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MAR 22 1989

HOUSE FILE 698

BY COMMITTEE ON STATE GOVERNMENT

Place On Calendar

(SUCCESSOR TO HSB 292)

(COMPANION TO SF 370)

Passed House, Date 4-6-89 Passed Senate, Date 4-12-89 (P.1376)
 Vote: Ayes 95 Nays 0 Vote: Ayes 46 Nays 1
 Approved 4-27-89

A BILL FOR

1 An Act relating to the accountancy examining board, including its
 2 membership, the use of the accountancy practitioner advisory
 3 council, and requirements for licensure as an accounting
 4 practitioner.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 698

1 Section 1. Section 116.3, subsection 1, unnumbered
2 paragraphs 1 and 2, Code 1989, are amended to read as follows:

3 An accountancy examining board is created within the
4 professional licensing and regulation division of the
5 department of commerce. The board consists of eight members,
6 five of whom shall be certified public accountants, one of
7 whom shall be ~~from-the~~ a licensed accounting practitioner
8 ~~advisory-council~~, and two of whom shall not be certified
9 public accountants or licensed accounting practitioners and
10 ~~who~~ shall represent the general public. A certified or
11 licensed member shall be actively engaged in practice as a
12 certified public accountant or accounting practitioner and
13 shall have been so engaged for five years preceding
14 appointment, the last two of which shall have been in Iowa.
15 Professional associations or societies composed of certified
3702-16 public accountants or composed of licensed accounting
17 practitioners may recommend the names of potential board
18 members to the governor. However, the governor is not bound
19 by the recommendations. A board member shall not be required
20 to be a member of any professional association or society
21 composed of certified public accountants or licensed
22 accounting practitioners. ~~Members, except the member from the~~
23 ~~accounting-practitioner-advisory-council,~~ shall be appointed
24 by the governor to staggered terms, subject to confirmation by
25 the senate. ~~The board member from the accounting-practitioner~~
26 ~~advisory-council shall serve a one-year term and must be the~~
27 ~~most-senior member of the accounting-practitioner advisory~~
28 ~~council who has not served a term on the board in the previous~~
29 ~~two years.~~

30 As used in this chapter, "board" means the accountancy
31 examining board established by this section. Upon the
32 expiration of each ~~of the terms and of each succeeding~~ term,
33 ~~except that of the member from the accounting-practitioner~~
34 ~~advisory-council,~~ a successor shall be appointed for a term of
35 three years beginning and ending as provided in section 69.19.

1 Members, ~~except the member from the accounting practitioner~~
2 ~~advisory council~~, shall serve a maximum of three terms or nine
3 years, whichever is less. Vacancies occurring in the
4 membership of the board for any cause shall be filled in the
5 same manner as original appointments are made by the governor,
6 for the unexpired term and subject to senate confirmation.
7 The public members of the board shall be allowed to
8 participate in administrative, clerical, or ministerial
9 functions incident to giving the examination, but shall not
10 determine the content of the examination or determine the
11 correctness of the answers.

3702-12 Sec. 2. Section 116.8, Code 1989, is amended by striking
13 the section and inserting in lieu thereof the following:

14 116.8 REQUIREMENTS FOR ACCOUNTING PRACTITIONERS.

15 An applicant not meeting the requirements of section 116.7
16 shall be granted a license if the applicant is an enrolled
17 agent entitled to practice before the United States internal
18 revenue service, passes a written examination prescribed by
19 the board, and submits evidence to the board that the
20 applicant meets any of the following requirements:

21 1. The applicant is a graduate of a four-year college or
22 university accredited by the north central accreditation
23 association, or other regional accreditation association
24 having equivalent standards, with a major in business, and has
25 at least one year of actual experience in practice as an
26 accounting practitioner either as an employee of a certified
27 public accountant or licensed accounting practitioner or as an
28 accounting practitioner performing accounting services and
29 preparation of tax returns in a self-employed status.

30 2. The applicant is a graduate of a two-year institution
31 of higher education with a degree in business and the
32 applicant has at least three years of actual experience in
33 practice as an accounting practitioner either as an employee
34 of a certified public accountant or licensed accounting
35 practitioner or as an accounting practitioner performing

1 accounting services and preparation of tax returns in a self-
2 employed status.

3 3. The applicant has passed an examination in accounting
4 administered by the accreditation council for accountancy and
5 the applicant has at least four years of actual experience in
6 practice as an accounting practitioner either as an employee
7 of a certified public accountant or licensed accounting
8 practitioner or as an accounting practitioner performing
9 accounting services and preparation of tax returns in a self-
10 employed status.

11 Sec. 3. Section 116.11, unnumbered paragraph 6, Code 1989,
12 is amended to read as follows:

13 Every An applicant successfully passing all subjects in
14 which examined shall be granted and issued a license as an
15 accounting practitioner by the board. The cost of the license
16 shall be based upon the administrative costs of the board and
17 ~~advisory-committee~~ and the costs of issuing the license.

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18 Sec. 4. Section 116.9, Code 1989, is repealed.

19 Sec. 5. The term of office of the member of the
20 accountancy board who represents the advisory council shall
21 expire June 30, 1989. The term of office of the member of the
22 board who is a licensed accounting practitioner shall commence
23 July 1, 1989, and expire April 30, 1992.

24 EXPLANATION

25 This bill eliminates the accounting practitioner advisory
26 council and deletes the requirement that the accounting
27 practitioner member of the accountancy examining board be a
28 member of the accounting practitioner advisory council. It
29 also revises the requirements for licensure as an accounting
30 practitioner.

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HOUSE FILE 698

H-3702

1 Amend House File 698 as follows:

2 1. Page 1, line 16, by striking the words

3 "composed of".

4 2. By striking page 2, line 12 through page 3,
5 line 17.

6 3. Page 3, by inserting before line 18 the
7 following:

8 "Sec. ____ . Section 116.11, unnumbered paragraph 3,
9 Code 1989, is amended by striking the paragraph and
10 inserting in lieu thereof the following:

11 The examination shall be prescribed by the board
12 and shall be designed and given in a manner as to
13 fairly test the applicant's knowledge of accounting.
14 The examination shall not include questions relating
15 to the subject of auditing."

16 4. By renumbering as necessary.

By PETERSON of Carroll

H-3702 FILED MARCH 29, 1989

adopted 4-6-89 (P 277)

HOUSE FILE 698
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 292)

(COMPANION TO SF 370)

(As Amended and Passed by the House April 6, 1989)

Passed House, Date 4/6/89 Passed Senate, Date 10-5-89 (P1376)
Vote: Ayes 95 Nays 0 Vote: Ayes 46 Nays 1
Approved 42789 (P 2138)

A BILL FOR

1 An Act relating to the accountancy examining board, including its
2 membership, the use of the accountancy practitioner advisory
3 council, and requirements for licensure as an accounting
4 practitioner.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments _____

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Deleted Language *

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TLSB 2367HV 73

do/jw/5

1 Section 1. Section 116.3, subsection 1, unnumbered
2 paragraphs 1 and 2, Code 1989, are amended to read as follows:

3 An accountancy examining board is created within the
4 professional licensing and regulation division of the
5 department of commerce. The board consists of eight members,
6 five of whom shall be certified public accountants, one of
7 whom shall be ~~from-the~~ a licensed accounting practitioner
8 ~~advisory-council~~, and two of whom shall not be certified
9 public accountants or licensed accounting practitioners and
10 ~~who~~ shall represent the general public. A certified or
11 licensed member shall be actively engaged in practice as a
12 certified public accountant or accounting practitioner and
13 shall have been so engaged for five years preceding
14 appointment, the last two of which shall have been in Iowa.
15 Professional associations or societies composed of certified
* 16 public accountants or licensed accounting practitioners may
17 recommend the names of potential board members to the
18 governor. However, the governor is not bound by the
19 recommendations. A board member shall not be required to be a
20 member of any professional association or society composed of
21 certified public accountants or licensed accounting
22 practitioners. ~~Members, except the member from the accounting~~
23 ~~practitioner advisory council,~~ shall be appointed by the
24 governor to staggered terms, subject to confirmation by the
25 senate. ~~The board member from the accounting practitioner~~
26 ~~advisory council shall serve a one-year term and must be the~~
27 ~~most senior member of the accounting practitioner advisory~~
28 ~~council who has not served a term on the board in the previous~~
29 ~~two years.~~

30 As used in this chapter, "board" means the accountancy
31 examining board established by this section. Upon the
32 expiration of each ~~of the terms and of each succeeding term,~~
33 ~~except that of the member from the accounting practitioner~~
34 ~~advisory council,~~ a successor shall be appointed for a term of
35 three years beginning and ending as provided in section 69.19.

1 Members, ~~except the member from the accounting practitioner~~
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4 membership of the board for any cause shall be filled in the
5 same manner as original appointments are made by the governor,
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7 The public members of the board shall be allowed to
8 participate in administrative, clerical, or ministerial
9 functions incident to giving the examination, but shall not
10 determine the content of the examination or determine the
11 correctness of the answers.

* 12 Sec. 2. Section 116.11, unnumbered paragraph 3, Code 1989,
13 is amended by striking the paragraph and inserting in lieu
14 thereof the following:

15 The examination shall be prescribed by the board and shall
16 be designed and given in a manner as to fairly test the
17 applicant's knowledge of accounting. The examination shall
18 not include questions relating to the subject of auditing.

19 Sec. 3. Section 116.9, Code 1989, is repealed.

20 Sec. 4. The term of office of the member of the
21 accountancy board who represents the advisory council shall
22 expire June 30, 1989. The term of office of the member of the
23 board who is a licensed accounting practitioner shall commence
24 July 1, 1989, and expire April 30, 1992.

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STATE GOVERNMENT

HOUSE FILE 618

BY (PROPOSED COMMITTEE ON STATE GOVERNMENT BILL)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

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13 shall have been so engaged for five years preceding
14 appointment, the last two of which shall have been in Iowa.
15 Professional associations or societies composed of certified
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18 members to the governor. However, the governor is not bound
19 by the recommendations. A board member shall not be required
20 to be a member of any professional association or society
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25 at least one year of actual experience in practice as an
26 accounting practitioner either as an employee of a certified
27 public accountant or licensed accounting practitioner or as an
28 accounting practitioner performing accounting services and
29 preparation of tax returns in a self-employed status.

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31 of higher education with a degree in business and the
32 applicant has at least three years of actual experience in
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21 expire June 30, 1989. The term of office of the member of the
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member of any professional association or society composed of certified public accountants is licensed accounting practitioners. Members, except the member from the accounting practitioner advisory council, shall be appointed by the governor to staggered terms, subject to confirmation by the senate. The board member from the accounting practitioner advisory council shall serve a one-year term and must be the most senior member of the accounting practitioner advisory council who has not served a term on the board in the previous two years.

As used in this chapter, "board" means the accountancy examining board established by this section. Upon the expiration of each of the terms and of each succeeding term, except that of the member from the accounting practitioner advisory council, a successor shall be appointed for a term of three years beginning and ending as provided in section 19 members, except the member from the accounting practitioner advisory council, shall serve a term of three years or nine years, whichever is less. Vacancies occurring in the membership of the board for any cause shall be filled in the same manner as original appointments are made by the governor. The public members of the board shall be allowed to participate in administrative, clerical, or ministerial functions incident to giving the examination, but shall not determine the content of the examination or determine the correctness of the answers.

Sec. 2. Section 116 11, unnumbered paragraph 1, Code 1989, is amended by striking the paragraph and inserting in lieu thereof the following:

The examination shall be prescribed by the board and shall be designed and given in a manner as to fairly test the applicant's knowledge of accounting. The examination shall not include questions relating to the subject of auditing.

Sec. 3. Section 116 9, Code 1989, is repealed.

HOUSE FILE 698

AN ACT
RELATING TO THE ACCOUNTANCY EXAMINING BOARD, INCLUDING ITS MEMBERSHIP, THE USE OF THE ACCOUNTANCY PRACTITIONER ADVISORY COUNCIL, AND REQUIREMENTS FOR LICENSURE AS AN ACCOUNTING PRACTITIONER.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA

Section 1. Section 116.1, subsection 1, unnumbered paragraphs 1 and 2, Code 1989, are amended to read as follows:

An accountancy examining board is created within the professional licensing and regulation division of the department of commerce. The board consists of eight members, five of whom shall be certified public accountants, one of whom shall be from the licensed accounting practitioners advisory council, and two of whom shall not be certified public accountants or licensed accounting practitioners and who shall represent the general public. A certified or licensed member shall be actively engaged in practice as a certified public accountant or accounting practitioner and shall have been so engaged for five years preceding appointment, the last two of which shall have been in Iowa. Professional associations or societies composed of certified public accountants or licensed accounting practitioners may recommend the names of potential board members to the governor. However, the governor is not bound by the recommendations. A board member shall not be required to be a

Sec. 4. The term of office of the member of the accountancy board who represents the advisory council shall expire June 30, 1989. The term of office of the member of the board who is a licensed accounting practitioner shall commence July 1, 1989, and expire April 30, 1992.

DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 698, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved 4/27, 1989

TERRY E. BRANSTAD
Governor