuant to the provisions of this

1 Chapter. The Board, by general rule, may grant temporary permits to
2 applicants under this subsection pending their qualification for
3 reciprocal certificates."

4 Sec. 4. G.S. 93-12 is amended by adding the following new subdivision to
5 read:

6 "(15) Power of Board to seek injunction. The Board may appear in its
7 own name and apply to courts having jurisdiction for injunctions to
8 prevent violations of this Chapter or of rules issued pursuant
9 thereto, and such courts are empowered to grant such injunctions
10 regardless of whether criminal prosecution or other actions have
11 been or may be instituted as a result of such violation. A single act
12 of unauthorized or illegal practice shall be sufficient, if shown, to
13 invoke the injunctive relief of this section or criminal penalty under
14 G.S. 93-13."

15 Sec. 5. Chapter 93 of the General Statutes is amended by adding the
16 following new section to read:

17 "**§ 93-12.2. Confidential records.**

18 Records, papers, and other documents containing information collected or compiled
19 by the Board, or its members or employees, as a result of a complaint, investigation,
20 inquiry, or interview in connection with an application for examination, licensure,
21 registration, or professional ethics and conduct, shall not be considered public records
22 within the meaning of Chapter 132 of the General Statutes. Any notice or statement of
23 charges against any licensee or applicant, or any notice to any licensee or applicant of a
24 hearing in any proceeding shall be a public record within the meaning of Chapter 132 of
25 the General Statutes, notwithstanding that it may contain information collected and
26 compiled as a result of any investigation, inquiry, interview, or complaint. If any record,
27 paper, or other document containing information collected and compiled by the Board is
28 received and admitted into evidence in any hearing before the Board, it shall then be a
29 public record within the meaning of Chapter 132 of the General Statutes."

30 Sec. 6. This act becomes effective October 1, 1993. Section 2 of this act
31 expires January 1, 2001.