

Senate Bill 449

By: Senators Seabaugh of the 28th and Balfour of the 9th

AS PASSED SENATE

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Chapter 3 of Title 43 of the Official Code of Georgia Annotated, relating to
2 accountants, so as to repeal certain provisions relating to registered public accountants; to
3 provide that public accountants shall upon application be certificated as certified public
4 accountants; to remove references to registered public accountants; to change certain
5 provisions relating to use of titles and devices, false or fraudulent claims, and regulation of
6 solicitation of employment; to amend Chapter 40 of Title 43 of the Official Code of Georgia
7 Annotated, relating to real estate brokers and salespersons, so as to remove references to
8 registered public accountants; to amend Article 13 of Chapter 1 of Title 7 of the Official
9 Code of Georgia Annotated, relating to licensing of mortgage lenders and mortgage brokers,
10 so as to remove references to registered public accountants; to amend Chapter 12 of Title 16
11 of the Official Code of Georgia Annotated, relating to offenses against health and morals, so
12 as to remove references to registered public accountants; to provide for related matters; to
13 provide an effective date; to repeal conflicting laws; and for other purposes.

14 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

15 **SECTION 1.**

16 Chapter 3 of Title 43 of the Official Code of Georgia Annotated, relating to accountants, is
17 amended by striking Code Section 43-3-13, relating to requirements for certificate of
18 "registered public accountant," and inserting in its place the following:

19 "43-3-13.

20 Notwithstanding any other provision of this chapter, on and after July 1, 2004, each
21 registered public accountant who holds a live permit and who is in good standing shall
22 upon application be certificated as a certified public accountant. On and after July 1, 2004,
23 the board shall not consider any application for a certificate of registered public
24 accountant."

1 **SECTION 2.**

2 Said chapter is further amended by repealing and reserving Code Section 43-3-14, relating
3 to examinations for registered public accountants; Code Section 43-3-16, relating to
4 certificate holder as "registered public accountant," list of registered public accountants, and
5 periodic registration; Code Section 43-3-18, relating to reciprocity for registered public
6 accountants; and Code Section 43-3-19, relating to persons holding registered public
7 accountant certificates as of July 1, 1977.

8 **SECTION 3.**

9 Said chapter is further amended by striking subsection (b) of Code Section 43-3-21, relating
10 to registration requirements for firms of public accountants or certified public accountants,
11 by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively,
12 and by striking subsection (a) and inserting in its place the following:

13 "(a) A firm practicing public accountancy in this state shall register with the board as a
14 firm of certified public accountants, provided it meets the following requirements:

15 (1) Each partner, member, or shareholder of the firm shall be a certified ~~or registered~~
16 public accountant of some state in good standing;

17 (2) The firm shall be in compliance with all requirements and provisions of state law
18 governing the organizational form of the firm;

19 (3) The firm shall comply with all regulations pertaining to firms registered with the
20 board; and

21 (4) The resident manager of the office of the firm and each partner, member, or
22 shareholder thereof personally engaged within this state in the practice of public
23 accountancy shall be a certified ~~or registered~~ public accountant of this state in good
24 standing."

25 **SECTION 4.**

26 Said chapter is further amended by striking subsection (a) and paragraph (1) of subsection
27 (b) of Code Section 43-3-24, relating to issuance of permits to practice accountancy and
28 issuance of temporary permits to nonresidents, and inserting in their place the following:

29 "(a) A permit to engage in the practice of public accountancy in this state shall be issued
30 by the division director, at the direction of the board, to each person who is certificated as
31 a certified public accountant under Code Sections 43-3-6 through 43-3-12, ~~registered as a~~
32 ~~public accountant under Code Sections 43-3-13 through 43-3-19~~, or registered as a foreign
33 accountant under Code Section 43-3-20 who shall have furnished evidence, satisfactory to
34 the board, of compliance with the requirements of Code Section 43-3-25, and to individuals
35 and firms registered under Code Section 43-3-21, provided that such entities are maintained

1 and registered as required under Code Sections 43-3-21 and 43-3-23. There shall be a
2 biennial permit fee in an amount to be determined by the board."

3 "(1) An applicant for a temporary permit under this subsection shall show that he or she
4 is duly licensed and authorized to practice as a certified public accountant or as a firm of
5 certified public accountants or the equivalent in another state ~~or as a registered public~~
6 ~~accountant or as a firm of registered public accountants or the equivalent in another state~~
7 and shall give the name of each person who will be engaged in the practice of public
8 accounting in this state in the performance of the professional engagement which is the
9 subject of the application;"

10 SECTION 5.

11 Said chapter is further amended by striking subsection (a) of Code Section 43-3-25, relating
12 to continuing professional education requirements, and inserting in its place the following:

13 "(a) Every application for renewal of a live permit by any individual who is and has been
14 certificated as a certified public accountant, ~~registered as a registered public accountant,~~
15 or registered as a foreign accountant by this state for one year or more shall be
16 accompanied or supported by such evidence as the board shall prescribe of satisfactory
17 completion of continuing professional education as provided in this Code section, provided
18 that the board may relax or suspend requirements of continuing professional education in
19 instances where an applicant's health requires it or in instances of individual hardship."

20 SECTION 6.

21 Said chapter is further amended by striking the introductory language of subsection (a) of
22 Code Section 43-3-28, relating to revocation, suspension, or refusal to renew certificate,
23 registration, or permit and immunity, and inserting in its place the following:

24 "(a) After notice and hearing as provided in Code Section 43-3-30, the board may revoke
25 or suspend any certification issued under Code Sections 43-3-6 through 43-3-12 or a
26 registration issued under ~~Code Sections 43-3-13 through 43-3-19~~ or under Code Section
27 43-3-20 or may revoke, suspend, or refuse to renew any live permit or may censure the
28 holder of any such permit for any cause which the board may deem sufficient, including,
29 without limiting the generality of the foregoing, any one or any combination of the
30 following causes:"

31 SECTION 7.

32 Said chapter is further amended by striking subsections (c) and (d) of Code Section 43-3-35,
33 relating to use of titles or devices, false or fraudulent claims, and regulation of solicitation

1 of employment, by redesignating subsections (f), (g), (h), and (i) as subsections (d), (e), (f),
 2 and (g), respectively, and by striking subsection (e) and inserting in its place the following:
 3 "~~(e)~~(c) No individual, firm, or any other person or entity shall assume or use: (1) any title
 4 or designation likely to be confused with 'certified public accountant,' or 'public
 5 accountant,' including, without limiting the generality of the foregoing, 'certified
 6 accountant,' 'enrolled accountant,' 'licensed accountant,' 'licensed public accountant,' or
 7 'registered accountant'; or (2) any abbreviation likely to be confused with 'C.P.A.,' or 'P.A.,'
 8 including, without limiting the generality of the foregoing, 'C.A.,' 'E.A.,' 'R.A.,' 'L.A.,' or
 9 'L.P.A.,' provided that nothing in this subsection shall be construed to prohibit the use of
 10 the abbreviation 'P.A.' in accordance with Chapter 10 of Title 14, 'The Georgia Professional
 11 Association Act,' or Chapter 7 of Title 14, the 'Georgia Professional Corporation Act,' or
 12 any abbreviation authorized by Chapter 11 of Title 14, the 'Georgia Limited Liability
 13 Company Act'; and, provided, further, that a foreign accountant registered under Code
 14 Section 43-3-20 who holds a live permit and all of whose offices in this state for the
 15 practice of public accountancy are maintained and registered as required under Code
 16 Sections 43-3-21 and 43-3-23 may use the title under which he or she is generally known
 17 in his or her country, followed by the name of the country from which he or she received
 18 his or her certificate, license, or degree."

19

SECTION 8.

20 Chapter 40 of Title 43 of the Official Code of Georgia Annotated, relating to real estate
 21 brokers and salespersons, is amended by striking paragraph (14) of subsection (a) of Code
 22 Section 43-40-29, relating to exceptions to operation of chapter, and inserting in its place the
 23 following:

24 "(14) A licensed certified public accountant or ~~registered public accountant~~ acting solely
 25 as an incident to the practice of public accounting."

26

SECTION 9.

27 Article 13 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated, relating to
 28 licensing of mortgage lenders and mortgage brokers, is amended by striking paragraph (2)
 29 of Code Section 7-1-1000, relating to definitions, and inserting in its place the following:

30 "(2) 'Audited financial statement' means the product of the examination of financial
 31 statements in accordance with generally accepted auditing standards by an independent
 32 certified public accountant or ~~by an independent Georgia registered public accountant~~
 33 ~~considered acceptable by the department~~, which product consists of an opinion on the
 34 financial statements indicating their conformity with generally accepted accounting
 35 principles."

SECTION 10.

Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to offenses against health and morals, is amended by striking subsection (j) of Code Section 16-12-22.1, relating to raffles operated by nonprofit, tax-exempt organizations, and inserting in its place the following:

"(j) On or before April 15 of each year, every nonprofit, tax-exempt organization engaged in operating raffles shall file with the sheriff a report disclosing all receipts and expenditures relating to the operation of raffles in the previous year. The report shall be in addition to all other reports required by law. The report shall be prepared and signed by a certified ~~or registered~~ public accountant competent to prepare such a report and shall be deemed a public record subject to public inspection."

SECTION 11.

Said chapter is further amended by striking Code Section 16-12-59, relating to annual report to be filed with the director of the Georgia Bureau of Investigation by bingo game operators, and inserting in its place the following:

"16-12-59.

On or before April 15 of each year, every nonprofit, tax-exempt organization engaged in operating bingo games shall file with the director a report disclosing all receipts and expenditures relating to the operation of bingo games in the previous year. The report shall be in addition to all other reports required by law. The report shall be prepared and signed by a certified ~~or registered~~ public accountant competent to prepare such a report and shall be deemed a public record subject to public inspection."

SECTION 12.

This Act shall become effective on July 1, 2004.

SECTION 13.

All laws and parts of laws in conflict with this Act are repealed.