

SB 395 -- THE PRACTICE OF PUBLIC ACCOUNTING

SPONSOR: Hoskins (Sommer)

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on General Laws by a vote of 13 to 0. Voted "Do Pass" by the Rules-Legislative Oversight Committee by a vote of 12 to 2.

This bill modifies provisions relating to the practice of public accountants.

This bill modifies several definitions related to the profession of accountancy. This bill also lowers the age that someone can become licensed as an accountant from 21 to 18.

A certified public accounting firm that does not have an office in the state of Missouri may offer or perform attest or compilation services in Missouri without a permit if it meets certain requirements, as set forth in the bill. All firms practicing public accounting in the state of Missouri shall register with the Secretary of State, unless they are exempted as described in the bill.

This bill repeals several provisions relating to review services done by a public accountant or a public accounting firm.

This bill repeals a provision stating that a licensee who supervises review services or signs or authorizes someone to sign review reports shall meet competency requirements as determined by the Board. This bill also repeals a provision that states that, prior to January 1, 2008, licensees who perform fewer than three attest services a year shall be exempt from the requirement to undergo peer review as described in the bill.

This bill repeals a provision relating to documents subject to lawful discovery in a court proceeding pursuant to the Missouri Rules of Civil Procedure prior to August 28, 2001. This bill also repeals a provision about the power of the Missouri State Board of Accountancy to revoke the permit of a CPA firm.

PROPONENTS: Supporters say that these changes are based on the industry model rules. The changes allow firms to have mobility so out of state firms can work on audits in Missouri. Individuals already have mobility, it is just expanding it to the firms as well. The CPA exam is already the same for every state and there is no state specific knowledge that would require a Missouri permit.

Testifying for the bill were Senator Hoskins and the Missouri Society of Certified Public Accountants.

OPPONENTS: There was no opposition voiced to the committee.