
HOUSE BILL 2524

State of Washington 55th Legislature 1998 Regular Session

By Representatives Carlson, Kenney, Radcliff, Mason and O'Brien

Read first time . Referred to Committee on .

1 AN ACT Relating to the responsibilities of the higher education
2 coordinating board and education for accountants; amending RCW
3 18.04.055; and adding a new section to chapter 28B.80 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.80 RCW
6 to read as follows:

7 The higher education coordinating board shall review and approve or
8 disapprove any educational requirements proposed by the board of
9 accountancy that would require candidates for certified public
10 accountant to take more than one hundred twenty semester credit hours
11 or their equivalent of college or university work. Before granting
12 such approval, the higher education coordinating board shall provide to
13 the governor, the board of accountancy, and the house of
14 representatives and senate committees on higher education a cost
15 benefit analysis of such requirement.

16 **Sec. 2.** RCW 18.04.055 and 1992 c 103 s 5 are each amended to read
17 as follows:

1 The board may adopt and amend rules under chapter 34.05 RCW for the
2 orderly conduct of its affairs. The board shall prescribe rules
3 consistent with this chapter as necessary to implement this chapter.
4 Included may be:

5 (1) Rules of procedure to govern the conduct of matters before the
6 board;

7 (2) Rules of professional conduct for all certificate and license
8 holders, in order to establish and maintain high standards of
9 competence and ethics of certified public accountants including rules
10 dealing with independence, integrity, objectivity, and freedom from
11 conflicts of interest;

12 (3) Rules specifying actions and circumstances deemed to constitute
13 holding oneself out as a licensee in connection with the practice of
14 public accountancy;

15 (4) Rules specifying the manner and circumstances of the use of the
16 titles "certified public accountant" and "CPA," by holders of
17 certificates who do not also hold licenses under this chapter;

18 (5) Educational requirements to take the certified public
19 accountant examination or for the issuance of the certificate or
20 license of certified public accountant. The board may not require an
21 applicant to have successfully completed more than one hundred twenty
22 semester credit hours or their equivalent of college or university work
23 unless the board has received approval from the higher education
24 coordinating board for that requirement;

25 (6) Rules designed to ensure that certified public accountants'
26 "reports on financial statements" meet the definitional requirements
27 for that term as specified in RCW 18.04.025;

28 (7) Requirements for continuing professional education to maintain
29 or improve the professional competence of certificate and license
30 holders as a condition to maintaining their certificate or license to
31 practice under RCW 18.04.215;

32 (8) Rules governing sole proprietors, partnerships, and
33 corporations practicing public accounting including, but not limited
34 to, rules concerning their style, name, title, and affiliation with any
35 other organization, and establishing reasonable practice standards to
36 protect the public interest;

37 (9) The board may by rule implement a quality assurance review
38 program as a means to monitor licensees' quality of practice and
39 compliance with professional standards. The board may exempt from such

1 program, licensees who undergo periodic quality reviews in programs of
2 the American Institute of Certified Public Accountants, National
3 Association of State Boards of Accountancy, or other programs
4 recognized and approved by the board;

5 (10) The board may by rule require firms to obtain professional
6 liability insurance if in the board's discretion such insurance
7 provides additional and necessary protection for the public; and

8 (11) Any other rule which the board finds necessary or appropriate
9 to implement this chapter.

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