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February 19, 2020

AS AMENDED

SENATE BILL NO. 1429

By: Stanley

[Oklahoma Accountancy Act - Oklahoma Accountancy Board Revolving Fund - monies, acts subject to penalties and penalties - awards, application fees and additional criteria for the program - codification - effective date]

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 15.17A of Title 59, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Oklahoma Accountancy Board to be designated the "Oklahoma Accountancy Board Revolving Fund". The fund shall be a continuing fund, not subject to fiscal limitations, and shall consist of all monies received by the Board pursuant to the provisions of the Oklahoma Accountancy Act. All monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Board for the purposes of implementing and enforcing the provisions of the Oklahoma Accountancy Act. Expenditures from this fund shall be made upon warrants issued by the State Treasurer against claims

1 filed as prescribed by law with the Director of the Office of
2 Management and Enterprise Services for approval and payment. The
3 Board shall pay into the General Revenue Fund of the state ten
4 percent (10%) of all funds deposited to this fund. From the monies
5 deposited to this fund from administrative fines the Board shall
6 periodically transfer such amounts as the Board determines to fund
7 the student scholarship and grant program established in Section 5
8 of this act provided such funds are available and not otherwise
9 encumbered.

10 SECTION 2. AMENDATORY 59 O.S. 2011, Section 15.7, is
11 amended to read as follows:

12 Section 15.7. All fees and other monies ~~except the fines as~~
13 ~~provided in Section 15.24 of this title~~ received by the Oklahoma
14 Accountancy Board pursuant to the provisions of the Oklahoma
15 Accountancy Act shall be ~~expended solely for effectuating the~~
16 ~~purposes of the Oklahoma Accountancy Act and shall be~~ deposited to
17 the credit of the ~~Board with the Oklahoma State Treasurer~~ Oklahoma
18 Accountancy Board Revolving Fund created in Section 1 of this act.
19 After the close of each fiscal year the Board shall file with the
20 Governor a report of all fees charged, collected and received and
21 all disbursements during the previous fiscal year. ~~The Board shall~~
22 ~~pay into the General Revenue Fund of the state ten percent (10%) of~~
23 ~~all annual registration fees so charged, collected and received, and~~

1 ~~no other portion shall ever revert to the General Revenue Fund or~~
2 ~~any other fund of the state.~~

3 All salaries, fees⁷ and other expenses incurred by the Board in
4 the performance of the duties imposed by the provisions of the
5 Oklahoma Accountancy Act shall be paid from the ~~Board's~~ Oklahoma
6 Accountancy Board Revolving Fund and none of ~~said~~ such expenses
7 shall be a charge against the general funds of this state.

8 SECTION 3. AMENDATORY 59 O.S. 2011, Section 15.14B, is
9 amended to read as follows:

10 Section 15.14B. After notice and hearing, the Oklahoma
11 Accountancy Board may impose any one or more of the penalties and
12 administrative fines authorized in Section 15.24 of this title on a
13 certified public accountant or a public accountant for any one or
14 more of the following causes:

15 1. Fraud or deceit in obtaining a certificate, license,
16 practice privilege or permit;

17 2. Dishonesty, fraud⁷ or gross negligence in accountancy or
18 financially related activities;

19 3. Conviction, plea of guilty⁷ or plea of nolo contendere of a
20 felony in a court of competent jurisdiction of any state or federal
21 court of the United States if the acts involved would have
22 constituted a felony under the laws of this state;

23 4. Conviction, plea of guilty⁷ or plea of nolo contendere of
24 any misdemeanor, an element of which is dishonesty or fraud,

1 pursuant to the laws of the United States or any jurisdiction if the
2 acts involved would have constituted a misdemeanor under the laws of
3 this state;

4 5. Failure to comply with professional standards in the Board's
5 professional code of conduct to the attest and/or compilation
6 competency requirement for those who supervise attest and/or
7 compilation engagements and sign the report on financial statements
8 or other compilation communications with respect to financial
9 statements; and

10 6. Violation of any of the provisions of the Oklahoma
11 Accountancy Act and rules promulgated for its implementation by the
12 Board.

13 SECTION 4. AMENDATORY 59 O.S. 2011, Section 15.24, is
14 amended to read as follows:

15 Section 15.24. A. In the event an individual, certified public
16 accountant, public accountant, firm or entity, after proper notice
17 and hearing, is found to have violated one or more provisions of the
18 Oklahoma Accountancy Act, the Board may impose one or more of the
19 following penalties on the offending individual, firm or entity:

20 1. Revoke any certificate, license, practice privilege or
21 permit issued pursuant to the provisions of the Oklahoma Accountancy
22 Act;

1 2. Suspend any certificate, license, practice privilege or
2 permit for not more than five (5) years, subject to such terms,
3 conditions, or limitations as deemed appropriate by the Board;

4 3. Reprimand a registrant, an individual granted practice
5 privileges under Section 15.12A of this title, or a firm exempt from
6 the permit and registration requirements under Section 15.15C of
7 this title;

8 4. Place a registrant, an individual granted practice
9 privileges under Section 15.12A of this title, or a firm exempt from
10 the permit and registration requirements under Section 15.15C of
11 this title on probation for a specified period of time, which may be
12 shortened or lengthened, as the Board deems appropriate;

13 5. Limit the scope of practice of a registrant, an individual
14 granted practice privileges under Section 15.12A of this title, or a
15 firm exempt from the permit and registration requirements under
16 Section 15.15C of this title;

17 6. Deny renewal of a permit;

18 7. Require a preissuance review or accelerated peer review of
19 the registrant subject to such procedures as the Board deems
20 appropriate;

21 8. Require successful completion of continuing professional
22 educational programs deemed appropriate;

23 9. Assess a an administrative fine not to exceed Ten Thousand
24 Dollars (\$10,000.00) for each separate offense; and

1 10. Require the registrant, individual or entity to pay all
2 costs incurred by the Board as a result of hearings conducted
3 regarding accountancy actions of the registrant, individual~~7~~ or
4 entity, including, but not limited to, attorney fees, investigation
5 costs, hearing officer costs, renting of special facilities costs~~7~~
6 and court reporter costs.

7 B. Upon application in writing, the Board may reinstate a
8 certificate, license, practice privilege or permit which has been
9 revoked, or may modify, upon good cause as to why the individual or
10 entity should be reinstated, the suspension of any certificate,
11 license, practice privilege or permit.

12 C. Before reinstating or terminating the suspension of a
13 certificate, license, practice privilege or permit, or as a
14 condition to such reinstatement or termination, the Board may
15 require the applicant to show successful completion of specified
16 continuing professional education courses.

17 D. Before reinstating or terminating the suspension of a
18 certificate, license, practice privilege or permit, or as a
19 condition to such reinstatement or termination, the Board may make
20 the reinstatement of a certificate, license~~7~~ or permit conditional
21 and subject to satisfactory completion of a peer review conducted in
22 such fashion as the Board may specify.

23 E. Before reinstating or terminating the suspension of a
24 certificate or license or as a condition to such reinstatement or

1 termination, the Board may require the applicant to submit to a
2 national criminal history records search. The costs associated with
3 the national criminal history records search shall be paid by the
4 applicant.

5 F. The provisions of this section shall not be construed to
6 preclude the Board from entering into any agreement to resolve a
7 complaint prior to a formal hearing or before the Board enters a
8 final order.

9 G. All monies, ~~excluding costs,~~ collected from ~~civil penalties~~
10 administrative fines authorized in this section, such penalties
11 being enforceable in the district courts of this state, shall be
12 deposited ~~with the State Treasurer to be paid into the General~~
13 ~~Revenue Fund of the state~~ into the Oklahoma Accountancy Board
14 Revolving Fund created in Section 1 of this act.

15 SECTION 5. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 15.17B of Title 59, unless there
17 is created a duplication in numbering, reads as follows:

18 A. The Oklahoma Accountancy Board shall have the power and
19 authority to establish a student scholarship and grant program to
20 financially assist eligible students who are qualified under Section
21 15.8 of Title 59 of the Oklahoma Statutes to take the certified
22 public accountant or licensed public accountant examination. To be
23 eligible for consideration and application for any scholarship,
24 grant or award authorized in this section, the student must be

1 currently enrolled in and attending, as a full-time student with
2 passing grades, an Oklahoma public institution of higher education
3 and such student applying for a scholarship, grant or award must
4 have completed at least one hundred thirty (130) semester hours, or
5 the equivalent thereof as determined by the Board, of college or
6 university course curriculum in an accounting concentration
7 applicable for a baccalaureate or higher degree in accounting or
8 public finance.

9 B. The Board shall promulgate rules, forms, fees and procedures
10 to implement the provisions of subsection A of this section. The
11 Board shall set and determine the amount of each scholarship, grant
12 or award, set a reasonable application fee, create application forms
13 and processes, establish additional eligibility qualifications or
14 criteria for determining a student's eligibility for a scholarship,
15 grant or award and determining the amount and term of each
16 scholarship, grant or award, and establish whether any grant shall
17 be repaid or reimbursed to the Board, in whole or part, by the
18 recipient.

19 C. All funding for the student scholarship and grant program
20 shall be derived from and limited to administrative fines imposed
21 and collected by the Board for violations of the Oklahoma
22 Accountancy Act and deposited into the Oklahoma Accountancy Board
23 Revolving Fund created in Section 1 of this act. All funds made
24 available for and credited to the student scholarship and grant

1 program shall be determined by the Board annually and transferred
2 from the Oklahoma Accountancy Board Revolving Fund to a student
3 scholarship account established by the State Treasurer. The student
4 scholarship account shall be administered by the Board for the
5 purposes of providing scholarships, grants and awards pursuant to
6 the provisions of this section and the rules relating thereto.
7 Expenditures from the student scholarship account shall be made upon
8 warrants issued by the State Treasurer against claims filed as
9 prescribed by law with the Director of the Office of Management and
10 Enterprise Services for approval and payment. All funding for the
11 student scholarship and grant program shall be subject to funds
12 available in the Oklahoma Accountancy Board Revolving Fund that are
13 derived from administrative fines, as determined by the Board. No
14 funds shall be transferred to or expended from the student
15 scholarship account without Board approval.

16 D. Any grant funds received as a repayment or reimbursement, in
17 whole or part, by the Board from a student who was originally
18 awarded such funds as authorized in this section and the rules
19 related thereto, shall be deposited and credited to the student
20 scholarship account and may be subsequently distributed and
21 disbursed to another student at the Board's discretion. All funds
22 received as a grant repayment or reimbursement and all funds
23 transferred and deposited into the student scholarship account under
24 the provisions of this section shall be exempt from the requirement

1 provided in Section 211 of Title 62 of the Oklahoma Statutes
2 requiring ten percent (10%) to be paid into the General Revenue Fund
3 of the state.

4 E. Annually at the end of each fiscal year, the Board shall
5 provide a written report to the Governor, President Pro Tempore of
6 the Senate and Speaker of the House of Representatives on the
7 scholarship and grant program. The report shall include, for the
8 fiscal year being reported, the amount of funds transferred into the
9 account, the starting and ending balances of the account, the
10 scholarship, grant and award amounts given to students, total number
11 of students served, repayments or reimbursements received and other
12 information deemed pertinent by the Board for the report.

13 SECTION 6. This act shall become effective November 1, 2020.

14 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
15 February 19, 2020 - DO PASS AS AMENDED
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