

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 SENATE BILL 1760

By: Dugger

6 AS INTRODUCED

7 An Act relating to the Oklahoma Accountancy Act;
8 amending 59 O.S. 2021, Section 15.1A, which relates
9 to definitions; removing references; amending 59 O.S.
10 2021, Section 15.2, which relates to the Oklahoma
11 Accountancy Board; removing licensed public
12 accountant from board; reconfiguring membership of
13 board; amending 59 O.S. 2021, Section 15.8, which
14 relates to qualifications; removing qualifications
15 for candidacy for licensed public accountant;
16 amending 59 O.S. 2021, Section 15.9, which relates to
17 issuances of certificates and licenses; removing
18 conditions for issuances of licenses for public
19 accountants; amending 59 O.S. 2021, Section 15.10,
20 which relates to examinations; removing examination
21 for licensed public accountants; amending 59 O.S.
22 2021, Section 15.13, which relates to reciprocity;
23 removing issuances of license to public accountants;
24 amending 59 O.S. 2021, Section 15.13A, which relates
to foreign reciprocity; updating statutory language;
updating statutory reference; and providing an
effective date.

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

20 SECTION 1. AMENDATORY 59 O.S. 2021, Section 15.1A, is
21 amended to read as follows:

22 Section 15.1A. As used in the Oklahoma Accountancy Act:

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

1 2. "AICPA" means the American Institute of Certified Public
2 Accountants;

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

6 4. "Assurance" means independent professional services that
7 improve the quality of information, or its context, for decision
8 makers;

9 5. "Attest" means providing the following services:

- 10 a. any audit or other engagement to be performed in
11 accordance with the Statements on Auditing Standards
12 (SAS),
13 b. any review of a financial statement to be performed in
14 accordance with the Statements on Standards for
15 Accounting and Review Services (SSARS),
16 c. any engagement performed in accordance with the
17 Statements on Standards for Attestation Engagements
18 (SSAE), and
19 d. any engagement to be performed in accordance with the
20 Auditing Standards of the Public Company Accounting
21 Oversight Board (PCAOB).

22 The statements on standards specified in this definition shall
23 be adopted by reference by the Board pursuant to rulemaking and
24 shall be those developed for general application by recognized
25

1 national accountancy organizations, such as the AICPA, IFAC and the
2 PCAOB;

3 6. "Audit" can only be performed by an individual or entity who
4 is registered with the Board and holding a valid permit issued
5 pursuant to the Oklahoma Accountancy Act, or an individual granted
6 practice privileges under Section 15.12A of this title, and means a
7 systematic investigation or appraisal of information, procedures, or
8 operations performed in accordance with generally accepted auditing
9 standards in the United States, for the purpose of determining
10 conformity with established criteria and communicating the results
11 to interested parties;

12 7. "Board" means the Oklahoma Accountancy Board;

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

16 9. "Certificate" means the Oklahoma document issued by the
17 Board to a candidate upon successful completion of the certified
18 public accountant examination designating the holder as a certified
19 public accountant pursuant to the laws of Oklahoma. "Certificate"
20 shall also mean the Oklahoma document issued by reciprocity to an
21 individual who has previously been certified in another
22 jurisdiction;

23 10. "Certified public accountant" means any person who has
24 received a certificate from the Board or other jurisdictions;

1 11. "Client" means the individual or entity which retains a
2 registrant, an individual granted practice privileges under Section
3 15.12A of this title, or a firm exempt from the permit and
4 registration requirements under Section 15.15C of this title to
5 perform professional services;

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

10 13. "CPA" or "C.P.A." means certified public accountant;

11 14. "Designated manager" means the Oklahoma certified public
12 accountant or public accountant appointed by the firm partners or
13 shareholders to be responsible for the administration of the office;

14 15. "Designee" means the National Association of State Boards
15 of Accountancy (NASBA) or other entities so designated by the Board;

16 16. "Entity" means an organization whether for profit or not,
17 recognized by ~~the State of Oklahoma~~ this state to conduct business;

18 17. "Examination" means the test sections of Auditing and
19 Attestation, Business Environment and Concepts, Financial Accounting
20 and Reporting, and Regulation or their successors, administered,
21 supervised, and graded by, or at the direction of, the Board or
22 other jurisdiction that is required for a certificate as a certified
23 public accountant ~~or a license as a public accountant~~;

1 18. "Executive director" means the chief administrative officer
2 of the Board;

3 19. "Financial statements" means statements and footnotes
4 related thereto that undertake to present an actual or anticipated
5 financial position as of a point in time, or results of operations,
6 cash flow, or changes in financial position for a period of time, in
7 conformity with generally accepted accounting principles or another
8 comprehensive basis of accounting. The term does not include
9 incidental financial data included in management advisory service
10 reports to support recommendations to a client; nor does it include
11 tax returns and supporting schedules;

12 20. "Firm" means an entity that is either a sole
13 proprietorship, partnership, professional limited liability company,
14 professional limited liability partnership, limited liability
15 partnership or professional corporation, or any other professional
16 form of organization organized under the laws of ~~the State of~~
17 ~~Oklahoma~~ this state or the laws of another jurisdiction and issued a
18 permit in accordance with Section 15.15A of this title or exempt
19 from the permit requirement under Section 15.15C of this title,
20 including individual partners or shareholders, that is engaged in
21 accountancy;

22 21. "Holding out" means any representation by an individual
23 that he or she holds a certificate ~~or license~~ and a valid permit, or
24 by an entity that it holds a valid permit. Any such representation

1 is presumed to invite the public to rely upon the professional
2 skills implied by the certificate ~~or license~~ and valid permit in
3 connection with the services or products offered;

4 22. "Home office" means the location specified by the client as
5 the address to which a service described in Section 15.12A of this
6 title is directed;

7 23. "IFAC" means the International Federation of Accountants;

8 24. "Individual" means a human being;

9 25. "Jurisdiction" means any state or territory of the United
10 States and the District of Columbia;

11 26. "License" means the Oklahoma document issued by the Board
12 to a candidate upon successful completion of the public accountant
13 examination designating the holder as a public accountant pursuant
14 to the laws of ~~Oklahoma~~ this state. "License" shall also mean the
15 Oklahoma document issued by the Board by reciprocity to a public
16 accountant who has previously been licensed by examination in
17 another jurisdiction;

18 27. "Management advisory services", also known as "management
19 consulting services", "management services", "business advisory
20 services" or other similar designation, hereinafter collectively
21 referred to as "MAS", means the function of providing advice and/or
22 technical assistance, performed in accordance with standards for MAS
23 engagements and MAS consultations such as those issued by the
24 American Institute of Certified Public Accountants, where the

1 primary purpose is to help the client improve the use of its
2 capabilities and resources to achieve its objectives including but
3 not limited to:

- 4 a. counseling management in analysis, planning,
5 organizing, operating, risk management and controlling
6 functions,
- 7 b. conducting special studies, preparing recommendations,
8 proposing plans and programs, and providing advice and
9 technical assistance in their implementation,
- 10 c. reviewing and suggesting improvement of policies,
11 procedures, systems, methods, and organization
12 relationships, and
- 13 d. introducing new ideas, concepts, and methods to
14 management.

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

19 28. "NASBA" means the National Association of State Boards of
20 Accountancy;

21 29. "PA" or "P.A." means public accountant;

22 30. "Partnership" means a contractual relationship based upon a
23 written, oral, or implied agreement between two or more individuals
24 who combine their resources and activities in a joint enterprise and

1 share in varying degrees and by specific agreement in the management
2 and in the profits or losses. A partnership may be general or
3 limited as the laws of this state define those terms;

4 31. "PCAOB" means the Public Company Accounting Oversight
5 Board;

6 32. "Peer Review" means a review performed pursuant to a set of
7 peer review rules established by the Board. The term "peer review"
8 also encompasses the term "quality review";

9 33. "Permit" means the written authority granted annually by
10 the Board to individuals or firms to practice public accounting in
11 ~~Oklahoma~~ this state, which is issued pursuant to the Oklahoma
12 Accountancy Act;

13 34. a. "Practice of public accounting", also known as
14 "practice public accounting", "practice" and "practice
15 accounting", refers to the activities of a registrant,
16 an individual granted practice privileges under
17 Section 15.12A of this title, or a firm exempt from
18 the permit and registration requirements under Section
19 15.15C of this title in reference to accountancy. An
20 individual or firm shall be deemed to be engaged in
21 the practice of public accounting if the individual or
22 firm holds itself out to the public in any manner as
23 one skilled in the knowledge, science, and practice of
24 accounting and auditing, taxation and management

1 advisory services and is qualified to render such
2 professional services as a certified public accountant
3 or public accountant, and performs the following:

- 4 (1) maintains an office for the transaction of
5 business as a certified public accountant or
6 public accountant,
7 (2) offers to prospective clients to perform or who
8 does perform on behalf of clients professional
9 services that involve or require an audit,
10 verification, investigation, certification,
11 presentation, or review of financial transactions
12 and accounting records or an attestation
13 concerning any other written assertion,
14 (3) prepares or certifies for clients reports on
15 audits or investigations of books or records of
16 account, balance sheets, and other financial,
17 accounting and related schedules, exhibits,
18 statements, or reports which are to be used for
19 publication or for the purpose of obtaining
20 credit, or for filing with a court of law or with
21 any governmental agency, or for any other
22 purpose,
23 (4) generally or incidentally to the work described
24 herein, renders professional services to clients

- 1 in any or all matters relating to accounting
2 procedure and to the recording, presentation, or
3 certification of financial information or data,
4 (5) keeps books, or prepares trial balances,
5 financial statements, or reports, all as a part
6 of bookkeeping services for clients,
7 (6) prepares or signs as the tax preparer, tax
8 returns for clients, consults with clients on tax
9 matters, conducts studies for clients on tax
10 matters and prepares reports for clients on tax
11 matters, unless the services are uncompensated
12 and are limited solely to the registrant's, or
13 the registrant's spouse's lineal and collateral
14 heirs,
15 (7) prepares personal financial or investment plans
16 or provides to clients products or services of
17 others in implementation of personal financial or
18 investment plans, or
19 (8) provides management advisory services to clients.

20 b. Except for an individual granted practice privileges
21 under Section 15.12A of this title or a firm exempt
22 from the permit and registration requirements under
23 Section 15.15C of this title, an individual or firm
24 not holding a certificate, license or permit shall not

1 be deemed to be engaged in the practice of public
2 accounting if the individual or firm does not hold
3 itself out, solicit, or advertise for clients using
4 the certified public accountant or public accountant
5 designation and engages only in the following
6 services:

- 7 (1) keeps books, or prepares trial balances,
8 financial statements, or reports, provided such
9 instruments do not use the terms "audit",
10 "audited", "exam", "examined", "review" or
11 "reviewed" or are not exhibited as having been
12 prepared by a certified public accountant or
13 public accountant. Except for an individual
14 granted practice privileges under Section 15.12A
15 of this title or a firm exempt from the permit
16 and registration requirements under Section
17 15.15C of this title, nonregistrants may use the
18 following disclaimer language in connection with
19 financial statements and be in compliance with
20 the Oklahoma Accountancy Act: "I (we) have not
21 audited, examined or reviewed the accompanying
22 financial statements and accordingly do not
23 express an opinion or any other form of assurance
24 on them.",

- 1 (2) prepares or signs as the tax preparer, tax
2 returns for clients, consults with clients on tax
3 matters, conducts studies for clients on tax
4 matters and prepares reports for clients on tax
5 matters,
6 (3) prepares personal financial or investment plans
7 or provides to clients products or services of
8 others in implementation of personal financial or
9 investment plans, or
10 (4) provides management advisory services to clients.

11 c. Only permit holders, individuals granted practice
12 privileges under Section 15.12A of this title, or
13 firms exempt from the permit and registration
14 requirements under Section 15.15C of this title may
15 render or offer to render any attest service, as
16 defined herein, or issue a report on financial
17 statements which purport to be in compliance with the
18 Statements on Standards for Accounting and Review
19 Services (SSARS). This restriction shall not prohibit
20 any act of a public official or public employee in the
21 performance of that person's duties. This restriction
22 shall not be construed to prohibit the performance by
23 any unlicensed individual of other services as set out
24 in subparagraph b of this paragraph.

1 d. A person is not deemed to be practicing public
2 accounting within the meaning of this section solely
3 by displaying an Oklahoma CPA certificate or a PA
4 license in an office, identifying himself or herself
5 as a CPA or PA on letterhead or business cards, or
6 identifying himself or herself as a CPA or PA.
7 However, the designation of CPA or PA on such
8 letterheads, business cards, public signs,
9 advertisements, publications directed to clients or
10 potential clients, financial or tax documents of a
11 client, performance of any attest service or issuance
12 of a report constitutes the practice of public
13 accounting and requires a permit, practice privileges
14 under Section 15.12A of this title, or an exemption
15 from the permit and registration requirements under
16 Section 15.15C of this title;

17 35. "Preissuance review" means a review preformed pursuant to a
18 set of procedures that include review of engagement document,
19 report, and clients' financial statements in order to permit the
20 reviewer to assess compliance with all applicable professional
21 standards;

22 36. "Principal place of business" means the office location
23 designated by the licensee for the purposes of substantial
24 equivalency and reciprocity;

1 37. "Professional corporation" means a corporation organized
2 pursuant to the laws of this state;

3 38. "Professional" means arising out of or related to the
4 specialized knowledge or skills associated with CPAs or PAs;

5 39. "Public accountant" means any individual who has received a
6 license from the Board;

7 40. "Public interest" means the collective well-being of the
8 community of people and institutions the profession serves;

9 41. "Qualification applicant" means an individual who has made
10 application to the Board to qualify to become a candidate for
11 examination;

12 42. "Registrant" means a CPA, PA, or firm composed of certified
13 public accountants or public accountants or combination of both
14 currently registered with the Board pursuant to the authority of the
15 Oklahoma Accountancy Act;

16 43. "Report", when used with reference to any attest or
17 compilation service, means an opinion, report or other form of
18 language that states or implies assurance as to the reliability of
19 the attested information or complied financial statements, and that
20 also includes or is accompanied by any statement or implication that
21 the person or firm issuing it has special knowledge or competence in
22 accounting or auditing. Such a statement or implication of special
23 knowledge or competence may arise from use by the issuer of the
24 report of names or titles indicating that the person or firm is an

1 accountant or auditor, or from the language of the report itself.
2 The term "report" includes any form of language which disclaims an
3 opinion when such form of language is conventionally understood to
4 imply any positive assurance as to the reliability of the attested
5 information or compiled financial statements referred to and/or
6 special competence on the part of the person or firm issuing such
7 language; and it includes any other form of language that is
8 conventionally understood to imply such assurance and/or such
9 special knowledge or competence. This definition is not intended to
10 include a report prepared by a person not holding a certificate or
11 license or not granted practice privileges under Section 15.12A of
12 this title. However, such report shall not refer to "audit",
13 "audited", "exam", "examined", "review" or "reviewed", nor use the
14 language "in accordance with standards established by the American
15 Institute of Certified Public Accountants" or successor of said
16 entity, or governmental agency approved by the Board, except for the
17 Internal Revenue Service. Except for an individual granted practice
18 privileges under Section 15.12A of this title or a firm exempt from
19 the permit and registration requirements under Section 15.15C of
20 this title, nonregistrants may use the following disclaimer language
21 in connection with financial statements not to be in violation of
22 the Oklahoma Accountancy Act: "I (we) have not audited, examined,
23 or reviewed the accompanying financial statements and accordingly do
24 not express an opinion or any other form of assurance on them.";

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

6 45. "Review", when used with reference to financial statements,
7 means a registrant or an individual granted practice privileges
8 under Section 15.12A of this title, or a firm exempt from the permit
9 and registration requirements under Section 15.15C of this title
10 performing inquiry and analytical procedures that provide the
11 registrant with a reasonable basis for expressing limited assurance
12 that there are no material modifications that should be made to the
13 statements in order for them to be in conformity with generally
14 accepted accounting principles or, if applicable, with another
15 comprehensive basis of accounting; and

16 46. "Substantial equivalency" is a determination by the
17 Oklahoma Accountancy Board or its designee that:

- 18 a. the education, examination and experience requirements
19 contained in the statutes and administrative rules of
20 another jurisdiction are comparable to, or exceed, the
21 education, examination and experience requirements
22 contained in the AICPA/NASBA Uniform Accountancy Act,
23 or

1 b. that an individual certified public accountant's or
2 public accountant's education, examination and
3 experience qualifications are comparable to or exceed
4 the education, examination and experience requirements
5 contained in the Oklahoma Accountancy Act and rules of
6 the Board.

7 In ascertaining substantial equivalency as used in the Oklahoma
8 Accountancy Act, the Board or its designee shall take into account
9 the qualifications without regard to the sequence in which
10 experience, education, or examination requirements were attained.

11 SECTION 2. AMENDATORY 59 O.S. 2021, Section 15.2, is
12 amended to read as follows:

13 Section 15.2. A. There is hereby re-created, to continue until
14 July 1, 2023, in accordance with the provisions of the Oklahoma
15 Sunset Law, the Oklahoma Accountancy Board. The Oklahoma
16 Accountancy Board shall have the responsibility for administering
17 and enforcing the Oklahoma Accountancy Act. The Oklahoma
18 Accountancy Board shall be composed of seven (7) members, who shall
19 have professional or practical experience in the use of accounting
20 services and financial matters, so as to be qualified to make
21 judgments about the qualifications and conduct of persons and firms
22 subject to regulation under the Oklahoma Accountancy Act to be
23 appointed by the Governor and confirmed by the Senate. The number
24 of registrant members shall not be more than ~~six~~ five, not including

1 a firm, who shall serve terms of five (5) years. No member who has
2 served two successive complete terms shall be eligible for
3 reappointment, but an appointment to fill an unexpired term shall
4 not be considered a complete term for this purpose. ~~The~~ One public
5 member shall serve coterminously with the Governor appointing the
6 public member. The other public member shall serve a term of five
7 (5) years.

8 ~~B. One member shall be either a public accountant licensed and~~
9 ~~holding a permit pursuant to the provisions of the Oklahoma~~
10 ~~Accountancy Act, or a person with professional or practical~~
11 ~~experience in the use of accounting services and financial matters~~
12 ~~and who shall have met the educational requirements to qualify as a~~
13 ~~candidate for examination for the license of public accountant as~~
14 ~~provided in subsection B of Section 15.8 of this title. A list of~~
15 ~~qualified persons shall be compiled and submitted to the Governor by~~
16 ~~the Oklahoma Society of Public Accountants, or successor~~
17 ~~organization from time to time as appointment of the Board member is~~
18 ~~required to be made. A list of three names shall be submitted for~~
19 ~~each single appointment from which the Governor may make the~~
20 ~~appointment.~~

21 ~~C.~~ Five members shall be certified public accountants holding
22 certificates and four shall hold permits issued pursuant to the
23 provisions of the Oklahoma Accountancy Act, at least four of whom
24 shall have been engaged in the practice of public accounting as a

1 certified public accountant continuously for not less than five (5)
2 out of the last fifteen (15) years immediately preceding their
3 appointments. A list of qualified persons shall be compiled and
4 submitted to the Governor by the Oklahoma Society of Certified
5 Public Accountants from time to time as appointments of the
6 certified public accountant Board members are required. A list of
7 three names shall be submitted for each single appointment from
8 which the Governor may make the appointment.

9 ~~D. One member~~ C. Two members shall be a public ~~member~~ members
10 who ~~is~~ are not a certified public accountant or licensed public
11 ~~accountant~~ accountants. ~~The One~~ public member shall be appointed by
12 the Governor to a term coterminous with the Governor. ~~The public~~
13 ~~member shall serve at the pleasure of the Governor,~~ to serve at his
14 or her pleasure. The other public member shall serve a term of five
15 (5) years and have professional or practical experience in the use
16 of accounting services and financial matters. A list of qualified
17 persons shall be compiled and submitted to the Governor by the
18 Oklahoma Society of Public Accountants, Oklahoma Society of
19 Certified Public Accountants, or successor organizations from time
20 to time as appointment of the Board member is required. A list of
21 three (3) names shall be submitted for each single appointment from
22 which the Governor may make the appointment.

23 ~~E. D.~~ Upon the expiration of the term of office, a member shall
24 continue to serve until a qualified successor has been appointed.

1 Confirmation by the Senate is required during the next regular
2 session of the ~~Oklahoma~~ Senate for the member to continue to serve.

3 SECTION 3. AMENDATORY 59 O.S. 2021, Section 15.8, is
4 amended to read as follows:

5 Section 15.8. A. A qualification applicant to qualify as a
6 candidate for examination shall file an application for
7 qualification in a format approved by the Oklahoma Accountancy
8 Board. The fee for the qualification application shall be
9 determined by the Board and shall not exceed Three Hundred Dollars
10 (\$300.00). Every qualification applicant to qualify as a candidate
11 for the certificate of certified public accountant ~~or license of~~
12 ~~public accountant~~ shall submit to a national criminal history record
13 search, must be a resident of this state immediately prior to making
14 application and, except as otherwise provided in this section, shall
15 meet the education and experience requirements provided in this
16 section. The costs associated with the national criminal history
17 records search shall be paid by the applicant.

18 B. ~~On or after July 1, 1999, every qualification applicant to~~
19 ~~qualify as a candidate for examination for the license of public~~
20 ~~accountant shall have graduated from an accredited four-year college~~
21 ~~or university with a major in accounting or with a nonaccounting~~
22 ~~major supplemented by what the Oklahoma Accountancy Board determines~~
23 ~~to be the equivalent of an accounting major of any four-year college~~
24 ~~or university in this state or any other four-year college or~~

1 ~~university recognized by the Board. Such major in accounting or~~
2 ~~nonaccounting major shall include satisfactory completion of forty-~~
3 ~~eight (48) semester hours, or the equivalent thereof, in accounting~~
4 ~~and related subjects. At least thirty (30) semester hours, or the~~
5 ~~equivalent thereof, of said forty-eight (48) semester hours, shall~~
6 ~~be in accounting courses, at least one of which shall be in~~
7 ~~auditing. The remainder of said forty-eight (48) semester hours, or~~
8 ~~the equivalent thereof, shall be in said related subjects, which~~
9 ~~shall be in any or all of the subjects of economics, statistics,~~
10 ~~business law, finance, business management, marketing, business~~
11 ~~communication, financial information systems or computer science or~~
12 ~~the equivalent of such subjects as determined by the Board.~~

13 ~~C.~~ On or after July 1, 2003, every qualification applicant to
14 qualify as a candidate for examination for the certificate of
15 certified public accountant shall have at least one hundred fifty
16 (150) semester hours, or the equivalent thereof, of college
17 education including a baccalaureate or higher degree conferred by a
18 college or university acceptable to the Board from an accredited
19 four-year college or university in this state or any other
20 accredited four-year college or university recognized by the Board.
21 A minimum of seventy-six (76) semester hours must be earned at the
22 upper-division level of college or above or the equivalent thereof
23 as determined by the Board; this education requirement shall have
24 been completed prior to submitting an application to the Board; the

1 total educational program of the applicant for examination shall
2 include an accounting concentration or its equivalent as determined
3 acceptable by the Board which shall include not less than thirty
4 (30) semester hours, or the equivalent thereof, in accounting
5 courses above principles of accounting or introductory accounting,
6 with at least one course in auditing or assurance; the remaining
7 accounting courses shall be selected from financial accounting,
8 accounting theory, cost/managerial accounting, federal income tax,
9 governmental, not-for-profit accounting, accounting information
10 systems, accounting history and other accounting electives; at least
11 nine (9) semester hours shall be from any or all of the subjects of
12 economics, statistics, business law, finance, business management,
13 marketing, business communication, risk management, insurance,
14 management information systems, or computer science at the upper-
15 division level of college or above or the equivalent of such
16 subjects as determined by the Board; all the remaining semester
17 hours, if any, shall be elective but shall be at the upper-division
18 level of college or above.

19 ~~D.~~ C. The costs associated with the national criminal history
20 record check shall be paid by the applicant.

21 SECTION 4. AMENDATORY 59 O.S. 2021, Section 15.9, is
22 amended to read as follows:

23 Section 15.9. A. Upon payment of appropriate fees, the
24 Oklahoma Accountancy Board shall grant a certificate ~~or license~~ to
25

1 any individual of good character who meets the applicable education,
2 experience and testing requirements provided for in this section and
3 in Sections 15.8 and 15.10 of this title. For purposes of this
4 subsection, good character means an individual who does not have a
5 history of dishonest acts as demonstrated by documented evidence and
6 has not been convicted, pled guilty, or pled nolo contendere to a
7 felony charge. The Board may refuse to grant a certificate ~~or~~
8 ~~license~~ to an applicant for failure to satisfy the requirement of
9 good character. The Board shall provide to the denied applicant
10 written notification specifying grounds for denial of a certificate
11 ~~or license~~ including failure to meet the good character criterion.
12 Appeal of the action of the Board may be made in accordance with the
13 provisions of the Administrative Procedures Act.

14 B. The Board shall issue certificates as certified public
15 accountants to those applicants who have met the qualifications
16 required by the provisions of the Oklahoma Accountancy Act and the
17 applicable rules of the Board, and have passed an examination in
18 accounting, auditing and related subjects as the Board determines
19 appropriate with such grades that satisfy the Board that each
20 applicant is competent to practice as a certified public accountant.

21 ~~C. The Board shall, upon request, issue licenses as public~~
22 ~~accountants only to those applicants who shall have qualified and~~
23 ~~complied with the provisions of this act and the rules of the Board,~~
24 ~~and shall have passed an examination in accounting, auditing, and~~

1 ~~other related subjects not to exceed seventy-five percent (75%) of~~
2 ~~the CPA Examination subjects with such grades that satisfy the Board~~
3 ~~that each applicant is competent to practice as a public accountant.~~
4 ~~The subjects examined shall be covered by the same examination, and~~
5 ~~grading thereon for passing, as those used by the Board to test~~
6 ~~candidates for the certified public accountant's certificate.~~

7 ~~D.~~ The Board may make use of all or any part of the Uniform
8 Certified Public Accountant's Examination and any organization that
9 assists in providing the examination.

10 ~~E.~~ D. An applicant for initial issuance of a certificate ~~or~~
11 ~~license~~ under this section shall show that the applicant has had one
12 (1) year of experience. Experience shall be defined by the Board by
13 rule and shall include providing a type of service or advice
14 involving the use of accounting, attest, compilation, management
15 advisory, financial advisory, tax or consulting skills, and be
16 satisfied through work experience in government, industry, academia
17 or public practice, all of which shall be verified by a certificate
18 or license holder or an individual approved by the Board. Upon
19 completion of the requirements of Section 15.8 of this title, a
20 qualified applicant for the examination may take the certified
21 public accountant or public accountant examination prior to earning
22 the experience required in this subsection, but shall not be issued
23 a certificate until the experience requirement has been met.

1 ~~F. On or after July 1, 2005, every~~ E. Every applicant for the
2 certificate of certified public accountant ~~or license of public~~
3 ~~accountant~~ shall provide evidence of successful completion of an
4 ethics examination prescribed by the Board.

5 ~~G. F.~~ F. Every applicant for the certificate of certified public
6 accountant ~~or license of public accountant~~ shall submit to a
7 national criminal history record check. The costs associated with
8 the national criminal history record check shall be paid by the
9 applicant.

10 ~~H. G.~~ G. An individual applying for a certificate as a certified
11 public accountant must make application for the certificate within
12 five (5) years of the date the Board notifies the candidate that the
13 candidate has successfully passed all sections of the C.P.A.
14 Examination. If the candidate fails to make application for the
15 certificate within five (5) years, the candidate must provide
16 documentation showing he or she has completed at least one hundred
17 twenty (120) hours of qualifying continuing public accountancy
18 education completed within the three-year period immediately
19 preceding the date the individual applies for certification. The
20 Board shall establish rules whereby time limits set for application
21 pursuant to this provision may, upon written application to the
22 Board, be waived or reduced if the candidate is called to active
23 military service or becomes incapacitated as a result of illness or
24

1 injury or for such other good causes as determined by the Board on a
2 case-by-case basis.

3 ~~I. An individual applying for a license as a public accountant~~
4 ~~must make application for the license within five (5) years of the~~
5 ~~date the Board notifies the candidate that the candidate has~~
6 ~~successfully passed all sections of the PA Examination. If the~~
7 ~~candidate fails to make application for the license within five (5)~~
8 ~~years, the candidate must provide documentation showing he or she~~
9 ~~has completed at least one hundred twenty (120) hours of qualifying~~
10 ~~continuing public accountancy education completed within the three-~~
11 ~~year period immediately preceding the date the individual applies~~
12 ~~for licensure. The Board shall establish rules whereby time limits~~
13 ~~set for application pursuant to this provision may, upon written~~
14 ~~application to the Board, be waived or reduced if the candidate is~~
15 ~~called to active military service or becomes incapacitated as a~~
16 ~~result of illness or injury or for such other good causes as~~
17 ~~determined by the Board on a case-by-case basis.~~

18 SECTION 5. AMENDATORY 59 O.S. 2021, Section 15.10, is
19 amended to read as follows:

20 Section 15.10. A. The Board shall provide an examination for
21 candidates to obtain a certificate ~~or license as accountants a~~
22 certified public accountant at least once each year. Additional
23 examinations may be held at such times and places as the Board may
24 deem advisable.

1 B. Each candidate allowed to sit at the examination shall file
2 a written application on a form prescribed by the Board.

3 C. In addition to the requirement of confidentiality of
4 examination results, the Board shall take such action as necessary
5 to assure the confidentiality of the examination prior to their
6 being administered to candidates.

7 SECTION 6. AMENDATORY 59 O.S. 2021, Section 15.13, is
8 amended to read as follows:

9 Section 15.13. A. The Oklahoma Accountancy Board may issue a
10 certificate ~~or license~~ to an applicant who has been authorized to
11 practice public accounting as a certified public accountant ~~or~~
12 ~~public accountant~~ pursuant to the laws of any jurisdiction if the
13 applicant passed a test administered for the purpose of authorizing
14 an individual to practice as a certified public accountant ~~or public~~
15 ~~accountant~~ with grades which were equivalent to passing a test for
16 the same purpose in this state as of the date the applicant
17 originally passed the examination, and ~~said~~ the applicant:

18 1. Meets the requirements for issuance of a certificate ~~or~~
19 ~~license~~ in this state on the date of making application;

20 2. Met, on the date the certificate ~~or license~~ was issued by
21 the other jurisdiction, the requirements in effect on that date for
22 issuance of a certificate ~~or license~~ in this state; or
23
24
25

1 3. Met, on the date of becoming a candidate in another
2 jurisdiction, the requirements of becoming a candidate in ~~the State~~
3 ~~of Oklahoma~~ this state, except for residency.

4 B. In the event an applicant does not meet the requirements of
5 subsection A of this section, but has passed a test administered for
6 the purpose of authorizing an individual to practice as a certified
7 public accountant ~~or public accountant~~ with grades which were
8 equivalent to passing a test for the same purpose in this state on
9 the date the applicant passed the examination, the Board may issue a
10 certificate ~~or license~~ to an applicant if such applicant has four
11 (4) years of experience practicing public accounting as a certified
12 public accountant ~~or public accountant~~ pursuant to the laws of any
13 jurisdiction. Such experience must have occurred within the ten
14 (10) years immediately preceding the application. Experience
15 acceptable to satisfy the requirements of this subsection shall be
16 determined by standards established by the Board.

17 C. An applicant who is seeking a permit to practice under this
18 section must also provide satisfactory documentation to the Board
19 that such applicant has met the continuing professional education
20 requirements, as provided in Section 15.35 of this title, in effect
21 on the date of the application.

22 D. The Board may issue a certificate ~~or license~~ by reciprocity
23 to the extent required by treaties entered into by the government of
24 the United States.

1 E. A fee in the amount equal to the registration fee and permit
2 fee, if applicable, plus an administrative fee, the total of which
3 shall not exceed Three Hundred Dollars (\$300.00), shall be paid by
4 an applicant seeking a certificate ~~or license~~ pursuant to the
5 provisions of this section. The total amount shall be established
6 by Board rule.

7 F. On or after July 1, 2005, an applicant for the certificate
8 of certified public accountant ~~or license of public accountant~~ under
9 this section shall provide evidence of successful completion of an
10 ethics examination prescribed by the Board.

11 G. As an alternative to the requirements of subsection A, B or
12 C of this section, a certificate holder licensed by another
13 jurisdiction who establishes the certificate holder's principal
14 place of business in this state shall request the issuance of a
15 certificate from the Board prior to establishing such principal
16 place of business. The Board shall issue a certificate to such
17 person who obtains from the NASBA National Qualification Appraisal
18 Service verification that such individual's CPA qualifications are
19 substantially equivalent to the CPA licensure requirements of the
20 AICPA/NASBA Uniform Accountancy Act.

21 H. An applicant for the certificate of certified public
22 accountant ~~or license of a public accountant~~ under this section
23 shall submit to a national criminal history record check. The costs
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1 associated with the national criminal history record check shall be
2 paid by the applicant.

3 SECTION 7. AMENDATORY 59 O.S. 2021, Section 15.13A, is
4 amended to read as follows:

5 Section 15.13A. A. The Board shall issue a certificate to a
6 holder of a substantially equivalent designation issued by a foreign
7 country, provided that:

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

12 2. The designation:

- 13 a. was duly issued by an authority of a foreign country
14 which regulates the practice of public accounting and
15 has not expired or been revoked or suspended,
16 b. entitles the holder to issue reports upon financial
17 statements, and
18 c. was issued upon the basis of substantially equivalent
19 educational, examination and experience requirements
20 established by the foreign authority or by law; and

21 3. The applicant:

- 22 a. received the designation based on educational and
23 examination standards substantially equivalent to
24

1 those in effect in this state at the time the foreign
2 designation was granted,

3 b. completed an experience requirement substantially
4 equivalent to the requirement set out under ~~this act~~
5 the Oklahoma Accountancy Act in the foreign country
6 which granted the foreign designation or has completed
7 four (4) years of professional experience in this
8 state, or ~~meets~~ satisfies equivalent requirements
9 prescribed by the Board by rule within the ten (10)
10 years immediately preceding the application,

11 c. passed a uniform qualifying examination in national
12 standards acceptable to the Board, and

13 d. is of good character.

14 An applicant for the certificate of certified public accountant
15 under this section shall submit to a national criminal history
16 record check. The costs associated with the national criminal
17 history record check shall be paid by the applicant.

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

3 SECTION 8. This act shall become effective November 1, 2022.
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