

SHORT TITLE: Professions and occupations; creating Accountancy Act
of 1998. Effective date.

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

SENATE BILL NO. 1310

By: Fisher

AS INTRODUCED

An Act relating to accountancy; amending 59 O.S.

1991, Section 15.1, as amended by Section 1, Chapter 272, O.S.L. 1992, Section 2, Chapter 272, O.S.L. 1992, as amended by Section 15, Chapter 293, O.S.L. 1994, 15.2, as amended by Section 3, Chapter 272, O.S.L. 1992, 15.5, as amended by Section 6, Chapter 272, O.S.L. 1992, and 15.7, as amended by Section 8, Chapter 272, O.S.L. 1992 (59 O.S. Supp. 1997, Sections 15.1, 15.1A, 15.2, 15.5 and 15.7), which relate to the Oklahoma Accountancy Act, Oklahoma Accountancy Board, and Accountancy Fund, and 74 O.S. 1991, Section 212A, as last amended by Section 14, Chapter 290, O.S.L. 1996 (74 O.S. Supp. 1997, Section 212A), which relates to audits of government entities; providing short title; deleting legislative declarations; providing definitions; modifying definitions; clarifying statutory references; requiring adoption of rules governing certain procedures and qualifications; deleting requirement relating to expenditure and deposit of certain fines; authorizing certain Board to conduct certain investigations, institute certain proceedings, issue subpoenas, and designate certain investigator; prescribing certain procedures for investigating certain complaints; requiring confidentiality of certain information;

stating certain standard for issuing certain complaint; authorizing certain review; prescribing qualifications for issuance of certified public accountant certificate; stating grounds for refusal to grant certificate; prescribing certain testing procedure; authorizing use of certain examination; allowing certain contracts for certain services; stating certain standards for satisfactory performance on certain tests; allowing certain waiver; authorizing certain Board to set certain fees; allowing certain substantial equivalency standard to satisfy certain requirements for certain certificate; limiting practice of certain certificate holders; stating term of certain certificates; prescribing certain procedures for issuance or renewal of certain certificate; allowing certain provisional certificate; stating requirements for issuance of certain certificates to holders of certain certificates from other states; requiring certain certification before establishment of certain business; authorizing certain application through certain organization; requiring continuing education program for certain licensees; allowing certain exceptions; stating requirements for issuance of certain certificates to holders of certificates from foreign countries; restricting issuance of certain reports; providing exceptions; requiring certain standards to be applied in performing certain services; prohibiting use of certain titles by certain persons and entities; requiring certain permit and ownership status to use certain titles and perform certain

services; prohibiting use of certain language in certain documents by certain nonlicensees; requiring certain board to provide certain safe harbor language; prohibiting misleading use of certain names or designations; prohibiting commission fee in certain circumstances; requiring certain disclosures related to certain commission and referral fees; prohibiting contingent fees in certain circumstances; authorizing certain fees; according certain status and privileges of certain certificates from other states; requiring certain certificate holders to notify certain board of certain intent; implying certain consent by certain licensees to certain jurisdiction of certain board and appointment of certain entity as service agent for certain purposes; subjecting certain licensees to disciplinary action for acts in other states; providing procedures for certain license revocation, suspension, nonrenewal, reprimand, censure, practice limitation, and administrative fines; stating reasons for certain penalties; providing procedures for grant or renewal of certain permits; stating qualifications for certain permits; requiring certain ownership status for certain permits; requiring certain experience to perform certain duties under certain permits; requiring certain registration by certain permit holders; requiring certain information from certain applicants; requiring corrective action in certain noncompliance circumstances; requiring certain peer reviews; requiring promulgation of rules for peer review procedures; prescribing procedures for

issuing certain complaints; requiring certain notice; stating rights of certain licensees; authorizing certain licensee to appear at certain hearing; authorizing issuance of certain subpoenas; prescribing certain procedures for certain hearing; authorizing appeal to District Court; incorporating certain procedures by reference to Administrative Procedures Act; requiring certain notification to certain agencies and organizations; providing procedures for modification of suspension or revocation of certain certificates and permits; providing for injunctions in certain circumstances; authorizing renewal of certain certificates, registrations, and permits upon fulfilling certain requirements; stating expirations of certain certificates, registrations, and permits; limiting services and titles to be used by certain persons; appointing Secretary of State as service agent for nonresident certificate and permit holders; authorizing referral of certain information to certain law enforcement officers; providing criminal penalties; stating sufficiency of evidence for certain sanctions; requiring confidentiality of certain client information; allowing disclosure in certain circumstances; according ownership of certain materials to certain licensees; restricting transfer of certain materials; requiring provision of copies of certain records and papers to clients; stating circumstances for liability to third parties in certain negligence actions; limiting time within which certain negligence actions may be filed; providing the measure of damages in certain

actions; prohibiting joint liability in certain actions; prohibiting recovery of certain damages from certain licensees; deleting obsolete language; prohibiting certain construction of act; eliminating gender distinctions; correcting grammar and usage; repealing Section 7, Chapter 272, O.S.L. 1992, 59 O.S. 1991, Sections 15.8, 15.9, and 15.10, as amended by Sections 9, 10, and 11, Chapter 272, O.S.L. 1992, 15.11, 15.12, 15.13, and 15.14, as amended by Sections 13, 14, 15, and 16, Chapter 272, O.S.L. 1992, 15.15, as amended by Section 19, Chapter 272, O.S.L. 1992, Section 20, Chapter 272, O.S.L. 1992, 15.16, 15.17, as amended by Section 21, Chapter 272, O.S.L. 1992, and as renumbered by Section 34, Chapter 272, O.S.L. 1992, 15.18, as amended by Section 12, Chapter 272, O.S.L. 1992, and as renumbered by Section 34, Chapter 272, O.S.L. 1992, 15.20, as amended by Section 18, Chapter 272, O.S.L. 1992, and as renumbered by Section 34, Chapter 272, O.S.L. 1992, 15.22, as amended by Section 17, Chapter 272, O.S.L. 1992, and as renumbered by Section 34, Chapter 272, O.S.L. 1992, 15.23, 15.24, and 15.25, as amended by Sections 22, 23, 24, and 25, Chapter 272, O.S.L. 1992, 15.26, as last amended by Section 505, Chapter 133, O.S.L. 1997, 15.27 and 15.28, as amended by Sections 27 and 28, Chapter 272, O.S.L. 1992, Section 29, Chapter 272, O.S.L. 1992, and 15.35, as amended by Section 30, Chapter 272, O.S.L. 1992 (59 O.S. Supp. 1997, Sections 15.6A, 15.8, 15.9, 15.10, 15.10A, 15.11, 15.12, 15.13, 15.14, 15.14A, 15.14B, 15.15, 15.15A, 15.15B,

15.16, 15.23, 15.24, 15.25, 15.26, 15.27, 15.28, 15.30, and 15.35), which relate to the Oklahoma Accountancy Act; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 59 O.S. 1991, Section 15.1, as amended by Section 1, Chapter 272, O.S.L. 1992 (59 O.S. Supp. 1997, Section 15.1), is amended to read as follows:

Section 15.1 Sections ~~15.1 through 15.5, 15.7 through 15.16, 15.17 and 15.18 as recodified, 15.20 and 15.22 as recodified, 15.23 through 15.28, 15.32 and 15.33 as recodified and 15.35~~ 15.3, 15.4, 15.36, and 15.37 of Title 59 of the Oklahoma Statutes and Sections ~~2, 7, 19, 20, and 29~~ 1 through 24 of this act shall be known and may be cited as the "~~Oklahoma Accountancy Act~~" "Accountancy Act of 1998".

~~The Legislature hereby declares that in order to protect the citizens of this state, it shall be the policy of this state to promote the reliability of information used for guidance in financial transactions for accounting for or assessing the financial status or performance of commercial, noncommercial, and governmental enterprises.~~

~~The Legislature further declares that:~~

~~1. The interest and protection of the citizens of this state requires that persons professing special competence in accountancy or offering assurance as to the reliability or fairness of presentation of such information shall have demonstrated their qualifications for such activities;~~

~~2. Any person who has not demonstrated and maintained such qualifications including certificate holders or license holders not in public practice shall not be permitted to hold themselves out as having such special competence or to offer such assurance;~~

~~3. The professional conduct of persons authorized by the state to hold themselves out as having special competence in accountancy shall be well versed in all aspects of the practice of public accounting; and~~

~~4. The use of titles relating to the practice of public accounting that are likely to mislead the public as to the status or competence of the persons using such titles be prohibited.~~

~~In order to implement the policy of this state, a public authority competent to prescribe and assess the qualifications and to regulate the professional conduct of practitioners of public accounting shall be established.~~

SECTION 2. AMENDATORY Section 2, Chapter 272, O.S.L. 1992, as amended by Section 15, Chapter 293, O.S.L. 1994 (59 O.S. Supp. 1997, Section 15.1A), is amended to read as follows:

Section 15.1A As used in the Oklahoma Accountancy Act:

1. ~~"Accountancy" means the profession or practice of accounting;~~

2. ~~"Applicant" means an individual or entity which has made application to the Board for a certificate, license, or permit and said application has not been approved;~~

3. ~~"Attestation" means~~ "Attest" means providing the following financial statement services according to the standards indicated, if the standards are adopted by the Board, or according to such similar standards as may be adopted by the Board pursuant to the Administrative Procedures Act:

a. any audit or other engagement to be performed in accordance with the Statements on Auditing Standards (SAS),

- b. any review of a financial statement to be performed in accordance with the Statement on Standards for Accounting and Review Services (SSARS), and
- c. any examination of prospective financial information to be performed in accordance with the Statements on Standards for Attestation Engagements (SSAE),
- d. a written communication that expresses a conclusion about the reliability of a written assertion that is the responsibility of another party performed in accordance with the SSAE;

~~4. 2. "Audit" can only be performed by an individual or entity who is registered with the Board and holding a valid permit issued pursuant to the Oklahoma Accountancy Act and means a systematic investigation or appraisal of information, procedures, or operations,~~ performed in accordance with generally accepted auditing standards in the United States~~,~~ for the purpose of determining conformity with established criteria and for communicating the results to interested parties and which is performed by an individual or entity registered with the Board and holding a permit under the Accountancy Act of 1998;

~~5. 3. "Board" means the Oklahoma Accountancy Board;~~

~~6. "Candidate" means an individual who has been qualified and approved by the Board to take an examination for a certificate or license;~~

~~7. 4. "Certificate" means the Oklahoma document issued by the Board to a candidate upon successful completion of the certified public accountant examination designating the holder as a certified public accountant pursuant to the laws of Oklahoma. "Certificate" shall also mean the Oklahoma document issued by reciprocity to an individual who has previously been certified in another jurisdiction or a corresponding certificate as certified public accountant issued~~ after examination under the laws of another state;

~~8. "Certified public accountant" means any person who has received a certificate from the Board;~~

~~9. 5. "Client" means the individual a person or entity which retains a registrant to perform professional services that agrees with a licensee to receive any professional service;~~

~~10. 6. "Compilation" when used with reference to financial statements, means presenting information in the form of financial statements which ~~is~~ are the representation of management or owners without undertaking to express any assurance on the statements;~~

~~11. "CPA" or "C.P.A." means certified public accountant;~~

~~12. 7. "Designated manager" means the individual domiciled in Oklahoma and appointed by the firm partners or shareholders to be responsible for the administration of the office;~~

~~13. "Entity" means an organization whether organized for profit or not, corporation, partnership, or governmental agency;~~

~~14. "Examination" means the written test administered, supervised, and graded by or at the direction of the Board which is required for a certificate as a certified public accountant or a license as a public accountant;~~

~~15. 8. "Executive director" means the chief administrative officer of the Board;~~

~~16. "Financial statements" means a written statement and related footnotes purporting to show actual or anticipated financial position, the results of operations, cash flow, or changes in financial position which relate to a specific period of time, on the basis of generally accepted accounting principles. The term "financial statements" also includes specific elements, accounts, or items of such statements, but does not include incidental financial data included in management advisory services, reports to support recommendations to a client nor does it include tax returns and supporting schedules;~~

~~17. 9. "CPA Firm" means an entity which is either a sole proprietorship, partnership, or professional corporation, limited liability company, or any other form of organization issued a permit under Section 12 of this act, including individual partners or shareholders, which is engaged in accountancy;~~

~~18. "Holding out" means any representation by an individual that he or she holds a certificate or license and a valid permit, or by an entity that it holds a valid permit. Any such representation is presumed to invite the public to rely upon the professional skills implied by the certificate or license and valid permit in connection with the services or products offered;~~

~~19. 10. "Individual" means a human being;~~

~~20. 11. "License" means the Oklahoma document issued by the Board to a candidate upon successful completion of the public accountant examination designating the holder as a public accountant pursuant to the laws of Oklahoma. "License" shall also mean the Oklahoma document issued by the Board by reciprocity to a public accountant who has previously been licensed by examination in another jurisdiction a certificate issued under Section 8 of this act, a permit issued under Section 12 of this act or a registration under Section 16 of this act; or, in each case, a certificate or permit issued under corresponding provisions of prior law;~~

~~21. "Management advisory services", "management consulting services", or "management services" (hereinafter collectively referred to as "MAS") means the function of providing advice and/or technical assistance, performed in accordance with standards for MAS engagements and MAS consultations such as those issued by the American Institute of Certified Public Accountants, where the primary purpose is to help the client improve the use of its capabilities and resources to achieve its objectives including but not limited to:~~

- ~~a. counseling management in analysis, planning, organizing, operating, and controlling functions,~~
- ~~b. conducting special studies, preparing recommendations, proposing plans and programs, and providing advice and technical assistance in their implementation,~~
- ~~c. reviewing and suggesting improvement of policies, procedures, systems, methods, and organization relationships, and~~
- ~~d. introducing new ideas, concepts, and methods to management.~~

~~MAS shall not include recommendations and comments prepared as a direct result of observations made while performing an audit, review, or compilation of financial statements or while providing tax services, including tax consultations;~~

~~22. "MAS engagement" means that form of MAS in which an analytical approach and process is applied in a study or project. MAS engagement constitutes more than an incidental effort devoted to some combination of activities relating to the determination of client objectives, fact finding, opportunity or problem definition, evaluation of alternatives, formulation of proposed action, communication of results, implementation, and follow-up;~~

~~23. "MAS consultation" means that form of MAS based primarily on existing personal knowledge about the client, the circumstances, the technical matters involved, and the mutual intent of the parties. MAS consultation may include but is not limited to advice or information given by a registrant in a short time frame wherein information is received through verbal discussions with the client and is accepted by the registrant as represented. The response of the registrant may be definitive when existing personal knowledge is deemed adequate; otherwise it may be qualified, in which case limitations are stated. A qualified response often reflects cost,~~

~~time, scope, or other limitations imposed by the specific circumstances of the client;~~

~~24. "PA" or "P.A." means public accountant;~~

~~25. "Partnership" means a contractual relationship based upon a written, oral, or implied agreement, between two or more individuals who combine their resources and activities in a joint enterprise and share in varying degrees and by specific agreement in the management and in the profits or losses. A partnership may be general or limited as those terms are defined by the laws of this state~~

12. "Licensee" means the holder of a license as defined in paragraph 21 of this section;

13. "Manager" means a manager of a limited liability company;

14. "Member" means a member of a limited liability company;

15. "Peer review" means a study, appraisal, or review of one or more aspects of the professional work of a CPA firm that performs attest services, performed by a person or persons who hold certificates and who are not affiliated with the CPA firm being reviewed;

~~26.~~ 16. "Permit" means the written authority granted annually by the Board to individuals or firms to practice public accounting in Oklahoma which is issued pursuant to the Oklahoma Accountancy Act a permit to practice as a CPA firm issued under Section 7 of this act or corresponding provisions of the laws of other states;

~~27. a. "Practice of public accounting" refers to the activities of a registrant in reference to accountancy. An individual or firm shall be deemed to be engaged in the practice of public accounting if the individual or firm holds itself out to the public in any manner as one skilled in the knowledge, science, and practice of accounting and auditing, taxation and Management Advisory Services and qualified and ready to render professional services therein as a certified~~

~~public accountant or public accountant, and performs the following:~~

- ~~(1) maintains an office for the transaction of business as a certified public accountant or public accountant,~~
- ~~(2) offers to prospective clients to perform^{does} perform on behalf of clients^{services} services that involve or require an audit, examination, verification, investigation, certification, presentation, or review of financial transactions and accounting records or an attestation concerning any other written assertion,~~
- ~~(3) prepares or certifies for clients reports on audits or investigations of books or records of account, balance sheets, and other financial, accounting and related schedules, exhibits, statements, or reports which are to be used for publication or for the purpose of obtaining credit, or for filing with a court of law or with any governmental agency, or for any other purpose,~~
- ~~(4) generally or incidentally to the work described herein, renders professional services to clients in any or all matters relating to accounting procedure and to the recording, presentation, or certification of financial information or data,~~
- ~~(5) keeps books, or prepares trial balances, financial statements, or reports, all as a part of bookkeeping services for clients,~~
- ~~(6) prepares or signs as the tax preparer, tax returns for clients, consults with clients on tax matters, conducts studies for clients on tax~~

~~matters and prepares reports for clients on tax matters,~~

~~(7) prepares personal financial or investment plans or provides to clients products or services of others in implementation of personal financial or investment plans, or~~

~~(8) provides management advisory services to clients.~~

~~b. An individual or firm not holding a certificate,~~

~~license or permit shall not be deemed to be engaged in the practice of public accounting if the individual or firm does not hold itself out, solicit, or advertise for clients using the certified public accountant or public accountant designation and engages only in the following services:~~

~~(1) keeps books, or prepares trial balances, financial statements, or reports, provided such instruments do not use the terms "audit", "audited", "review" or "reviewed" or are not exhibited as having been prepared by a certified public accountant or public accountant,~~

~~(2) prepares or signs as the tax preparer, tax returns for clients, consults with clients on tax matters, conducts studies for clients on tax matters and prepares reports for clients on tax matters,~~

~~(3) prepares personal financial or investment plans or provides to clients products or services of others in implementation of personal financial or investment plans, or~~

~~(4) provides management advisory services to clients.~~

~~c. A person is not holding himself or herself out, soliciting or advertising for clients within the~~

~~meaning of this section solely by reason of displaying a CPA certificate or a PA license in the office, identifying himself or herself as a CPA or PA on letterhead or business cards, or identifying himself or herself as a CPA or PA. However, the designation of CPA or PA on such letterheads, business cards, public signs, advertisements, publications directed to clients or potential clients, or financial or tax documents of a client constitutes the practice of public accounting and requires a permit;~~

~~28. "Professional corporation" means a corporation organized pursuant to the laws of Oklahoma;~~

~~29. "Professional services" means any services performed or offered to be performed by a permit holder for a client in the course of the practice of public accounting;~~

~~30. "Public accountant" means any individual who has received a license from the Board;~~

~~31. "Quality review" means a review performed pursuant to a set of quality review rules established by the Board of one or more aspects of the professional work of an individual or firm holding a valid permit by an individual who holds the same type of permit as the individual or firm being reviewed but who is not affiliated with the individual or firm being reviewed. The term peer review is encompassed in the broader term quality review;~~

~~32. "Registrant" means a CPA, PA, or firm composed of certified public accountants or public accountants or combination of both currently registered with the Board pursuant to the authority of the Oklahoma Accountancy Act~~

17. "Professional" means arising out of or related to the specialized knowledge or skills associated with CPAs;

~~33.~~ 18. "Report", when used with reference to financial statements, or specified elements, accounts or items of a financial

statement, means an opinion, report, or other form of language that states or implies assurance as to the reliability of any financial statements, or specified elements, accounts or items of a financial statement, and that also includes or is accompanied by any statement or implication that the person or firm issuing it has special knowledge or competence in accounting or auditing. ~~Such;~~ such a statement or implication of special knowledge or competence may arise from use by the issuer of the report of names or titles indicating that ~~he~~ the person or firm is an accountant or auditor, or from the language of the report itself. ~~The;~~ the term "report" includes any form of language which disclaims an opinion when such form of language is conventionally understood to imply any positive assurance as to the reliability of the financial statements referred to and/or special competence on the part of the person or firm issuing such language~~+~~, and it includes any other form of language that is conventionally understood to imply such assurance and/or such special knowledge or competence. ~~This;~~ this definition is not intended to include a report on financial statements prepared by a person not holding a certificate or license. However, such report shall not refer to "audit", "audited", "review" or "reviewed", nor use the language "in accordance with standards established by the American Institute of Certified Public Accountants" or successor of said entity;

~~34. "Representation" means any oral or written communication including but not limited to the use of title or legends on letterheads, business cards, office doors, advertisements, and listings conveying the fact that an individual or entity holds a certificate, license or permit; and~~

~~35. "Review", when used with reference to financial statements, means a registrant performing inquiry and analytical procedures that provide the registrant with a reasonable basis for expressing limited assurance that there are no material modifications that~~

~~should be made to the statements in order for them to be in conformity with generally accepted accounting principles or if applicable, with another comprehensive basis of accounting~~

19. "Rule" means any rule, regulation, or other written directive of general application duly adopted by the Board;

20. "State" means any state of the United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and Guam; except that "this state" means the State of Oklahoma; and

21. "Substantial equivalency" means a determination by the Board or its designee that the education, examination, and experience requirements contained in the statutes and administrative rules of another jurisdiction are comparable to, or exceed the education, examination, and experience requirements of the Uniform Accountancy Act, or that an individual CPA's education, examination, and experience qualifications are comparable to or exceed the education, examination, and experience requirements contained in the Uniform Accountancy Act; and

22. "Uniform Accountancy Act" means the uniform act promulgated by the American Institute of Certified Public Accountants and the National Association of State Boards of Accountancy.

SECTION 3. AMENDATORY 59 O.S. 1991, Section 15.2, as amended by Section 3, Chapter 272, O.S.L. 1992 (59 O.S. Supp. 1997, Section 15.2), is amended to read as follows:

Section 15.2 A. There is hereby re-created, to continue until July 1, 1998, in accordance with the provisions of the Oklahoma Sunset Law, Section 3901 et seq. of Title 74 of the Oklahoma Statutes, the Oklahoma ~~State Board of Public Accountancy Board~~. ~~On and after July 1, 1992, the Oklahoma State Board of Public Accountancy shall be renamed the Oklahoma Accountancy Board.~~ The Oklahoma Accountancy Board shall have the responsibility for administering and enforcing the ~~Oklahoma~~ Accountancy Act of 1998. The Oklahoma Accountancy Board shall be composed of seven (7)

members, to be appointed by the Governor and confirmed by the Senate. The ~~six registrant~~ five members holding a certificate, not including a firm, shall serve terms of five (5) years. The lay ~~member~~ members shall serve coterminously with the Governor appointing the ~~member~~ members. ~~Re-creation of the Oklahoma State Board of Public Accountancy, renamed the Oklahoma Accountancy Board, shall not alter the established staggered terms of the members of the Oklahoma State Board of Public Accountancy~~ Nothing in this act shall be construed as causing any member of the Board who is serving as of the effective date of this act ineligible to complete the term in which serving.

B. One member shall be a public accountant licensed and holding a permit pursuant to the provisions of the ~~Oklahoma~~ Accountancy Act. ~~A list of qualified persons shall be compiled and submitted to the Governor by the Oklahoma Society of Public Accountants from time to time as appointment of the public accountant Board member is required to be made. A list of three names shall be submitted for each single appointment from which the Governor may make the appointment~~ of 1998 until the term of the individual holding that position on the effective date of this act expires.

C. Five members shall be certified public accountants holding certificates and permits issued pursuant to the provisions of the ~~Oklahoma~~ Accountancy Act of 1998, at least four of whom shall have been engaged in the practice of public accounting as a certified public accountant as his or her primary occupation continuously for not less than ~~eight (8)~~ ten (10) years immediately preceding their appointments. A list of qualified persons shall be compiled and submitted to the Governor by the Oklahoma Society of Certified Public Accountants from time to time as appointments of the certified public accountant Board members are required to be made. A list of three names shall be submitted for each single appointment from which the Governor may make the appointment.

D. ~~One member~~ Two members shall be a lay ~~member~~ members who ~~is~~ are not a certified public ~~accountant~~ accountants or licensed public ~~accountant~~ accountants. The lay ~~member~~ members shall be appointed by the Governor to a ~~term~~ terms coterminous with the Governor. The lay member shall serve at the pleasure of the Governor.

E. Upon the expiration of his or her term of office, a member shall continue to serve until a qualified successor has been appointed and confirmed by the Senate.

SECTION 4. AMENDATORY 59 O.S. 1991, Section 15.5, as amended by Section 6, Chapter 272, O.S.L. 1992 (59 O.S. Supp. 1997, Section 15.5), is amended to read as follows:

Section 15.5 ~~A.~~ The Oklahoma Accountancy Board shall ~~be responsible for the administration and enforcement of the Oklahoma Accountancy Act.~~

~~B. In addition to the other duties imposed on the Board by law, the Board shall:~~

1. Have a seal which shall be judicially noticed and shall be affixed to all certificates and licenses, and to such other documents as the Board deems appropriate;

2. Keep correct records of all official proceedings, including minutes of meetings, applications and related documents of applicants, registry of the names and addresses of registrants, and official documents filed in any hearings conducted by the Board and in any proceeding in any court arising out of any provision of the ~~Oklahoma~~ Accountancy Act of 1998 or the rules ~~and regulations~~ adopted by the Board. Copies of ~~said~~ records certified by the secretary under the seal of the Board shall, if material, be admissible in evidence;

3. Employ such staff as may be necessary to implement and administer the ~~Oklahoma~~ Accountancy Act, of 1998 and to fix and pay their salaries or fees. ~~Such~~ The staff shall include an Executive Director, Deputy Director, and legal counsel. ~~The Board shall have~~

~~the authority to~~ and contract with or hire special prosecutors, investigators, expert witnesses, hearing examiners, and clerical personnel ~~in furtherance of~~ as required to perform its duties ~~under~~ the Oklahoma Accountancy Act;

4. Lease office space and pay the rent thereon, purchase office equipment and supplies, and make such other expenditures as are necessary for the administration and enforcement of the provisions of the ~~Oklahoma~~ Accountancy Act of 1998;

5. Pay the costs of such research programs in accounting and related subjects as in the determination of the Board would be beneficial to accountancy registrants; and

6. ~~Adopt rules and regulations for the implementation of the provisions of the Oklahoma Accountancy Act in accordance with the procedures prescribed in the Administrative Procedures Act governing~~ its administration and enforcement of this act and the conduct of licensees, including but not limited to:

- a. rules governing the Board's meetings and the conduct of its business,
- b. rules of procedure governing the conduct of investigations and hearings by the Board,
- c. rules specifying the educational and experience qualifications required for the issuance of certificates and the continuing professional education required for renewal of certificates,
- d. rules of professional conduct directed to controlling the quality and probity of services by licensees, and dealing among other things with independence, integrity, and objectivity; competence and technical standards; responsibilities to the public; and responsibilities to clients,
- e. rules governing the manner and circumstances of use of the titles "certified public accountant" and "CPA",

- f. rules regarding peer review that may be required to be performed under provisions of this act,
- g. rules on substantial equivalence to implement Section 10 of this act, and
- h. such other rules as the Board may deem necessary or appropriate for implementing the provisions and the purposes of the Accountancy Act of 1998.

SECTION 5. AMENDATORY 59 O.S. 1991, Section 15.7, as amended by Section 8, Chapter 272, O.S.L. 1992 (59 O.S. Supp. 1997, Section 15.7), is amended to read as follows:

Section 15.7 All fees and other monies ~~except the fines as provided in Section 15.24 of this title~~ received by the Board pursuant to the provisions of the ~~Oklahoma~~ Accountancy Act of 1998 shall be expended solely for effectuating the purposes of the ~~Oklahoma~~ Accountancy Act of 1998 and shall be deposited in the Accountancy Fund in the State Treasury. After the close of each fiscal year the Board shall file with the Governor a report of all fees charged, collected, and received and all disbursements during the previous fiscal year. The Board shall pay into the General Revenue Fund of the state ten percent (10%) of all annual registration fees so charged, collected, and received, and no other portion shall ever revert to the General Revenue Fund or any other fund of the state.

All salaries, fees, and other expenses incurred by the Board in the performance of the duties imposed by the provisions of the ~~Oklahoma~~ Accountancy Act of 1998 shall be paid from the ~~said~~ Accountancy Fund, and none of ~~said~~ the expenses shall be a charge against the general funds of this state.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.6B of Title 59, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Accountancy Board may, upon receipt of a complaint or other information suggesting violations of this act or of the rules of the Board, conduct investigations to determine whether there is probable cause to institute proceedings under Sections 13, 15, or 18 of this act against any person or firm for such violation, but an investigation under this section shall not be a prerequisite to such proceedings in the event that a determination of probable cause can be made without investigation. In aid of such investigations, the Board or the chair thereof may issue subpoenas to compel witnesses to testify and/or to produce evidence.

B. The Board may designate a member, or any other person of appropriate competence, to serve as investigating officer to conduct an investigation. Upon completion of an investigation, the investigating officer shall file a report with the Board. The Board shall find probable cause or lack of probable cause upon the basis of the report or shall return the report to the investigating officer for further investigation. Unless there has been a determination of probable cause, the report of the investigating officer, the complaint, if any, the testimony and documents submitted in support of the complaint or gathered in the investigation, and the fact of pendency of the investigation shall be treated as confidential information and shall not be disclosed to any person except law enforcement authorities and, to the extent deemed necessary in order to conduct the investigation, the subject of the investigation, persons whose complaints are being investigated, and witnesses questioned in the course of the investigation.

C. Upon a finding of probable cause, if the subject of the investigation is a licensee, the Board shall direct that a complaint be issued under Section 13 of this act, and if the subject of the investigation is not a licensee, the Board shall take appropriate action under Sections 15 or 18 of this act. Upon a finding of no

probable cause, the Board shall close the matter and shall thereafter release information relating thereto only with the consent of the person or firm under investigation.

D. The Board may review the publicly available professional work of licensees on a general and random basis, without any requirement of a formal complaint or suspicion of impropriety on the part of any particular licensee. In the event that as a result of such review the Board discovers reasonable grounds for a more specific investigation, the Board may proceed under subsections A through C of this section.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.8A of Title 59, unless there is created a duplication in numbering, reads as follows:

A. The certificate of "certified public accountant" shall be granted to persons of good moral character who meet the education, experience, and examination requirements of the following subsections of this section and who make application therefor pursuant to Section 8 of this act.

B. "Good moral character" for purposes of this section means lack of a history of dishonest or felonious acts. The Board may refuse to grant a certificate on the ground of failure to satisfy this requirement only if there is a substantial connection between the lack of good moral character of the applicant and the professional responsibilities of a licensee and if the finding by the Board of lack of good moral character is supported by clear and convincing evidence. When an applicant is found to be unqualified for a certificate because of a lack of good moral character, the Board shall furnish the applicant a statement containing the findings of the Board, a complete record of the evidence upon which the determination was based, and a notice of the applicant's right of appeal.

C. The education requirement for a certificate, which must be met before an applicant is eligible to apply for the examination prescribed in subsection D of this section, shall be as follows:

1. During the five-year period immediately following the effective date of this act, a baccalaureate degree or its equivalent conferred by a college or university acceptable to the Board from an accredited four-year college or university with a major in accounting or with a nonaccounting major supplemented by a curriculum the Board determines to be substantially the equivalent of an accounting major of any four-year college or university in this state or any other four-year college or university recognized by the Board; the major in accounting or nonaccounting major shall include satisfactory completion of forty-eight (48) semester hours, or the equivalent thereof, in accounting and related subjects, of which not less than thirty (30) semester hours, or the equivalent thereof, shall be in accounting courses at least one of which shall be in auditing and the remainder of said forty-eight (48) semester hours shall be any or all of the subjects of economics, statistics, business law, finance, business management, marketing, business communications, financial information systems or computer science or the equivalent of such subjects as determined by the Board;

2. On or after July 1, 2003, at least one hundred fifty (150) semester hours of college education including a baccalaureate or higher degree conferred by a college or university acceptable to the Board, the total educational program to include. Beginning July 1, 2000, every applicant for the certificate of certified public accountant or license of public accountant shall have earned one hundred fifty (150) semester hours or its equivalent including a baccalaureate or higher degree from an accredited four-year college or university in this state or any other accredited four-year college or university recognized by the Board. A minimum of eighty-six (86) semester hours must be earned at the junior level of

college or above or the equivalent thereof as determined by the Board; this education requirement shall have been completed prior to submitting an application to the Board; the total educational program of the applicant shall include an accounting concentration or its equivalent as determined acceptable by the Board which shall include not less than thirty-six (36) semester hours, or the equivalent thereof, in accounting courses above Principles of Accounting or Introductory Accounting, with at least one course in auditing; the remaining accounting courses shall be selected from Financial Accounting, Accounting Theory, Cost/Managerial Accounting, Federal Income Tax, Governmental or Not for Profit Accounting, Accounting Information Systems, Accounting History and other accounting electives; at least nine (9) semester hours shall be from any or all of the subjects of economics, statistics, business law, finance, business management, marketing, business communication, management information systems or computer science at the junior level of college or above or the equivalent of such subjects as determined by the Board; all the remaining semester hours, if any, shall be elective but must be at the junior level of college or above.

D. The examination required to be passed as a condition for the granting of a certificate shall be held at least twice a year and shall test the applicant's knowledge of the subjects of accounting and auditing, and such other related subjects as the Board may specify by rule, including business law and taxation. The time for holding such examination shall be determined by the Board and may be changed from time to time. The Board shall prescribe by rule the methods of applying for and conducting the examination, including methods of grading papers and determining a passing grade required of an applicant for a certificate; provided, however, that the Board shall to the extent possible see to it that the examination itself, grading of the examination, and the passing grades are uniform with

those applicable in all other states. The Board may make such use of all or any part of the Uniform Certified Public Accountant Examination and Advisory Grading Service of the American Institute of Certified Public Accountants and may contract with third parties to perform such administrative services with respect to the examination as it deems appropriate to assist it in performing its duties hereunder.

E. An applicant shall be required to pass all sections of the examination provided for in subsection D of this section in order to qualify for a certificate. A passing grade for each section shall be seventy-five. If at a given sitting of the examination an applicant passes two or more but not all sections, then the applicant shall be given credit for those sections that the applicant has passed and need not sit for reexamination in those sections, provided that:

1. At that sitting the applicant wrote all sections of the examination for which the applicant does not have credit;

2. The applicant attained a minimum grade of fifty on each section taken at the sitting;

3. The applicant passes the remaining sections of the examination within six consecutive examinations given after the one at which the first session was passed;

4. At each subsequent sitting at which the applicant seeks to pass any additional sections, the applicant writes all sections for which the applicant does not have credit; and

5. In order to receive credit for passing additional sections in any such subsequent sitting, the applicant attains a minimum grade of fifty on sections taken at that sitting.

F. An applicant shall be given credit for any and all sections of an examination passed in another state if such credit would have been given, under then applicable requirements, if the applicant had taken the examination in this state.

G. The Board may in particular cases waive or defer any of the requirements of subsections E and F of this section regarding the circumstances in which the various sections of the examination must be passed, upon a showing that, by reason of circumstances beyond the applicant's control, the applicant was unable to meet such requirement.

H. The Board may charge, or provide for a third party administering the examination to charge, each applicant a fee, in an amount prescribed by the Board by rule, for each section of the examination or reexamination taken by the applicant.

I. An applicant for initial issuance of a certificate under this section shall show that the applicant has had one year of experience. This experience shall include providing any type of service or advice involving the use of accounting, attest, management advisory, financial advisory, tax or consulting skills all of which was verified by a licensee meeting requirements prescribed by the Board by rule. Experience gained through employment in government, industry, academia, or public practice shall be regarded as acceptable.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.9A of Title 59, unless there is created a duplication in numbering, reads as follows:

A. The Board shall grant or renew certificates to persons who make application and demonstrate:

1. That their qualifications, including where applicable the qualifications prescribed by Section 7 of this act, are in accordance with the following subsections of this section; or

2. That they are eligible under the substantial equivalency standard set out in Section 10 of this act which requires licensure for those CPAs that establish their principal office in another state.

Attest services shall only be provided by a holder of a certificate in a CPA firm that holds a permit issued under Section 12 of this act.

B. Certificates shall be initially issued, and renewed, for periods of not more than three (3) years but in any event shall expire on the 30th of June following issuance or renewal. Applications for the certificates shall be made in the form, and in the case of applications for renewal, between such dates, as the Board shall by rule specify, and the Board shall grant or deny any application no later than thirty (30) days after the application is filed in proper form. In any case where the applicant seeks the opportunity to show that issuance or renewal of a certificate was mistakenly denied, or where the Board is not able to determine whether it should be granted or denied, the Board may issue to the applicant a provisional certificate, which shall expire ninety (90) days after its issuance or when the Board determines whether to issue or renew the certificate for which application was made, whichever shall first occur.

C. 1. With regard to applicants that do not qualify for reciprocity under the substantial equivalency standard set out in paragraph 2 of Section 10 of this act, the Board shall issue a certificate to a holder of a certificate, license, or permit issued by another state upon a showing that:

- a. the applicant passed the examination required for issuance of the applicant's certificate with grades that would have been passing grades at the time in this state,
- b. the applicant had five (5) years of experience outside of this state of the type described in subsection I of Section 7 of this act or meets equivalent requirements prescribed by the Board by rule, after passing the examination upon which the applicant's certificate was

based and within the ten (10) years immediately preceding the application; however, this provision shall not apply to an applicant who does not meet the requirements of paragraph 2 of subsection C of Section 7 of this act if the date of the applicant's original certificate is July 1, 2003, or thereafter; and

- c. if the applicant's certificate, license, or permit was issued more than four (4) years prior to the application for issuance of an initial certificate under this section, that the applicant has fulfilled the requirements of continuing professional education that would have been applicable under subsection D of this section.

2. As an alternative to the requirements of paragraph 1 of subsection C of Section 8 of this act, a certificate holder licensed by another state who establishes his or her principal place of business in this state shall request the issuance of a certificate from the Board prior to establishing such principal place of business. The Board shall issue a certificate to a person who obtains from the NASBA National Qualification Appraisal Service verification that such individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the Uniform Accountancy Act.

3. An application under this section may be made through the Qualification Appraisal Service of the National Association of State Boards of Accountancy.

D. For renewal of a certificate under this section each licensee shall participate in a program of learning designed to maintain professional competence. The program of learning must comply with rules adopted by the Board. The Board may by rule create an exception to this requirement for certificate holders who do not perform or offer to perform for the public one or more kinds

of services involving the use of accounting or auditing skills, including issuance of reports on financial advisory or consulting services, or the preparation of tax returns or the furnishing of advise on tax matters. Licensees granted such an exception by the Board must place the word "inactive" adjacent to their CPA title or PA title on any business card, letterhead, or any other document or devise, with the exception of their CPA certificate or PA registration, on which their CPA or PA title appears.

E. The Board shall charge a fee for each application for initial issuance or renewal of a certificate under this section in an amount prescribed by the Board by rule.

F. Applicants for initial issuance or renewal of certificates under this section shall in their applications list all states in which they have applied for or hold certificates, licenses, or permits and list any past denial, revocation, or suspension of a certificate, license, or permit, and each holder of or applicant for a certificate under this section shall notify the Board in writing, within thirty (30) days after its occurrence, of any issuance, denial, revocation, or suspension of a certificate, license, or permit by another state.

G. The Board shall issue a certificate to a holder of a substantially equivalent foreign designation, provided that:

1. The foreign authority which granted the designation makes similar provision to allow a person who holds a valid certificate issued by this state to obtain such foreign authority's comparable designation;

2. The foreign designation:

- a. was duly issued by a foreign authority that regulates the practice of public accountancy and the foreign designation has not expired or been revoked or suspended,

- b. entitles the holder to issue reports upon financial statements, and
 - c. was issued upon the basis of educational, examination, and experience requirements established by the foreign authority or by law; and
3. The applicant:
- a. received the designation, based on educational and examination standards substantially equivalent to those in effect in this state at the time the foreign designation was granted,
 - b. completed an experience requirement, substantially equivalent to the requirement set out in subsection I of Section 7 of this act, in the jurisdiction which granted the foreign designation or has completed four (4) years of professional experience in this state; or meets equivalent requirements prescribed by the Board by rule, within the ten (10) years immediately preceding the application, and
 - c. passed a uniform qualifying examination in national standards, and an examination on the laws, regulations and code of ethical conduct in effect in this state, acceptable to the Board.

H. An applicant under subsection G of this section shall in the application list all jurisdictions, foreign and domestic, in which the applicant has applied for or holds a designation to practice public accountancy, and each holder of a certificate issued under this subsection shall notify the Board in writing, within thirty (30) days after its occurrence, of any issuance, denial, revocation or suspension of a designation or commencement of a disciplinary or enforcement action by any jurisdiction.

I. The Board has the sole authority to interpret the application of the provisions of subsections G and H of this section.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.11A of Title 59, unless there is created a duplication in numbering, reads as follows:

A. Only licensees may issue a report on financial statements of any other person, firm, organization, or governmental unit or otherwise offer to render any attest service, as defined herein. This restriction does not prohibit any act of a public official or public employee in the performance of that person's duties as such; or prohibit the performance by any person of other services involving the use of accounting skills, including the preparation of tax returns, management advisory services, and the preparation of financial statements without the issuance of reports thereon.

B. Licensees performing attest services must provide those services pursuant to statements on standards relating to those services adopted by reference or directly by the Board.

C. No person not holding a valid certificate shall use or assume the title "certified public accountant", or the abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such person is a certified public accountant.

D. No firm shall provide attest services or assume or use the title "certified public accountants", or the abbreviation "CPAs", or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such firm is a CPA firm unless:

1. The firm holds a valid permit issued under Section 12 of this act; and

2. Ownership of the firm is in accord with this act and rules promulgated by the Board.

E. No person shall assume or use the title "public accountant", or the abbreviation "PA", or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such person is a public accountant unless that person holds a valid registration issued under Section 16 of this act.

F. No firm not holding a valid permit issued under Section 12 of this act shall provide attest services or assume or use the title "public accountant", the abbreviation "PA", or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such firm is composed of public accountants.

G. No person or firm not holding a valid certificate, permit or registration issued under Section 8, 12, or 16 of this act shall assume or use the title "certified accountant", "chartered accountant", "enrolled accountant", "licensed accountant", "registered accountant", "accredited accountant", or any other title or designation likely to be confused with the titles "certified public accountant" or "public accountant", or use any of the abbreviations "CA", "LA", "RA", "AA", or similar abbreviation likely to be confused with the abbreviations "CPA" or "PA". The title "Enrolled Agent" or "EA" may only be used by individuals so designated by the Internal Revenue Service of the United States.

H. 1. Nonlicensees may not use language in any statement relating to the financial affairs of a person or entity which is conventionally used by licensees in reports on financial statements. In this regard, the Board shall issue safe harbor language that nonlicensees may use in connection with such financial information.

2. No person or firm not holding a valid certificate, permit, or registration issued under Sections 8, 12, or 16 of this act shall assume or use any title or designation that includes the words "accountant", "auditor", or "accounting", in connection with any other language (including the language of a report) that implies

that such person or firm holds such a certificate, permit, or registration or has special competence as an accountant or auditor; provided, however, that this subsection shall not prohibit any officer, partner, member, manager or employee of any firm or organization from affixing that person's own signature to any statement in reference to the financial affairs of such firm or organization with any wording designating the position, title, or office that the person holds therein nor prohibit any act of a public official or employee in the performance of the person's duties as such.

I. No person holding a certificate or registration or firm holding a permit under this act shall use a professional or firm name or designation that is misleading about the legal form of the firm, or about the persons who are partners, officers, members, managers, or shareholders of the firm, or about any other matter; provided, however, that names of one or more former partners, members, managers, or shareholders may be included in the name of a firm or its successor.

J. None of the foregoing provisions of this section shall have any application to a person or firm holding a certification, designation, degree, or license granted in a foreign country entitling the holder thereof to engage in the practice of public accountancy or its equivalent in such country, whose activities in this state are limited to the provision of professional services to persons or firms who are residents of, governments of, or business entities of the country in which the person holds such entitlement, who performs no attest services as defined, and who issues no reports with respect to the financial statements of any other persons, firms, or governmental units in this state, and who does not use in this state any title or designation other than the one under which the person practices in such country, followed by a

translation of such title or designation into the English language, if it is in a different language, and by the name of such country.

K. No holder of a certificate issued under Section 8 of this act or a registration issued under Section 16 of this act shall perform attest services in any firm that does not hold a valid permit issued under Section 12 of this act.

L. Nothing herein shall prohibit a practicing attorney or firm of attorneys from preparing or presenting records or documents customarily prepared by an attorney or firm of attorneys in connection with the attorney's professional work in the practice of law.

M. 1. A licensee shall not for a commission recommend or refer to a client any product or service, or for a commission recommend or refer any product or service to be supplied by a client, or receive a commission, when the licensee also performs for that client,

a. an audit or review of a financial statement,

b. a compilation of a financial statement when the licensee expects, or reasonably might expect, that a third party will use the financial statement and the licensee's compilation report does not disclose a lack of independence, or

c. an examination of prospective financial information.

This prohibition applies during the period in which the licensee is engaged to perform any of the services listed above and the period covered by any historical financial statements involved in such listed services.

2. A licensee who is not prohibited by this section from performing services for, or receiving, a commission and who is paid or expects to be paid a commission, shall disclose that fact to any person or entity to whom the licensee recommends or refers a product or service to which the commission relates.

3. Any licensee who accepts a referral fee for recommending or referring any service of a licensee to any person or entity or who pays a referral fee to obtain a client shall disclose such acceptance or payment to the client.

N. 1. A licensee shall not:

- a. perform for a contingent fee any professional services for, or receive such a fee from a client for whom the licensee or the licensee's firm performs,
 - (i) an audit or review of a financial statement,
 - (ii) a compilation of a financial statement when the licensee expects, or reasonably might expect, that a third party will use the financial statement and the licensee's compilation report does not disclose a lack of independence, or
 - (iii) an examination of prospective financial information, or
- b. prepare an original or amended tax return or claim for a tax refund for a contingent fee for any client.

2. The prohibition in paragraph 1 of this subsection applies during the period in which the licensee is engaged to perform any of the services listed above and the period covered by any historical financial statements involved in any such listed services.

3. Except as stated in the next sentence, a contingent fee is a fee established for the performance of any service pursuant to an arrangement in which no fee will be charged unless a specified finding or result is attained, or in which the amount of the fee is otherwise dependent upon the finding or result of such service. Solely for purposes of this section, fees are not regarded as being contingent if fixed by courts or other public authorities, or, in tax matters, if determined based on the results of judicial proceedings or the findings of governmental agencies. A licensee's

fees may vary depending on the complexity of services rendered or other reasons.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.12A of Title 59, unless there is created a duplication in numbering, reads as follows:

A. 1. An individual whose principal place of business is not in this state having a valid certificate or license as a Certified Public Accountant from any state which the National Qualification Appraisal Service of the National Association of State Boards of Accountancy has verified to be in substantial equivalence with the CPA licensure requirements of the Uniform Accountancy Act shall be presumed to have qualifications substantially equivalent to this state's requirements and shall have all the privileges of certificate holders and licensees of this state without the need to obtain a certificate or permit under Section 8 or 12 of this act. However, such individuals shall notify the Board of their intent to enter the state under this provision.

2. An individual whose principal place of business is not in this state having a valid certificate or license as a Certified Public Accountant from any state which the National Qualification Appraisal Service has not verified to be in substantial equivalence with the CPA licensure requirements of the Uniform Accountancy Act shall be presumed to have qualifications substantially equivalent to this state's requirements and shall have all the privileges of certificate holders and licensees of this state without the need to obtain a certificate or permit under Section 8 or 12 of this act if such individual obtains from the National Qualification Appraisal Service verification that such individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the Uniform Accountancy Act. However, such individuals shall notify the Board of their intent to enter the state under this provision.

3. Any licensee of another state exercising the privilege afforded under this section is presumed to have consented, as a condition of the grant of this privilege:

- a. to the personal and subject matter jurisdiction of the Board,
- b. to comply with this act and the Board's rules, and
- c. to the appointment of the state board which issued the licensee's license as the agent upon whom process may be served in any action or proceeding by the Board against the licensee.

B. A licensee of this state offering or rendering services or using the CPA title in another state shall be subject to disciplinary action in this state for an act committed in another state for which the licensee would be subject to discipline for an act committed in the other state. Notwithstanding subsection A of Section 6 of this act, the Board shall be required to investigate any complaint made by the board of accountancy of another state.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.14C of Title 59, unless there is created a duplication in numbering, reads as follows:

A. After notice and hearing pursuant to Section 13 of this act, the Board may revoke any certificate, permit, or registration issued under Sections 8, 12 or 16 of this act or corresponding provisions of prior law; suspend any such certificate, permit, or registration or refuse to renew any such certificate, permit, or registration for a period of not more than five (5) years; reprimand, censure, or limit the scope of practice of any licensee; impose an administrative fine not exceeding One Thousand Dollars (\$1,000.00), or place any licensee on probation, all with or without terms, conditions, and limitations, for any one or more of the following reasons:

1. Fraud or deceit in obtaining a certificate, permit, or registration;

2. Cancellation, revocation, suspension, or refusal to renew a license or practice rights for disciplinary reasons in any other state for any cause;

3. Failure, on the part of a holder of a certificate or permit under Sections 8 or 12 of this act or registration under Section 16 of this act, to maintain compliance with the requirements for issuance or renewal of such certificate, permit, or registration or to report changes to the Board under subsection F of Section 8 of this act or subsection F of Section 12 of this act;

4. Revocation or suspension of the right to practice before any state or federal agency;

5. Dishonesty, fraud, or gross negligence in the performance of services as a licensee or in the filing of or failure to file the licensee's own income tax returns;

6. Violation of any provision of this act or rule promulgated by the Board under this act or violation of professional standards;

7. Violation of any rule of professional conduct promulgated by the Board under paragraph b of subsection 6 of Section 4 of this act;

8. Conviction of a felony, or of any crime an element of which is dishonesty or fraud, whether or not sentence has been deferred, under the laws of the United States, of this state, or of any other state if the acts involved would have constituted a crime under the laws of this state;

9. Performance of any fraudulent act while holding a certificate or permit issued under this act or prior law;

10. Any conduct reflecting adversely upon the licensee's fitness to perform services while a licensee; and

11. Making of any false or misleading statement or verification, in support of an application for a certificate, registration, or permit filed by another.

B. In lieu of or in addition to any remedy specifically provided in subsection A of this section, the Board may require of a licensee:

1. A peer review conducted in such fashion as the Board may specify; and/or

2. Satisfactory completion of such continuing professional education programs as the Board may specify.

C. In any proceeding in which a remedy provided by subsection A or B of this section is imposed, the Board may also require the respondent licensee to pay the costs of the proceeding.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.15C of Title 59, unless there is created a duplication in numbering, reads as follows:

A. The Board shall grant or renew permits to practice as a CPA firm to entities that make application and demonstrate their qualifications therefor in accordance with the following subsections of this section or to CPA firms originally licensed in another state that establish an office in this state. A firm must hold a permit issued under this section in order to provide attest services as defined or to use the designation "CPAs" or "CPA firm".

B. Permits shall be initially issued and renewed for periods of not more than three (3) years but in any event expiring on June 30 following issuance or renewal. Applications for permits shall be made in such form, and in the case of applications for renewal, between such dates as the Board may by rule specify, and the Board shall grant or deny any such application no later than thirty (30) days after the application is filed in proper form. In any case where the applicant seeks the opportunity to show that issuance or renewal of a permit was mistakenly denied or where the Board is not

able to determine whether it should be granted or denied, the Board may issue to the applicant a provisional permit, which shall expire ninety (90) days after its issuance or when the Board determines whether to issue or renew the permit for which application was made, whichever shall first occur.

C. An applicant for initial issuance or renewal of a permit to practice under this section shall be required to show that:

1. Notwithstanding any other provision of law, a simple majority of the ownership of the firm, in terms of financial interest and voting rights of all partners, officers, shareholders, members or managers, belongs to holders of a certificate who are licensed in some state, and such partners, officers, shareholders, members or managers, whose principal place of business is in this state and who perform professional services in this state hold a valid certificate issued under Section 8 of this act or the corresponding provision of prior law or are public accountants registered under Section 16 of this act. Although firms may include nonlicensee owners, the firm and its ownership shall comply with rules promulgated by the Board. For firms of public accountants, at least a simple majority of the ownership of the firm, in terms of financial interests and voting rights, shall belong to holders of registrations under Section 16 of this act;

2. Any CPA or PA firm as defined in this act may include nonlicensee owners provided that:

- a. the firm designates a licensee of this state, who is responsible for the proper registration of the firm and identifies that individual to the Board,
- b. all nonlicensee owners are active individual participants in the CPA or PA firm or affiliated entities,
- c. the firm complies with such other requirements as the Board may impose by rule;

3. Any individual licensee who is responsible for supervising attest services and signs or authorizes someone to sign the accountant's report on the financial statements on behalf of the firm shall meet the experience requirements set out in the professional standards for such services; and

4. Any individual licensee who signs or authorizes someone to sign the accountant's report on the financial statements on behalf of the firm shall meet the experience requirement set out in the professional standards for such services.

D. An applicant for initial issuance or renewal of a permit to practice under this section shall be required to register each office of the firm within this state with the Board and to show that all attest services as defined in paragraph 3 of Section 2 of this act rendered in this state are under the charge of a person holding a valid certificate issued under Section 8 of this act or the corresponding provision of prior law or some other state.

E. The Board shall charge a fee for each application for initial issuance or renewal of a permit under this section in an amount prescribed by the Board by rule.

F. An applicant for initial issuance or renewal of permits under this section shall list in the application all states in which the applicant has applied for or holds permits as a CPA firm and list any past denial, revocation, or suspension of a permit by any other state, and each holder of or applicant for a permit under this section shall notify the Board in writing, within thirty (30) days after its occurrence, of any change in the identities of partners, officers, shareholders, members, or managers whose principal place of business is in this state, any change in the number or location of offices within this state, any change in the identity of the persons in charge of such offices, and any issuance, denial, revocation, or suspension of a permit by any other state.

G. Firms which fall out of compliance with the provisions of this section due to changes in firm ownership or personnel, after receiving or renewing a permit, shall take corrective action to bring the firm back into compliance as quickly as possible. The Board may grant a reasonable period of time for a firm to take such corrective action. Failure to bring the firm back into compliance within a reasonable period as defined by the Board will result in the suspension of the firm permit.

H. The Board shall by rule require, on either a uniform or a random basis, as a condition to renewal of permits under this section, that applicants undergo, no more frequently than once every three (3) years, peer reviews conducted in such manner as the Board shall specify, and such review shall include a verification that individuals in the firm who are responsible for supervising attest services and sign or authorize someone to sign the accountant's report on the financial statements on behalf of the firm meet the experience requirements set out in the professional standards for such services, provided that any such rule:

1. Shall be promulgated reasonably in advance of the time when it first becomes effective;

2. Shall include reasonable provision for compliance by an applicant showing that it has, within the preceding three (3) years, undergone a peer review that is a satisfactory equivalent to peer review generally required pursuant to this subsection;

3. Shall require, with respect to peer reviews contemplated by paragraph 2 of this subsection, that they be subject to oversight by an oversight body established or sanctioned by Board rule, which body shall periodically report to the Board on the effectiveness of the review program under its charge, and provide to the Board a listing of firms that have participated in a peer review program that is satisfactory to the Board; and

4. Shall require, with respect to peer reviews contemplated by paragraph 2 of this subsection, that the peer review processes be operated and documents maintained in a manner designed to preserve confidentiality, and that neither the Board nor any third party other than the oversight body shall have access to documents furnished or generated in the course of the review.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.23A of Title 59, unless there is created a duplication in numbering, reads as follows:

A. In any case where probable cause with respect to a violation by a licensee has been determined by the Board, whether following an investigation under Section 6 of this act, or upon receipt of a written complaint furnishing grounds for a determination of such probable cause, or upon receipt of notice of a decision by the Board of Accountancy of another state furnishing such grounds, the Board shall issue a complaint setting forth appropriate charges and set a date for hearing before the Board on such charges. The Board shall, not less than thirty (30) days prior to the date of the hearing, serve a copy of the complaint and notice of the time and place of the hearing upon the licensee, together with a copy of the Board's rules governing proceedings under this section, either by personal delivery or by mailing a copy thereof by registered mail to the licensee at the licensee's address last known to the Board.

B. A licensee against whom a complaint has been issued under this section shall have the right, reasonably in advance of the hearing, to examine and copy the report of investigation, if any, and any documentary or testimonial evidence and summaries of anticipated evidence in the Board's possession relating to the subject matter of the complaint. The Board's rules governing proceedings under this section shall specify the manner in which such right may be excised.

C. In a hearing under this section the respondent licensee may appear in person (or, in the case of a firm, through a partner, officer, director, shareholder, member or manager) and/or by counsel, examine witnesses and evidence presented in support of the complaint, and present evidence and witnesses on the licensee's own behalf. The licensee shall be entitled, on application to the Board, to the issuance of subpoenas to compel the attendance of witnesses and the production of documentary evidence.

D. The evidence supporting the complaint shall be presented by the investigating officer, by a Board member designated for that purpose, or by counsel. A Board member who presents the evidence, or who has conducted the investigation of the matter under Section 6 of this act, shall not participate in the Board's decision of the matter.

E. In a hearing under this section the Board shall be advised by counsel, who shall not be the same counsel who presents or assists in presenting the evidence supporting the complaint under subsection D of this section.

F. In a hearing under this section the Board shall not be bound by technical rules of evidence.

G. In a hearing under this section a stenographic or electronic record shall be made and filed with the Board. A transcript need not be prepared unless review is sought under subsection J of this section or the Board determines that there is other good cause for its preparation.

H. In a hearing under this section a recorded vote of a majority of all members of the Board then in office (excluding members disqualified by reason of subsection D of this section) shall be required to sustain any charge and to impose any penalty with respect thereto.

I. If, after service of a complaint and notice of hearing as provided in subsection A of this section, the respondent licensee

fails to appear at the hearing, the Board may proceed to hear evidence against the licensee and may enter such order as it deems warranted by the evidence, which order shall be final unless the licensee petitions for review thereof under subsection J of this section, provided, however, that within thirty (30) days from the date of any such order, upon a showing of good cause for the licensee's failure to appear and defend, the Board may set aside the order and schedule a new hearing on the complaint, to be conducted in accordance with applicable subsections of this section.

J. Any person or firm adversely affected by any order of the Board entered after a hearing under this section may obtain review thereof by filing a written petition for review with the District Court within thirty (30) days after the entry of said order. The procedures for review and the scope of the review shall be as specified in the Administrative Procedures Act.

K. In any case where the Board renders a decision imposing discipline against a licensee under this section and Section 11 of this act, the Board shall examine its records to determine whether the licensee holds a certificate or a permit in any other state; and if so, the Board shall notify the board of accountancy of such other state of its decision, by mail, within forty-five (45) days of rendering the decision. The Board may also furnish information relating to proceedings resulting in disciplinary action to other public authorities and to private professional organizations having a disciplinary interest in the licensee. Where a petition for review has been filed pursuant to subsection J of this section, the notification and furnishing of information provided for in this subsection shall await the resolution of such review and, if resolution is in favor of the licensee, no such notification or furnishing of information shall be made.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.24A of Title 59, unless there is created a duplication in numbering, reads as follows:

A. In any case where the Board has suspended or revoked a certificate or a permit or registration or refused to renew a certificate, permit, or registration, the Board may, upon application in writing by the person or firm affected and for good cause shown, modify the suspension or reissue the certificate, permit, or registration.

B. The Board shall by rule specify the manner in which such applications shall be made, the times within which they shall be made, and the circumstances in which hearings will be held thereon.

C. Before reissuing, or terminating the suspension of, a certificate, permit, or registration under this section, and as a condition thereto, the Board may require the applicant therefor to show successful completion of specified continuing professional education; and the Board may make the reinstatement of a certificate, permit, or registration conditional and subject to satisfactory completion of a peer review conducted in such fashion as the Board may specify.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.27A of Title 59, unless there is created a duplication in numbering, reads as follows:

Whenever, as a result of an investigation under Section 6 of this act or otherwise, the Board believes that any person or firm has engaged, or is about to engage, in any acts or practices which constitute or will constitute a violation of Section 9 of this act, the Board may make application to the appropriate court for an order enjoining such acts or practices, and upon a showing by the Board that such person or firm has engaged, or is about to engage, in any such acts or practices, an injunction, restraining order, or other order as may be appropriate shall be granted by such court.

SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.38 of Title 59, unless there is created a duplication in numbering, reads as follows:

Persons who on the effective date of this act hold registrations as public accountants issued under prior law of this state shall be entitled to have their registrations renewed upon fulfillment of the continuing professional education requirements for renewal of certificates set out in Section 8 of this act, and on the renewal cycle and payment of fees there prescribed for renewal of certificates. Any registration not so renewed shall expire three (3) years after the effective date of this act. Firms of public accountants holding permits to practice as such issued under prior law of this state shall be entitled to have their permits to practice renewed pursuant to the procedures, and subject to the requirements for renewal of permits to practice for firms of certified public accountants, set out in Section 12 of this act. So long as such public accountant licensees hold valid registrations and permits to practice, they shall be entitled to perform attest services to the same extent as holders of certificates, and other holders of permits, and in addition they shall be entitled to use the title "public accountants" and "PA", but no other title. The holder of a registration issued under this section may only perform attest services in a firm that holds a permit issued under Section 12 of this act.

SECTION 17. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.39 of Title 59, unless there is created a duplication in numbering, reads as follows:

Application by a person or a firm not a resident of this state for a certificate under Section 8 of this act or a permit to practice under Section 12 of this act shall constitute appointment of the Secretary of State as the applicant's agent upon whom process may be served in any action or proceeding against the applicant

arising out of any transaction or operation connected with or incidental to services performed by the applicant while a licensee within this state.

SECTION 18. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.40 of Title 59, unless there is created a duplication in numbering, reads as follows:

A. Whenever, by reason of an investigation under Section 6 of this act or otherwise, the Board has reason to believe that any person or firm has knowingly engaged in acts or practices that constitute a violation of Section 9 of this act, the Board may bring its information to the attention of the Attorney General of this state (or other appropriate law enforcement officer) who may, in the officer's discretion, cause appropriate criminal proceedings to be brought thereon.

B. Any person or firm who knowingly violates any provision of Section 9 of this act shall be guilty of a misdemeanor, and upon conviction thereof shall be subject to a fine of not more than Ten Thousand Dollars (\$10,000.00) or to imprisonment in the county jail for not more than one year, or to both such fine and imprisonment.

SECTION 19. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.41 of Title 59, unless there is created a duplication in numbering, reads as follows:

In any action brought under Sections 13, 15, or 18 of this act, evidence of the commission of a single act prohibited by this act shall be sufficient to justify a penalty injunction, restraining order, or conviction, respectively, without evidence of a general course of conduct.

SECTION 20. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.42 of Title 59, unless there is created a duplication in numbering, reads as follows:

Except by permission of the client for whom a licensee performs services or the heirs, successors, or personal representatives of

such client, a licensee under this act, shall not voluntarily disclose information communicated to the licensee by the client relating to and in connection with services rendered to the client by the licensee. Such information shall be deemed confidential, provided, however, that nothing herein shall be construed as prohibiting the disclosure of information required to be disclosed by the standards of the public accounting profession in reporting on the examination of financial statements or as prohibiting disclosures in court proceedings, in investigations or proceedings under Section 6 or 13 of this act, in ethical investigations conducted by private professional organizations, or in the course of peer reviews, or to other persons active in the organization performing services for that client on a need to know basis or to persons in the entity who need this information for the sole purpose of assuring quality control.

SECTION 21. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.43 of Title 59, unless there is created a duplication in numbering, reads as follows:

A. Subject to the provisions of Section 20 of this act, all statements, records, schedules, working papers, and memoranda made by a licensee or a partner, shareholder, officer, director, member, manager, or employee of a licensee, incident to, or in the course of, rendering services to a client while a licensee, except the reports submitted by the licensee to the client and except for records that are part of the client's records, shall be and remain the property of the licensee in the absence of an express agreement between the licensee and the client to the contrary. No such statement, record, schedule, working paper, or memorandum shall be sold, transferred, or bequeathed, without the consent of the client or the client's personal representative or assignee, to anyone other than one or more surviving partners, stockholders, members, or new partners, new stockholders, or new members of the licensee, or any

combined or merged firm or successor in interest to the licensee. Nothing in this section shall be construed as prohibiting any temporary transfer of workpapers or other material necessary in the course of carrying out peer reviews or as otherwise interfering with the disclosure of information pursuant to Section 20 of this act.

B. A licensee shall furnish to a client or former client, upon request and reasonable notice:

1. A copy of the licensee's working papers, to the extent that such working papers include records that would ordinarily constitute part of the client's records and are not otherwise available to the client; and

2. Any accounting or other records belonging to, or obtained from or on behalf of the client that the licensee removed from the client's premises or received for the client's account; the licensee may make and retain copies of such documents of the client when they form the basis for work done by the licensee.

C. Nothing herein shall require a licensee to keep any workpaper beyond the period prescribed in any other applicable statute.

SECTION 22. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.44 of Title 59, unless there is created a duplication in numbering, reads as follows:

A. This section applies to all causes of action of the type specified herein filed on or after the effective date.

B. This section governs any action based on negligence or breach of contract brought against any licensee, or any CPA or PA firm practicing in this state, by any person or entity claiming to have been injured as a result of financial statements or other information examined, compiled, reviewed, certified, audited, or otherwise reported or opined on by the defendant accountant as a result of an engagement to provide services.

C. No action covered by this section may be brought unless the suit is commenced on or before the earlier of:

1. One year from the date the alleged act, omission, or neglect is discovered or should have been discovered by the exercise of reasonable diligence;

2. Three years after completion of the service for which the suit is brought has been performed; or

3. Three years after the date of the initial issuance of the accountant's report on the financial statements or other information.

SECTION 23. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.45 of Title 59, unless there is created a duplication in numbering, reads as follows:

A. This section applies to all causes of action of the type specified herein filed on or after the effective date.

B. This section governs any claim for money damages brought against any licensee; or any CPA or PA firm registered, licensed, or practicing in this state; or any employee or principal of such firm by any person or entity claiming to have been injured by the defendant licensee or other person or entity.

C. No judgment for money damages may be entered against any licensee, firm, employee, or principal described in subsection B of this section in an action covered by this section except in accordance with the provisions of this subsection.

1. If the party seeking a judgment for damages against the licensee proves that the licensee acted with the deliberate intent to deceive, manipulate, or defraud for the licensee's own direct pecuniary benefit, the liability of the licensee shall be determined according to the principles that generally apply to such an action.

2. If the licensee is not proven to have acted with the deliberate intent to deceive, manipulate, or defraud for the

accountant's own direct pecuniary benefit, the amount of the accountant's liability in damages shall be determined as follows:

- a. the trier of fact shall determine the percentage of responsibility of the plaintiff, of each of the defendants, and of each of the other persons or entities alleged by the parties to have caused or contributed to the harm alleged by the plaintiff. In determining the percentages of responsibility, the trier of fact shall consider both the nature of the conduct of each person and the nature and extent of the causal relationship between that conduct and the damage claimed by the plaintiff,
- b. the trier of fact shall next determine the total amount of damage suffered by the plaintiff caused in whole or in part by the plaintiff, the defendants, and other persons alleged to have caused or contributed to the damage,
- c. the trier of fact shall then multiply the percentage of responsibility of the licensee (determined under subparagraph a of this paragraph) by the total amount of damages (determined under subparagraph b of this paragraph) and shall enter a judgment or verdict against the licensee in an amount no greater than the product of those two factors,
- d. in no event shall the damages awarded against or paid by a licensee exceed the amount determined under subparagraph c of this paragraph. The licensee shall not be jointly liable on any judgment entered against any other party to the action, and
- e. except where a contractual relationship permits, no defendant shall have a right to recover from a

licensee any portion of the percentage of damages assessed against such other defendant.

SECTION 24. AMENDATORY 74 O.S. 1991, Section 212A, as last amended by Section 14, Chapter 290, O.S.L. 1996 (74 O.S. Supp. 1997, Section 212A), is amended to read as follows:

A. 1. All government entities, as defined by the Governmental Accounting Standards Board, shall have an audit prepared in accordance with generally accepted auditing standards and Government Auditing Standards. Copies shall be filed with the State Auditor and Inspector by the auditor that prepared the audit. The expense of the audit shall be paid by the government entity. ~~For fiscal years ending after December 31, 1995, all~~ All government entities receiving public funds that are included in the reporting entity of the State of Oklahoma shall file a copy of the audit required by this paragraph with the Director of State Finance no later than four (4) months after the end of the fiscal year of the government entity. For purposes of this paragraph, the reporting entity of the State of Oklahoma includes all government entities included in the State of Oklahoma Comprehensive Annual Financial Report. The government entities included in the State of Oklahoma reporting entity shall be determined by the Director of State Finance using criteria set by the Governmental Accounting Standards Board.

2. Any public accountant or certified public accountant filing a report with the State Auditor and Inspector pursuant to this section shall be required to pay a filing fee of Forty Dollars (\$40.00) for the purposes of processing such reports and ensuring compliance with the provisions of this section. Such payments shall be deposited in the State Auditor and Inspector Revolving Fund, created pursuant to Section 227.9 of this title.

B. ~~All registrants~~ A registrant, as defined in the ~~Oklahoma~~ Accountancy Act of 1998, before entering into audit contracts required under this section, shall satisfy the Oklahoma Accountancy

Board and the State Auditor and Inspector that ~~such~~ the registrant meets Government Auditing Standards and has a current permit to practice issued by the Oklahoma Accountancy Board.

The State Auditor and Inspector shall receive annual reports from the Oklahoma Accountancy Board of all registrants meeting the requirements of this subsection. The Oklahoma Accountancy Board shall provide changes and updates to the annual report to the State Auditor and Inspector at least quarterly.

C. Schedules of federal financial assistance will be in a form consistent with the guidance in "Audits of State and Local Governmental Units", which is prepared by "The American Institute of Certified Public Accountants" and recognized by Government Auditing Standards issued by the Comptroller General of the United States. State agencies or other pass through grantors of Federal Financial Assistance ~~will~~ shall not place reporting requirements on a grantee or sub-recipients in addition to the required federal compliance reports and schedules of Federal Financial Assistance, without approval of the State Auditor and Inspector.

SECTION 25. REPEALER Section 7, Chapter 272, O.S.L. 1992, 59 O.S. 1991, Sections 15.8, 15.9, and 15.10, as amended by Sections 9, 10, and 11, Chapter 272, O.S.L. 1992, 15.11, 15.12, 15.13, and 15.14, as amended by Sections 13, 14, 15, and 16, Chapter 272, O.S.L. 1992, 15.15, as amended by Section 19, Chapter 272, O.S.L. 1992, Section 20, Chapter 272, O.S.L. 1992, 15.16, 15.17, as amended by Section 21, Chapter 272, O.S.L. 1992, and as renumbered by Section 34, Chapter 272, O.S.L. 1992, 15.18, as amended by Section 12, Chapter 272, O.S.L. 1992, and as renumbered by Section 34, Chapter 272, O.S.L. 1992, 15.20, as amended by Section 18, Chapter 272, O.S.L. 1992, and as renumbered by Section 34, Chapter 272, O.S.L. 1992, 15.22, as amended by Section 17, Chapter 272, O.S.L. 1992, and as renumbered by Section 34, Chapter 272, O.S.L. 1992, 15.23, 15.24, and 15.25, as amended by Sections 22, 23, 24,

and 25, Chapter 272, O.S.L. 1992, 15.26, as last amended by Section 505, Chapter 133, O.S.L. 1997, 15.27 and 15.28, as amended by Sections 27 and 28, Chapter 272, O.S.L. 1992, Section 29, Chapter 272, O.S.L. 1992, and 15.35, as amended by Section 30, Chapter 272, O.S.L. 1992 (59 O.S. Supp. 1997, Sections 15.6A, 15.8, 15.9, 15.10, 15.10A, 15.11, 15.12, 15.13, 15.14, 15.14A, 15.14B, 15.15, 15.15A, 15.15B, 15.16, 15.23, 15.24, 15.25, 15.26, 15.27, 15.28, 15.30, and 15.35), are hereby repealed.

SECTION 26. This act shall become effective November 1, 1998.

46-2-2274

WHT