

HOUSE BILL REPORT

SSB 5434

As Passed House:

April 7, 2009

Title: An act relating to prohibited practices in accountancy.

Brief Description: Regarding prohibited practices in accountancy.

Sponsors: Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Marr, Holmquist, Kohl-Welles and Shin; by request of State Board of Accountancy).

Brief History:

Committee Activity:

Commerce & Labor: 3/24/09, 3/27/09 [DP].

Floor Activity

Passed House: 4/7/09, 98-0.

Brief Summary of Substitute Bill

- Aligns the prohibited practices for an accounting firm with an office in this state to practice without a license with the licensing requirement.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Crouse, Green, Moeller and Williams.

Staff: Joan Elgee (786-7106)

Background:

The Public Accountancy Act governs the practice of accounting in the state. An accounting firm must be licensed to use the title "CPA" or perform attest or compilation services. It is a prohibited practice for a firm with an office in the state to practice "public accounting" without a license. "Practice of public accounting" includes consulting services and preparation of tax returns by a licensee.

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.

Summary of Bill:

The prohibited practices for an accounting firm with an office in the state are aligned with the licensing requirement. It is a prohibited practice for an accounting firm with an office in this state to perform or offer to perform attest or compilation services or use the title "CPA" without a license.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is a good little bill.

(Opposed) None.

Persons Testifying: Gary Smith, Independent Business Association of Washington; and Richard Sweeney, Washington State Board of Accountancy.

Persons Signed In To Testify But Not Testifying: None.