

By Senator Latvala

16-01041A-12

20121656\_\_

1                                   A bill to be entitled  
2           An act relating to public accounting; amending s.  
3           473.3035, F.S.; requiring that the Department of  
4           Business and Professional Regulation conduct a  
5           feasibility study to assess the privatization of the  
6           Division of Certified Public Accounting; requiring the  
7           study to be completed by a specified date; amending s.  
8           473.308, F.S.; revising the criteria for the work  
9           experience that is required for obtaining a license as  
10          a certified public accountant in this state; requiring  
11          the Board of Accountancy to certify as qualified for a  
12          license by endorsement an applicant who holds a valid  
13          license to practice public accounting issued by  
14          another state and who meets certain other  
15          requirements; amending s. 473.311, F.S.; requiring  
16          that the department renew a license upon certification  
17          by the board that the sole proprietor, partnership,  
18          corporation, limited liability company, or other firm  
19          engaged in the practice of public accounting is  
20          enrolled in a peer review program; creating s.  
21          473.3125, F.S.; providing definitions; requiring the  
22          board to adopt rules that establish minimum standards  
23          for peer review programs and minimum criteria for the  
24          board's approval of peer review administering  
25          organizations that facilitate and administer peer  
26          review programs; authorizing the board to establish a  
27          peer review oversight committee; amending s. 473.313,  
28          F.S.; providing requirements for renewing a license  
29          that becomes inactive for failure of the licensee to

16-01041A-12

20121656

30 report the completion of a specified number of hours  
31 of continuing professional education in public  
32 accounting; providing an effective date.

33  
34 Be It Enacted by the Legislature of the State of Florida:

35  
36 Section 1. Subsection (3) is added to section 473.3035,  
37 Florida Statutes, to read:

38 473.3035 Division of Certified Public Accounting.—

39 (3) Upon approval of the board, the department shall  
40 conduct a feasibility study in accordance with s. 455.32(4) to  
41 assess the privatization of the division. This study shall be  
42 completed by November 30, 2012.

43 Section 2. Subsections (4) and (7) of section 473.308,  
44 Florida Statutes, are amended to read:

45 473.308 Licensure.—

46 (4) (a) An applicant for licensure after December 31, 2008,  
47 must show that he or she has had 1 year of work experience. This  
48 experience shall include providing any type of service or advice  
49 involving the use of accounting, attest, compilation, management  
50 advisory, financial advisory, tax, or consulting skills, all of  
51 which must be verified by a certified public accountant who is  
52 licensed by a state or territory of the United States ~~and who~~  
53 ~~has supervised the applicant.~~ This experience is acceptable if  
54 it was gained through employment in government, industry,  
55 academia, or public practice; constituted a substantial part of  
56 the applicant's duties; and was verified by ~~under the~~  
57 ~~supervision of~~ a certified public accountant licensed by a state  
58 or territory of the United States. The board shall adopt rules

16-01041A-12

20121656

59 specifying standards and providing for the review and approval  
60 of the work experience required by this section.

61 (b) However, an applicant who completed the requirements of  
62 subsection (3) on or before December 31, 2008, and who passes  
63 the licensure examination on or before June 30, 2010, is exempt  
64 from the requirements of this subsection.

65 (7) The board shall certify as qualified for a license by  
66 endorsement an applicant who:

67 (a)1. Is not licensed and has not been licensed in another  
68 state or territory and who has met the requirements of this  
69 section for education, work experience, and good moral character  
70 and has passed a national, regional, state, or territorial  
71 licensing examination that is substantially equivalent to the  
72 examination required by s. 473.306; and

73 2. Has completed such continuing education courses as the  
74 board deems appropriate, within the limits for each applicable  
75 2-year period as set forth in s. 473.312, but at least such  
76 courses as are equivalent to the continuing education  
77 requirements for a Florida certified public accountant licensed  
78 in this state during the 2 years immediately preceding her or  
79 his application for licensure by endorsement; or

80 (b)1.a. Holds a valid license to practice public accounting  
81 issued by another state or territory of the United States, if  
82 the criteria for issuance of such license were substantially  
83 equivalent to the licensure criteria that existed in this state  
84 at the time the license was issued; ~~or~~

85 b. Holds a valid license to practice public accounting  
86 issued by another state or territory of the United States but  
87 the criteria for issuance of such license did not meet the

16-01041A-12

20121656\_\_

88 requirements of sub-subparagraph a.; has met the requirements of  
89 this section for education, work experience, and good moral  
90 character; and has passed a national, regional, state, or  
91 territorial licensing examination that is substantially  
92 equivalent to the examination required by s. 473.306; ~~or and~~  
93 c. Holds a valid license to practice public accounting  
94 issued by another state or territory of the United States; has  
95 passed a national, regional, state, or territorial licensing  
96 examination that is substantially equivalent to the examination  
97 required by s. 473.306 at least 10 years before the date of  
98 application; and has met the requirements of this section for  
99 good moral character; and

100 2. Has completed continuing education courses that are  
101 equivalent to the continuing education requirements for a  
102 Florida certified public accountant licensed in this state  
103 during the 2 years immediately preceding her or his application  
104 for licensure by endorsement.

105 Section 3. Section 473.311, Florida Statutes, is amended to  
106 read:

107 473.311 Renewal of license.—

108 (1) The department shall renew a license issued under s.  
109 473.308 upon receipt of the renewal application and fee and upon  
110 certification by the board that the Florida certified public  
111 accountant has satisfactorily completed the continuing education  
112 requirements of s. 473.312.

113 (2) Effective January 1, 2015, the department shall renew a  
114 license issued under s. 473.3101 upon certification by the board  
115 that the sole proprietor, partnership, corporation, limited  
116 liability company, or other firm engaged in the practice of

16-01041A-12

20121656

117 public accounting, as defined in s. 473.302(8)(a), is enrolled  
118 in a peer review program.

119 ~~(3)(2)~~ The department shall adopt rules establishing a  
120 procedure for the biennial renewal of licenses issued under ss.  
121 473.308 and 473.3101.

122 Section 4. Section 473.3125, Florida Statutes, is created  
123 to read:

124 473.3125 Peer review.-

125 (1) As used in this section, the term:

126 (a) "Licensee" means a sole proprietor, partnership,  
127 corporation, limited liability company, or any other firm  
128 engaged in the practice of public accounting, as defined in s.  
129 473.302(8)(a), which is required to be licensed under s.  
130 473.3101.

131 (b) "Peer review" means the study, appraisal, or review by  
132 one or more independent certified public accountants of one or  
133 more aspects of the professional work of a licensee.

134 (2) The board shall adopt rules establishing minimum  
135 standards for peer review programs, including, but not limited  
136 to, standards for administering, performing, and reporting peer  
137 reviews. The board shall also adopt rules establishing minimum  
138 criteria for the board's approval of one or more peer review  
139 administering organizations to facilitate and administer peer  
140 review programs.

141 (3) For the purposes of maintaining oversight of a firm's  
142 licensure renewal requirements in s. 473.311(2), the board may  
143 establish a peer review oversight committee that is composed of  
144 no fewer than three and no more than five members who are  
145 licensed under this chapter and whose firm is subject to s.

16-01041A-12

20121656\_\_

146 473.311(2) and has received a review rating of "pass" on the  
147 most recent peer review.

148 Section 5. Section 473.313, Florida Statutes, is amended to  
149 read:

150 473.313 Inactive status.—

151 (1) A Florida certified public accountant may request that  
152 her or his license be placed in an inactive status by making  
153 application to the department. The board may prescribe by rule  
154 fees for placing a license on inactive status, renewal of  
155 inactive status, and reactivation of an inactive license.

156 (2) A license that has become inactive for failure of the  
157 licensee to complete the requirements in s. 473.312 may be  
158 reactivated under s. 473.311 upon application to the department.  
159 The board may prescribe by rule continuing education  
160 requirements as a condition of reactivating a license. The  
161 minimum continuing education requirements for reactivating a  
162 license shall be those prescribed by board rule and those of the  
163 most recent biennium plus one-half of the requirements in s.  
164 473.312. Notwithstanding any other provision of this section,  
165 the continuing education requirements are 120 hours, including  
166 at least 30 hours in accounting-related and auditing-related  
167 subjects, not more than 30 hours in behavioral subjects, and a  
168 minimum of 8 hours in ethics subjects approved by the board, for  
169 the reactivation of a license that is inactive on June 30, 2012  
170 ~~2009~~, if the Florida certified public accountant notifies the  
171 Board of Accountancy by December 31, 2012 ~~2009~~, of an intention  
172 to reactivate such a license and completes such reactivation by  
173 June 30, 2014 ~~2011~~.

174 (3) A license that has become inactive for failure of the

16-01041A-12

20121656

175 licensee to report completion of the requirements in s. 473.312  
176 may be reactivated under s. 473.311 upon application to the  
177 department. In order to reactive the license, the licensee  
178 shall:

179 (a) Pay an application fee as determined by the board;

180 (b) Submit proof of certification by the Florida certified  
181 public accountant that the licensee satisfactorily completed the  
182 continuing education requirements set forth under s. 473.311;  
183 and

184 (c) Submit a completed application to the board by March 15  
185 immediately following the inactive period.

186 (4)~~(3)~~ Any Florida certified public accountant holding an  
187 inactive license may be permitted to reactivate such license in  
188 a conditional manner. The conditions of reactivation shall  
189 require the payment of fees and the completion of required  
190 continuing education.

191 (5)~~(4)~~ Notwithstanding the provisions of s. 455.271, the  
192 board may, at its discretion, reinstate the license of an  
193 individual whose license has become null and void if the  
194 individual has made a good faith effort to comply with this  
195 section but has failed to comply because of illness or unusual  
196 hardship. The individual shall apply to the board for  
197 reinstatement in a manner prescribed by rules of the board and  
198 shall pay an application fee in an amount determined by rule of  
199 the board. The board shall require that the individual meet all  
200 continuing education requirements as provided in subsection (2),  
201 pay appropriate licensing fees, and otherwise be eligible for  
202 renewal of licensure under this chapter.

203 Section 6. This act shall take effect July 1, 2012.