
Commerce & Labor Committee

HB 2917

Brief Description: Transferring the board of accountancy to the department of licensing.

Sponsors: Representatives Sells, Kenney, Van De Wege, Darneille, Blake, Takko and Wallace;
by request of Governor Gregoire.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Transfers the Washington State Board of Accountancy to the Department of Licensing.

Hearing Date: 1/29/10

Staff: Joan Elgee (786-7106).

Background:

The Washington State Board of Accountancy (Board) regulates the practice of public accounting in this state under the Public Accountancy Act (Act). The Board licenses both individual certified public accountants (CPAs) and CPA firms who meet standards established by law and by the Board. The Board has rule-making, investigative, and disciplinary authority. The Board sets fees to pay the costs of administering the Act.

The Board is composed of nine members appointed by the Governor for three-year terms. Six members must be licensed in the state for the previous 10 years and three members are public members. The Governor appoints an executive director of the Board who serves at the pleasure of the Governor and the executive director may employ persons to carry out the responsibilities of the Board.

The Department of Licensing (Department) regulates approximately 30 professions through its Business and Professions Division. These professions include architects, security guards, home inspectors, real estate appraisers, and others. The director of the Department is appointed by the Governor with the consent of the Senate.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Uniform Regulation of Business and Professions Act provides standardized disciplinary procedures for the businesses and professions regulated by the Department.

Summary of Bill:

The Washington State Board of Accountancy (Board) is transferred to the Department of Licensing (Department) effective July 1, 2010.

The director of the Department employs an executive secretary and other persons to carry out the regulatory responsibilities. The Board continues to have rule-making authority, except that the Department sets fees. Licenses are granted by the Department to persons certified by the Board. The Board continues to have disciplinary authority.

The standard for denying a license based on lack of good character is changed from a preponderance of the evidence to a clear and convincing evidence standard. The director or designee of the Department (rather than the Secretary of State) is the agent for service of process in any action against an out-of-state CPA. The Uniform Regulation of Business and Professions Act applies to the accountancy provisions, except that if there is a conflict, the accountancy provisions prevail.

The transfer of documents, appropriations, employees, pending business and other matters are transferred from the Board to the Department.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect July 1, 2010.