

_____ offers the following
 substitute to HB 291:

A BILL TO BE ENTITLED
 AN ACT

1 To amend Title 43 of the Official Code of Georgia Annotated, relating to professions and
 2 businesses, so as to provide that the Georgia State Board of Accountancy is transferred from
 3 being administratively attached to the Secretary of State to being a division within the State
 4 Accounting Office; to provide a short title; to add definitions; to change provisions within
 5 the chapter that governs the practice of public accountancy, so as to update terminology and
 6 practice to current usage; to provide the powers and duties of the board; to authorize the state
 7 accounting officer to employ an executive director; to provide the powers and duties of the
 8 executive director; to revise provisions for purposes of conformity; to amend Chapter 5B of
 9 Title 50 of the Official Code of Georgia Annotated, relating to the State Accounting Office,
 10 so as to provide that the state accounting officer shall appoint the executive director of the
 11 Georgia State Board of Accountancy which shall be established as a division within the State
 12 Accounting Office; to amend Code Sections 24-5-501 and 36-81-8.1 of the Official Code of
 13 Georgia Annotated, relating to certain communications as privileged and definitions, grant
 14 certification forms, filings with the state auditor, forfeiture of funds for noncompliance, and
 15 no exemption from liability relative to local government budgets and audits, respectively, so
 16 as to correct cross-references; to provide for related matters; to repeal conflicting laws; and
 17 for other purposes.

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

19 PART I
 20 SECTION 1-1.

21 Title 43 of the Official Code of Georgia Annotated, relating to professions and businesses,
 22 is amended by revising Code Section 43-1-9, relating to point credit given to veterans taking
 23 examinations given by professional licensing boards, as follows:

24 "43-1-9.

25 Any applicant taking an examination required by any professional licensing board except
26 ~~the State Board of Accountancy~~ and the Georgia Board of Nursing shall receive points in
27 the following manner:

28 (1) Any applicant who served on active duty in the armed forces of the United States or
29 on active duty in a reserve component of the armed forces of the United States, including
30 the National Guard, for a period of one year or more, of which at least 90 days were
31 served during wartime or during any conflict when military personnel were committed
32 by the President of the United States, shall be entitled to a credit of five points. Such
33 points shall be added by the person grading the examination to the grade made by the
34 applicant in answering the questions propounded in any such examination;

35 (2) Any applicant who is a disabled veteran and who served on active duty in the armed
36 forces of the United States or on active duty in a reserve component of the armed forces
37 of the United States, including the National Guard, during wartime or during any conflict
38 when military personnel were committed by the President of the United States shall be
39 entitled to a credit of five points if the disability was for an injury or illness incurred in
40 the line of duty and such disability is officially rated at less than 10 percent at the time
41 of taking the examination. Such points shall be added by the person grading the
42 examination to the grade made by the applicant in answering the questions propounded
43 in any such examination; and

44 (3) Any applicant who is a disabled veteran who served on active duty in the armed
45 forces of the United States or on active duty in a reserve component of the armed forces
46 of the United States, including the National Guard, during wartime or during any conflict
47 when military personnel were committed by the President of the United States shall be
48 entitled to a credit of ten points if the disability was for an injury or illness incurred in the
49 line of duty and such disability is officially rated at 10 percent or above at the time of
50 taking the examination. Such points shall be added by the person grading the
51 examination to the grade made by the applicant in answering questions propounded in
52 any such examination."

53 **SECTION 1-2.**

54 Said title is further amended by revising Chapter 3, relating to the "Public Accountancy Act
55 of 1977," as follows:

"CHAPTER 3

56

57 43-3-1.

58 This chapter shall be known and may be cited as the 'Public Accountancy Act of ~~1977~~
59 2014.'

60 43-3-2.

61 As used in this chapter, the term:

62 (1) 'Any other state' means a state other than Georgia, the District of Columbia, the
63 Commonwealth of Puerto Rico, the United States Virgin Islands, the Commonwealth of
64 the Northern Marianas Islands, or Guam.

65 ~~(1)(2)~~ (2) 'Attest' means providing the following financial statement public accountancy
66 services:

67 (A) Any audit ~~or other engagement~~ to be performed in accordance with the ~~Statements~~
68 ~~on Auditing Standards (SAS); and~~ professional standards adopted by the board's rules
69 or regulations;

70 (B) Any review of a financial statement to be performed in accordance with the
71 ~~Statements on Standards for Accounting and Review Services (SSARS); provided,~~
72 ~~however, that nothing in this definition shall alter the rights of unlicensed accountants~~
73 ~~contained in Code Section 43-3-36~~ professional standards adopted by the board's rules
74 or regulations;

75 (C) Any examination of prospective financial information to be performed in
76 accordance with the ~~Statements on Standards for Attestation Engagements (SSAE); and~~
77 professional standards for attestation engagements adopted by the board's rules or
78 regulations;

79 (D) Any engagement to be performed in accordance with the ~~auditing standards of the~~
80 ~~Public Company Accounting Oversight Board~~ professional standards related to public
81 companies adopted by the board's rules or regulations; and

82 (E) Any examination, review, or agreed upon procedures engagement to be performed
83 in accordance with the professional standards adopted by the board's rules or
84 regulations, other than an examination of prospective financial information as described
85 in subparagraph (C) of this paragraph.

86 ~~The standards specified in this paragraph shall be adopted by reference by the board~~
87 ~~pursuant to rule making and shall be those developed for general application by~~
88 ~~recognized national accountancy organizations, such as the American Institute for~~
89 ~~Certified Public Accountants and the Public Company Accounting Oversight Board.~~

90 ~~(2)(3)~~ (3) 'Board' means the Georgia State Board of Accountancy.

91 ~~(3)~~(4) 'Compilation' means providing a service to be performed in accordance with ~~the~~
 92 ~~Statements on Standards for Accounting and Review Services~~ professional standards
 93 adopted by the board's rules or regulations that presents information in the form of
 94 financial statements that are the representation of management or owners without
 95 undertaking to express any assurance as to the statements.

96 ~~(4)~~(5) 'CPA' means certified public accountant.

97 (6) 'Executive director' means the individual appointed by the state accounting officer
 98 to serve as the chief executive officer of the board.

99 ~~(5)~~(7) 'Firm' means any ~~person~~, proprietorship, partnership, corporation, association, or
 100 any other legal entity which ~~practices~~ is practicing public accountancy.

101 ~~(6) 'Home office' means the location identified by the client as the address to which a~~
 102 ~~service described in paragraph (4) of subsection (b) of Code Section 43-3-24 is directed.~~

103 ~~(7) 'Live permit' means a permit issued under Code Section 43-3-24 which is in full force~~
 104 ~~and effect.~~

105 (8) 'Peer review' means a study, appraisal, or review of one or more aspects of the
 106 professional work of a licensee that provides attest or compilation services, by a licensee
 107 who is not affiliated with the individual or firm being reviewed.

108 ~~(8)~~(9) 'Practice of public accountancy' or 'practicing public accountancy' means offering
 109 to perform or performing attest or compilation services or while holding oneself out in
 110 such manner as to state or imply that one is a licensee, offering to perform or performing
 111 for a client ~~one or more types of~~ an individual or entity services involving the:

112 (A) The use of accounting or auditing skills, ~~one or more types of management;~~

113 (B) Management advisory or other consulting services, ~~or the;~~

114 (C) The preparation of tax returns; or

115 (D) The ~~the~~ furnishing of advice on tax matters ~~while holding oneself out in such~~
 116 ~~manner as to state or imply that one is a licensee.~~

117 ~~(9) 'Principal place of business' means the office location designated by the licensee for~~
 118 ~~purposes of substantial equivalency and reciprocity.~~

119 ~~(10) 'State' means the District of Columbia and any state other than this state and any~~
 120 ~~territory or insular possession of the United States.~~

121 (10) 'State Accounting Office' means the office created under Code Section 50-5B-1.

122 (11) 'State accounting officer' means the individual appointed by the Governor under
 123 Code Section 50-5B-1 to administer the State Accounting Office.

124 43-3-3.

125 (a) The State Board of Accountancy on June 30, 2014, is continued in existence as the
 126 Georgia State Board of Accountancy, and members serving on the State Board of

127 Accountancy on June 30, 2014, shall continue to serve out his or her term of office on the
 128 Georgia State Board of Accountancy and until his or her respective successors are
 129 appointed and qualified.

130 (b) The board shall have all of the duties, powers, and authority granted by or necessary
 131 for the enforcement of this chapter.

132 (c) On and after July 1, 2014, the board shall be a division within the State Accounting
 133 Office and shall not be considered a division as such term is defined in Code Section
 134 43-1-1. The board shall neither be under the jurisdiction of the Secretary of State nor be
 135 under the direction of the director of the Professional Licensing Boards Division of the
 136 Secretary of State. The board shall not be subject to the provisions of Chapter 1 of this
 137 title.

138 (d) The state accounting officer shall fix the compensation of an executive director. The
 139 executive director shall serve at the pleasure of the state accounting officer. The executive
 140 director shall have those duties and powers prescribed by the board with the approval of
 141 the state accounting officer and as further set forth in Code Section 43-3-6.

142 (e) The venue of any action involving members of the board shall be the county in which
 143 is found the primary office of the State Accounting Office. The executive director shall not
 144 be considered a member of the board in determining the venue of any such action, and no
 145 court shall have jurisdiction over any such action solely by virtue of the executive director
 146 residing or maintaining a residence within its jurisdiction.

147 ~~43-3-3.~~ 43-3-4.

148 ~~(a) There is created the State Board of Accountancy.~~

149 ~~(b)~~(a) The board shall consist of seven members, to be appointed by the Governor with the
 150 approval of the Senate. Any such appointment made when the Senate is not in session shall
 151 be effective until the appointment is acted upon by the Senate. Each member of the board
 152 shall be a resident of this state. Six members of the board shall be certified public
 153 accountants, all of whom shall hold a permit to practice public accounting issued under
 154 Code Section 43-3-24 be licensed in this state. One member of the board shall be
 155 appointed from the public at large and shall be a person an individual to whom neither this
 156 state nor any other state has ever issued a certificate, registration, license, or permit to
 157 engage in the practice of public accounting. The person serving on the board on June 30,
 158 2005, as a registered public accountant member of the board shall serve the remainder of
 159 the term to which such person was appointed as one of the certified public accountant
 160 members of the board accountancy.

161 ~~(e)~~(b) Each member of the ~~board~~ State Board of Accountancy in office on ~~July 1, 1982~~
 162 June 30, 2014, shall remain in office until the expiration of his or her term and the
 163 appointment and approval of his or her successor.

164 ~~(d)~~(c) Any appointment or reappointment of board members shall be for a period of four
 165 years. The remaining portion of any unexpired term shall be filled by appointment by the
 166 Governor with the approval of the Senate. Upon the expiration of his or her term of office,
 167 a member shall continue to serve until his or her successor ~~shall have been~~ is appointed and
 168 ~~shall have~~ qualified.

169 ~~(e)~~(d) No member of the board shall serve as such for more than two terms, consecutive
 170 or otherwise; and, for purposes of calculating the number of terms served, the filling of an
 171 unexpired term or terms for a total of more than 30 calendar months shall be treated as the
 172 serving of a full term.

173 ~~(f)~~(e) Any member of the board may be removed by the Governor for misconduct,
 174 incompetence, ~~or neglect of duty, or inability to perform the duties required of members.~~
 175 The membership on the board of any member whose ~~permit to practice~~ license in this state
 176 has expired and has not been renewed, has become void, or has been revoked or suspended
 177 shall be automatically terminated simultaneously with any such expiration, voiding,
 178 revocation, or suspension.

179 ~~(g)~~(f) Each member of the board may receive the expense allowance as provided by
 180 subsection (b) of Code Section 45-7-21 and the same mileage allowance for the use of a
 181 vehicle as that received by other employees of this state or a travel allowance of actual
 182 transportation costs if traveling by public carrier. Each board member may be reimbursed
 183 for any conference or meeting registration fee incurred in the performance of his or her
 184 duties as a board member subject to the approval of the executive director. For each day's
 185 service in any other state as a board member, such member may receive actual expenses
 186 as an expense allowance. Expense vouchers submitted by board members shall be subject
 187 to approval by the executive director. A board member's travel outside of this state shall
 188 be allowed if such travel was approved by the executive director. Each member of the
 189 board shall be reimbursed as provided for in subsection (f) of Code Section 43-1-2.

190 ~~43-3-4:~~ 43-3-5.

191 (a) The board shall elect annually a ~~chairman~~ chairperson from its members.

192 (b) The ~~division~~ executive director shall serve as secretary of the board ~~and perform for~~
 193 ~~the board the~~ duties required of him as provided in Chapter 1 of this title.

194 (c) The chairperson shall determine the date, time, and location of board meetings. Board
 195 meetings shall be held at the site of the primary office of the State Accounting Office
 196 unless otherwise specified by the chairperson. The chairperson shall provide three ~~Three~~

197 days' notice of any meeting ~~shall be given by the chairman or division director;~~ provided,
 198 however, that notice may be waived by instrument in writing executed before or after the
 199 meeting; provided, further, that attendance at a meeting of the board shall constitute a
 200 waiver of notice thereof. The chairperson may delegate the responsibility of setting the
 201 location, date, and time of board meetings and providing notice of meetings to the
 202 executive director. Board meetings may be conducted by audio or video conference
 203 ~~telephone~~ calls, and participation in such a conference call shall constitute attendance at the
 204 meeting so conducted. Any action that might have been taken at a meeting of the board
 205 may be taken by the unanimous written consent of all members of the board.

206 (d) A majority of the members of the board shall constitute a quorum for the transaction
 207 of business of the board.

208 ~~(d)~~(e) The board shall have a seal which shall be judicially noticed.

209 ~~(e)~~(f) The board shall preserve all applications and keep records of all of its proceedings
 210 for six years. In any proceeding in court, civil or criminal, arising out of or founded upon
 211 this chapter, copies of the records of the board's proceedings signed by a member of the
 212 board and certified as correct under the seal of the board by the ~~division~~ executive director
 213 shall be admissible in evidence in any court of this state without further proof.

214 ~~(f) The board may appoint such committees or persons, who need not be members of the~~
 215 ~~board, to advise or assist it in administration, investigation, and enforcement of the~~
 216 ~~provisions of this chapter as the board deems necessary and shall be authorized to~~
 217 ~~compensate any such persons or members of committees who are not members of the board~~
 218 ~~in such amounts as it shall determine to be reasonable.~~

219 43-3-6.

220 (a) The executive director shall:

221 (1) Be a full-time employee of the State Accounting Office and shall serve as the
 222 secretary of the board. He or she shall be an individual of good moral character and shall
 223 possess such qualifications as the board, with the approval of the state accounting officer,
 224 may require;

225 (2) Take an oath to discharge faithfully the duties of the office;

226 (3) Keep all records related to the board;

227 (4) With the approval of the state accounting officer, employ and fix the compensation
 228 of individuals as deemed necessary to assist in the duties of the board. If an employee
 229 will serve as an investigator, he or she shall have a level of experience or knowledge of
 230 the area of practice needing to be examined or investigated, including but not limited to
 231 accounting, auditing, and taxes, that is acceptable to the board;

232 (5) Prepare and maintain a public roster containing the names and business addresses of
 233 all current licensees and individuals registered as foreign accountants. A copy of such
 234 roster shall be available upon request at a fee prescribed by the board sufficient to cover
 235 the cost of printing.

236 (6) Schedule the time and location for all examinations and hearings;

237 (7) Maintain a schedule of all meetings and hearings of the board that shall be available
 238 for public review; and

239 (8) Make a report to the Governor on or before the second Tuesday in January of each
 240 year covering the activities of the board for the previous calendar year, which shall be
 241 made available to any member of the General Assembly upon request.

242 (b) With the approval of the state accounting officer, the executive director may contract
 243 with any person or agency who is not an employee of the State Accounting Office to
 244 implement any provision of this chapter and to fulfill the responsibilities of the board.

245 (c) The executive director and other board employees shall be allowed reimbursement for
 246 travel and other expenses necessarily incurred in the performance of their duties in the
 247 same manner as other employees of this state and shall receive payment of the same in the
 248 manner provided for the board.

249 43-3-7.

250 The board by rule or regulation shall be authorized to charge an examination fee, license
 251 fee, license renewal fee, or similar fee and may establish the amount of the fee to be
 252 charged by rule or regulation. Fees shall be reasonable and shall be determined in such a
 253 manner that the total amount of fees charged by the board shall approximate the total of the
 254 direct and indirect costs for the operation of the board. Fees may be refunded for good
 255 cause, as determined by the executive director.

256 ~~43-3-5.~~ 43-3-8.

257 (a) The board may promulgate and amend, from time to time, such rules ~~and~~ or
 258 regulations, consistent with this chapter and Chapter 13 of Title 50, the 'Georgia
 259 Administrative Procedure Act,' as it deems consistent with or required for the public
 260 welfare, for the administration of any provision of this chapter, or for the orderly conduct
 261 of the board's affairs. Such rules ~~and~~ or regulations may include, without limiting the
 262 generality of the foregoing:

263 (1) ~~Procedure Rules of procedure~~ for governing the conduct of matters before the board;

264 (2) ~~Professional Rules of professional~~ conduct for establishing and maintaining high
 265 standards of competence and integrity in the practice of public accountancy;

266 (3) Continuing professional education ~~Regulations governing educational requirements~~
 267 ~~for certification licensure~~ as a certified public accountant and registration as a public
 268 accountant and prescribing further educational requirements (requirements of continuing
 269 professional education) to be met from time to time by persons so certified or registered,
 270 in order to maintain their professional knowledge and competence, as a condition to
 271 continuing in the practice of public accountancy;

272 (4) Governance of ~~Regulations governing~~ individuals or firms engaged in this state in the
 273 practice of public accountancy;

274 (5) Governance of firms ~~Regulations governing the registration of offices~~ established or
 275 maintained for the practice of public accountancy in this state and the conditions upon
 276 which ~~such registration~~ licensure shall be granted, including any requirements that the
 277 board may deem necessary to monitor the practice of ~~such office~~ public accountancy to
 278 determine whether acceptable standards of competence and integrity in the practice of
 279 public accountancy are being maintained; and

280 (6) Any and all other rules ~~and or~~ regulations which the board deems necessary or
 281 appropriate in exercising its functions under this chapter.

282 (b) The board shall adopt rules or regulations setting the professional standards in
 283 performing attest and compilation services, taking into account the American Institute for
 284 Certified Public Accountants Statements on Auditing Standards, the Statements on
 285 Standards for Accounting and Review Services, the Statements on Standards for
 286 Attestation Engagements, and the standards of the Public Company Accounting Oversight
 287 Board.

288 ~~(b)(c)~~ Prior to the adoption, amendment, or repeal of any rule ~~other than interpretive rules~~
 289 ~~or general statements of policy~~ or regulation, the board shall give notice of its intended
 290 action in accordance with Chapter 13 of Title 50, the 'Georgia Administrative Procedure
 291 Act.' ~~Act,' provided that such comments shall be advisory only.~~ In connection with any
 292 rule-making proceeding, formal or informal, the board shall have the power to conduct
 293 hearings as provided in, and in accordance with, Chapter 13 of Title 50, the 'Georgia
 294 Administrative Procedure Act.' No such notice shall be required prior to the adoption,
 295 amendment, or repeal of any interpretive rules, regulations, or general statements of policy,
 296 provided that such rules, regulations, or general statements shall be advisory only.

297 ~~43-3-6.~~ 43-3-9.

298 (a) As used in this Code section, the term 'good moral character' means fiscal integrity and
 299 a lack of any history of acts involving dishonesty or moral turpitude.

300 ~~(a)(b)~~ The certificate of 'certified public accountant' shall be granted by the board to any
 301 ~~person~~ individual:

- 302 (1) Who has attained the age of 18;
- 303 (2) Who is, in the opinion of the board, of good moral character;
- 304 (3) Who meets the following requirements of education and experience:
- 305 (A)(i) Presentation to the board of such evidence as it may require that the applicant
- 306 has received a baccalaureate degree or completed the requirements therefor, conferred
- 307 by a college or university accredited by a national or regional accrediting organization
- 308 recognized by the board, with a concentration in accounting or what the board
- 309 determines to be the substantial equivalent of an accounting concentration, or with a
- 310 nonaccounting concentration supplemented by what the board determines to be the
- 311 substantial equivalent of an accounting concentration, including related courses in
- 312 other areas of business administration.
- 313 (ii) After January 1, 1998, any ~~person~~ individual who has not previously sat for the
- 314 uniform written examination for the certificate of certified public accountant must
- 315 have completed a total of 150 semester hours or 225 quarter hours of college
- 316 education, including a baccalaureate degree awarded by a college or university
- 317 accredited by either a national or regional accrediting organization recognized by the
- 318 board. The total educational program shall include an undergraduate accounting
- 319 concentration as defined by the board or what the board determines to be the
- 320 substantial equivalent of an undergraduate accounting concentration; and
- 321 (B) One year of continuous experience in the accounting field relevant to the practice
- 322 of public accountancy immediately preceding the date of application for the certificate
- 323 or within a reasonable time prior to the date of such application as provided by the
- 324 board by rule; or regulation; provided, however, that the board may promulgate rules
- 325 or regulations stating certain circumstances which shall constitute acceptable breaks in
- 326 the continuity of ~~said~~ such experience; ~~and~~ provided, further, that the board may accept,
- 327 in lieu of such year of experience in public accounting, evidence satisfactory to it of one
- 328 year of continuous employment in the accounting field in industry, business,
- 329 government, or college teaching; any combination of ~~the above~~ employment in such
- 330 fields; or any combination of ~~the above~~ employment in such fields and the practice of
- 331 public accountancy immediately preceding the date of application for the certificate or
- 332 what the board determines to be the equivalent thereof; and provided, further, that any
- 333 ~~person certified~~ individual certificated as a certified public accountant under the laws
- 334 of this state on July 1, 1977, shall be deemed to have the experience in the practice of
- 335 public accountancy required by this subparagraph; and
- 336 (4) Who shall have passed an examination approved by the board in such related subjects
- 337 as the board deems appropriate.

338 ~~(b)(c)~~ If the board determines that an applicant lacks good moral character, For the
 339 purposes of this Code section, 'good moral character' means fiscal integrity and a lack of
 340 any history of acts involving dishonesty or moral turpitude. For failure to satisfy this
 341 requirement, the board may refuse to certify an applicant ~~where~~ when it finds by clear and
 342 convincing evidence that there is a substantial connection between the lack of good moral
 343 character of the applicant and the potential professional responsibilities of a licensee and
 344 ~~the finding by the board of a lack of good moral character is supported by clear and~~
 345 ~~convincing evidence~~ such applicant. When an applicant is found to be unqualified for a
 346 certificate because of lack of good moral character, the board shall furnish the applicant a
 347 statement containing the findings of the board and a complete listing of the evidence upon
 348 which the determination was based, and the applicant may request a hearing on that
 349 determination.

350 ~~(c)(d)~~ Any ~~person~~ individual or firm who holds a ~~certificate~~ license as a 'certified public
 351 accountant' and who is engaged in the sale of insurance or financial products for which
 352 such ~~person~~ individual or firm receives commissions ~~must~~ shall disclose in writing to the
 353 client the fact that the ~~person shall~~ individual or firm will receive commissions from the
 354 sale to the client of any such insurance or financial products; provided, however, that the
 355 ~~person~~ individual or firm shall not be required to disclose the actual amount of such
 356 commissions. ~~A person who violates this subsection shall be guilty of a misdemeanor.~~

357 ~~43-3-7.~~ 43-3-10.

358 (a) The board may provide, by rule or regulation, for the general scope of the examination
 359 described in paragraph (4) of subsection ~~(a)~~ (b) of Code Section ~~43-3-6~~ 43-3-9. The board
 360 may approve the examination and obtain advice and assistance in providing for and grading
 361 such examination and the ~~division~~ executive director, with approval of the board, may
 362 contract with third parties to perform administrative services with respect to the
 363 examination as he or she deems appropriate.

364 (b) As a prerequisite to sit for the examination, ~~candidates~~ applicants shall meet the
 365 education requirements provided in division ~~(a)(3)(A)(i)~~ (b)(3)(A)(ii) of Code Section
 366 ~~43-3-6~~ 43-3-9.

367 (c) An applicant for the certificate of certified public accountant who has successfully
 368 completed the examination provided for in paragraph (4) of subsection ~~(a)~~ (b) of Code
 369 Section ~~43-3-6~~ 43-3-9 shall ~~have no status~~ not use the CPA title or hold himself or herself
 370 out as a certified public accountant until he or she has the requisite education and
 371 experience and has received his or her certificate and license as a certified public
 372 accountant.

373 (d) The board, by rule or regulation, may provide for granting a credit to any applicant for
 374 satisfactory completion of an examination in any one or more of the subjects provided for
 375 in paragraph (4) of subsection ~~(a)~~ (b) of Code Section ~~43-3-6~~ 43-3-9 given by the licensing
 376 authority in ~~another jurisdiction~~ any other state. Such ~~regulations~~ rules or regulations shall
 377 include such requirements as the board deems appropriate to ensure that any examination
 378 approved as a basis for any such credit, in the judgment of the board, shall be at least as
 379 thorough as the examination approved by the board at the time of the granting of such
 380 credit.

381 (e) The board, by rule or regulation, may prescribe the time and conditions under which
 382 an applicant may retain credit for a portion or portions of the examination provided for in
 383 paragraph (4) of subsection ~~(a)~~ (b) of Code Section ~~43-3-6~~ 43-3-9.

384 ~~(f) Application for certification by persons who are not residents of this state shall~~
 385 ~~constitute the appointment of the Secretary of State as the agent for service of process in~~
 386 ~~any action or proceeding against such applicant arising out of any transaction, activity, or~~
 387 ~~operation connected with or incidental to the practice of public accounting in this state by~~
 388 ~~nonresident holders of certified public accountant certificates.~~

389 ~~43-3-8.~~

390 ~~Reserved.~~

391 ~~43-3-9.~~ 43-3-11.

392 Any ~~person~~ individual who has received a certificate as a certified public accountant from
 393 the board and who holds a ~~live permit~~ license may be styled and known as a 'certified
 394 public accountant.' ~~The division director shall maintain a list of certified public~~
 395 ~~accountants, and, for this purpose, the board may provide by regulation a procedure~~
 396 ~~whereby all certified public accountants are required to register with the board periodically.~~
 397 Any certified public accountant may also be known as a 'public accountant.'

398 ~~43-3-10.~~

399 ~~Reserved.~~

400 ~~43-3-11.~~ 43-3-12.

401 The board, in its discretion, may waive the examination provided for in paragraph (4) of
 402 subsection ~~(a)~~ (b) of Code Section ~~43-3-6~~ 43-3-9 and may issue a certificate as a certified
 403 public accountant to any ~~person~~ individual who possesses the qualifications specified in
 404 paragraphs (1) and (2) of subsection ~~(a)~~ (b) of Code Section ~~43-3-6~~ 43-3-9 and what the
 405 board determines to be the substantial equivalent of the qualifications under paragraph (3)

406 of subsection ~~(a)~~ (b) of Code Section ~~43-3-6~~ 43-3-9 and who is a holder of a certificate as
 407 a certified public accountant, then in full force and effect, issued under the laws of ~~another~~
 408 any other state; ~~provided, however,~~ that the certificate held by such ~~person~~ individual was
 409 issued by any other state after an examination which, in the judgment of the board, is the
 410 equivalent of the standard established by the board for examinations administered pursuant
 411 to paragraph (4) of subsection ~~(a)~~ (b) of Code Section ~~43-3-6~~ 43-3-9; and provided, further,
 412 that such privileges are extended to citizens of this state by ~~the~~ any other state that
 413 originally ~~granting~~ granted the certificate. Notwithstanding the foregoing, the examination
 414 provided for in paragraph (4) of subsection ~~(a)~~ (b) of Code Section ~~43-3-6~~ 43-3-9 shall be
 415 waived by the board in the case of an applicant who has been engaged in public practice
 416 for a period of ten years in ~~another~~ any other state pursuant to the authority issued by of
 417 such state.

418 ~~43-3-12.~~ 43-3-13.

419 Individuals ~~Persons~~ who hold certified public accountant certificates, live permits, or
 420 licenses issued prior to July 1, ~~1977~~ 2014, under the laws of this state as they existed on
 421 June 30, 2014, shall not be required to undergo recertification or relicensure under this
 422 chapter but shall otherwise be subject to all applicable provisions of this chapter. Such
 423 certificates, live permits, and licenses issued prior to July 1, ~~1977~~ 2014, shall be considered
 424 certificates, live permits, and licenses issued under and subject to this chapter for all
 425 purposes.

426 ~~43-3-13.~~

427 ~~Notwithstanding any other provision of this chapter, on and after July 1, 2005, each~~
 428 ~~registered public accountant who holds a live permit and who is in good standing shall be~~
 429 ~~certificated as a certified public accountant. On and after July 1, 2005, the board shall not~~
 430 ~~consider any application for a certificate of registered public accountant.~~

431 43-3-14.

432 Application for certification by individuals who are not residents of this state shall
 433 constitute the appointment of the executive director as the agent for service of process in
 434 any action or proceeding against such applicant arising out of any transaction, activity, or
 435 operation connected with or incidental to the practice of public accountancy in this state
 436 by such nonresident holders of certified public accountant certificates. ~~Reserved.~~

437 ~~43-3-15.~~

438 ~~Reserved.~~

439 ~~43-3-16.~~

440 ~~Reserved.~~

441 ~~43-3-17.~~

442 ~~Reserved.~~

443 ~~43-3-18.~~

444 ~~Reserved.~~

445 ~~43-3-19.~~

446 ~~Reserved.~~

447 ~~43-3-20.~~ 43-3-15.

448 Any ~~person~~ individual who was registered with the board on or before July 1, 1989, as a
 449 foreign accountant based on being a holder in good standing of a certificate, license, or
 450 degree in a foreign country constituting a recognized qualification for the practice of public
 451 accountancy in such country shall be eligible to renew his ~~live permit~~ or her license under
 452 such terms and conditions as provided by ~~law~~ this chapter and the rules ~~and~~ or regulations
 453 of the board. Such registered foreign accountant shall be subject to the ~~laws~~ provisions of
 454 this chapter and rules ~~and~~ or regulations of the board, including, but not limited to, those
 455 concerning continuing professional education requirements and disciplinary actions.
 456 Should such registered foreign accountant fail to renew his ~~live permit~~ or her license or
 457 have such ~~permit~~ license revoked or suspended, the board may reinstate such registered
 458 foreign accountant under the terms and conditions ~~as~~ determined by the board.

459 ~~43-3-21.~~ 43-3-16.

460 (a) The board shall grant or renew the ~~registration~~ license of a firm practicing public
 461 accountancy to firms that meet the following requirements:

462 (1)(A) Partners, members, or shareholders owning at least a simple majority of the
 463 financial interest and voting rights of the firm shall be certified public accountants of
 464 ~~some~~ this state or any other state in good standing, except that such partners, members,
 465 or shareholders who are certified public accountants and whose ~~principal place of~~
 466 ~~business~~ office location designated by such partners, members, or shareholders who are
 467 certified public accountants for purposes of substantial equivalency and reciprocity is
 468 in this state and who perform accounting services in this state ~~must~~ shall be required to
 469 hold a ~~live permit~~ license from this state.

470 (B) An individual who has substantial equivalency practice privileges under subsection
 471 (b) of Code Section ~~43-3-24~~ 43-3-18 who performs services for which a firm
 472 ~~registration licensure~~ is required under paragraph (4) of subsection (b) of Code Section
 473 ~~43-3-24~~ 43-3-18 shall not be required to obtain a certificate or ~~live permit license~~ under
 474 this chapter;

475 (2) The firm shall be in compliance with all requirements and provisions of ~~state~~ law
 476 governing the organizational form of the firm in ~~the~~ any other state of that is the firm's
 477 ~~principal place of business~~ office location designation for purposes of substantial
 478 equivalency and reciprocity;

479 (3) The firm shall comply with all rules or regulations pertaining to firms ~~registered with~~
 480 licensed by the board;

481 (4) The resident manager, as such term is defined in the board's rules or regulations, of
 482 each office of the firm within this state in the practice of public accountancy shall be a
 483 certified public accountant of this state in good standing;

484 (5) Any ~~firms~~ firm that ~~include~~ includes nonlicensee owners shall comply with the
 485 following rules:

486 (A) The firm shall designate the holder of a ~~live permit license in this state~~, or in the
 487 case of a firm which ~~must register~~ is required to be licensed pursuant to subparagraph
 488 (b)(1)(C) of this Code section, a licensee of ~~another~~ any other state who meets the
 489 substantial equivalency practice privileges requirements set forth in subsection (b) of
 490 Code Section ~~43-3-24~~ 43-3-18, who shall be responsible for the proper ~~registration~~
 491 licensure of the firm and shall identify that individual to the board;

492 (B) All nonlicensee owners shall ~~be active individual participants~~ provide services or
 493 perform functions in the firm or the firm's affiliated entities; and

494 (C) The firm shall comply with such other requirements as the board may impose by
 495 rule or regulation;

496 (6) Any holder of a ~~live permit license in this state~~ and any individual who qualifies for
 497 substantial equivalency practice privileges under subsection (b) of Code Section ~~43-3-24~~
 498 43-3-18 who is responsible for supervising attest or compilation services and signs or
 499 authorizes someone to sign the accountant's report on the financial statements on behalf
 500 of the firm shall meet the competency requirements set ~~out in the professional standards~~
 501 by the board for such services; and

502 (7) Any holder of a ~~live permit license in this state~~ and any individual who qualifies for
 503 substantial equivalency practice privileges under subsection (b) of Code Section ~~43-3-24~~
 504 43-3-18 who signs or authorizes someone to sign the ~~accountants'~~ accountant's report on
 505 the financial statements on behalf of the firm shall meet the competency requirements of
 506 ~~subparagraph (6) of this subsection~~ set by the board.

507 (b)(1) The following firms ~~must register~~ shall be required to be licensed under this Code
 508 section:

509 (A) Any firm with ~~an~~ a physical office in this state practicing public accountancy;

510 (B) Any firm with ~~an~~ a physical office in this state that uses the title 'CPA' or 'CPA
 511 firm'; and

512 (C) Any firm that does not have ~~an~~ a physical office in this state but performs any
 513 service described in subparagraph (A), (C), or (D) of paragraph ~~(1)~~ (2) of Code Section
 514 43-3-2 for a client ~~having its home office in this state~~ that specifies a location in this
 515 state to which such service is directed.

516 (2) A firm that does not have ~~an~~ a physical office in this state may perform services
 517 described in subparagraph (B) of paragraph ~~(1)~~ (2) or paragraph ~~(3)~~ (4) of Code Section
 518 43-3-2 for a client ~~having its home office in this state, may practice public accountancy~~
 519 ~~as authorized under this Code section,~~ that specifies a location in this state to which any
 520 service described in subparagraph (A), (C), or (D) of paragraph (2) of Code Section
 521 43-3-2 is directed and may use the title 'CPA' or 'CPA firm' without ~~registering~~ being
 522 licensed as provided in this Code section only if:

523 (A) It meets the qualifications described in paragraph (1) of subsection (a) of this Code
 524 section ~~and it;~~

525 (B) It complies with the board's rules and or regulations regarding peer review; and

526 ~~(B)(C)~~ (C) It performs such services through an individual with substantial equivalency
 527 practice privileges under subsection (b) of Code Section ~~43-3-24~~ 43-3-18.

528 (3) A firm that does not have ~~an~~ a physical office in this state and that is not subject to
 529 the requirements of subparagraph (C) of paragraph (1) ~~of this subsection~~ or paragraph (2)
 530 of this subsection may perform other professional services, as such services are defined
 531 in the board's rules or regulations, included in the practice of public accountancy while
 532 using the title 'CPA' or 'CPA firm' in this state without ~~registering~~ being licensed under
 533 this Code section only if:

534 (A) It performs such services through an individual with substantial equivalency
 535 practice privileges under subsection (b) of Code Section ~~43-3-24~~ 43-3-18; and

536 (B) It can lawfully perform such services in ~~the~~ any other state where ~~said~~ such
 537 individuals with substantial equivalency practice privileges have their principal place
 538 of business office location designated by such individuals for purposes of substantial
 539 equivalency and reciprocity.

540 (c) Each firm required to ~~register~~ be licensed under paragraph (1) of subsection (b) of this
 541 Code section shall be ~~registered~~ licensed biennially under this chapter with the board,
 542 provided that any firm for which such requirement becomes effective between biennial
 543 reporting periods shall ~~register~~ become licensed with the board within 60 days. Such a firm

544 ~~must shall be required to~~ show that all attest and compilation services rendered in this state
 545 are under the supervision of ~~a person~~ an individual holding a ~~live permit license~~ issued by
 546 ~~this state the board~~ or ~~a person~~ an individual with substantial equivalency practice
 547 privileges under subsection (b) of Code Section ~~43-3-24~~ 43-3-18. The board, by rule or
 548 regulation, shall prescribe the procedure to be followed in effecting such registration
 549 licensure and the information which ~~must shall~~ be required to be provided regarding the
 550 firm and its practice.

551 (d) A ~~registered licensed~~ firm shall file written notice to the board, within 60 days after the
 552 occurrence of the opening of a new office or the closing or change of address of any of its
 553 offices in this state. Each such office shall be under the supervision of a resident manager
 554 who may be a partner, principal, shareholder, member, or a staff employee holding a ~~live~~
 555 permit license in this state.

556 (e) Neither the denial of a firm registration license under this Code section nor the denial
 557 of the renewal of a firm registration license under Code Section ~~43-3-23~~ 43-3-17 shall be
 558 considered to be a contested case within the meaning of Chapter 13 of Title 50, the
 559 'Georgia Administrative Procedure Act.' Notice and hearing within the meaning of ~~said~~
 560 Chapter 13 of Title 50 shall not be required, but the applicant shall be allowed to appear
 561 before the board if he or she requests.

562 ~~43-3-22.~~

563 ~~Reserved.~~

564 ~~43-3-23.~~ 43-3-17.

565 (a) In each renewal year, each firm ~~registered licensed~~ in the this state pursuant to Code
 566 Section ~~43-3-21~~ 43-3-16 which has issued an ~~audit, review, attest~~ or compilation report
 567 within the 24 months preceding the date of expiration of the firm's ~~registration must license~~
 568 shall submit, with the application for renewal, evidence of satisfactory completion of a
 569 board approved peer review program within the 36 months preceding the date of such
 570 firm's registration license expiration. Satisfactory completion shall mean that the firm has
 571 undergone the entire peer review process and that the report of the peer review indicates
 572 that the firm maintains acceptable standards of competence and integrity in the practice of
 573 public accountancy. Firms which have not issued an ~~audit, review, attest~~ or compilation
 574 report within the 24 months preceding the date of the firm's registration license expiration
 575 ~~must shall~~ submit written confirmation of such fact with the application for the firm's
 576 registration license renewal. The board may waive or modify the requirements of this
 577 subsection in cases of hardship or other such circumstances which the board deems
 578 appropriate. The provisions of this subsection shall not apply to the practice of an enrolled

579 agent before the federal Internal Revenue Service or the Department of Revenue if the
 580 enrolled agent is not otherwise engaged in the practice of public ~~accounting~~ accountancy
 581 in this state.

582 (b) No firm shall be ~~registered~~ licensed in ~~the~~ this state which shall have failed to comply
 583 with the provisions of this Code section and ~~all~~ applicable requirements of law, and rules
 584 or regulations promulgated by the board.

585 (c) This Code section shall be construed to apply only to firms required to be ~~registered~~
 586 licensed under this chapter. ~~Nothing contained in this Code section shall prohibit any~~
 587 ~~person from operating under the provisions of subsection (b) of Code Section 43-3-36.~~

588 ~~43-3-24.~~ 43-3-18.

589 (a) A permit license to engage in the practice of public accountancy in this state shall be
 590 issued by the ~~division~~ executive director, at the direction of the board, to each person
 591 individual who is certificated as a certified public accountant under Code Sections ~~43-3-6~~
 592 ~~through~~ Section 43-3-9 or 43-3-12 or registered as a foreign accountant under Code Section
 593 ~~43-3-20~~ 43-3-15 who shall have furnished evidence, satisfactory to the board, of
 594 compliance with the continuing professional education requirements of Code Section
 595 ~~43-3-25~~ 43-3-19, and to ~~individuals and firms~~ registered licensed under Code Section
 596 ~~43-3-21~~ 43-3-16, provided that such ~~entities~~ firms are maintained and ~~registered~~ licensed
 597 as required under Code Sections ~~43-3-21 and 43-3-23~~ 43-3-16 and 43-3-17. There shall
 598 be a biennial permit license fee in an amount to be determined by the board.

599 (b) Individuals may practice ~~based on a~~ under substantial equivalency practice ~~privilege~~
 600 privileges as follows:

601 (1) An individual whose ~~principal place of business is outside this~~ office location
 602 designation by such individual for purposes of substantial equivalency and reciprocity is
 603 in any other state shall be presumed to have qualifications substantially equivalent to this
 604 state's requirements, shall have all the privileges of ~~five~~ permit license holders of this
 605 state, and may practice public accountancy in this state without the requirement to obtain
 606 a ~~five permit, certificate, or registration~~ license under this chapter or to otherwise notify
 607 ~~or register with~~ the board or pay any license fee if the individual:

608 (A) Holds a ~~valid~~ current license as a certified public accountant from any other state
 609 which requires, as a condition of licensure, that an individual:

- 610 (i) Has at least 150 semester hours of college education including a baccalaureate or
 611 higher degree conferred by a college or university;
- 612 (ii) Achieves a passing grade on the Uniform Certified Public Accountant
 613 Examination; and

614 (iii) Possesses at least one year of experience, including providing any type of service
615 or advice involving the use of accounting, attest, compilation, management advisory,
616 financial advisory, tax, or consulting skills, which may be obtained through
617 government, industry, academic, or public practice all of which was verified by a
618 licensee; or

619 (B) Holds a ~~valid~~ current license as a certified public accountant from any other state
620 which does not meet the requirements of subparagraph (A) of this paragraph but such
621 individual's certified public accountant qualifications are substantially equivalent to
622 those requirements. Any individual who passed the Uniform Certified Public
623 Accountant Examination and holds a ~~valid~~ current license issued by any other state
624 prior to January 1, 2012, may be exempt from the education requirement in division
625 (1)(A)(i) of this subsection for purposes of this subparagraph;

626 (2) Notwithstanding any other provision of law, an individual who offers or renders
627 professional services, as such services are defined in the board's rules or regulations,
628 whether in person or by mail, telephone, or electronic means, under this Code section
629 shall be granted substantial equivalency practice privileges in this state and no notice,
630 license, fee, or other submission shall be provided by any such individual. Such an
631 individual shall be subject to the requirements of paragraph (3) of this subsection;

632 (3) An individual licensee of ~~another~~ any other state exercising the privilege afforded
633 under this subsection, and ~~the~~ any firm that employs ~~that~~ such individual, shall
634 simultaneously consent, as a condition of exercising this privilege:

635 (A) To the personal and subject matter jurisdiction and disciplinary authority of the
636 board;

637 (B) To comply with the provisions of this chapter and the board's rules ~~and~~ or
638 regulations;

639 (C) That in the event the ~~license from the state of the individual's principal place of~~
640 ~~business is no longer valid~~ individual's license issued by any other state designated by
641 such individual for purposes of substantial equivalency and reciprocity is not current,
642 the individual shall cease ~~offering or rendering professional services~~ practicing public
643 accountancy in this state individually and on behalf of a firm; and

644 (D) To the appointment of the ~~state~~ board that issued the individual's license as the
645 individual's agent upon whom process may be served in any action or proceeding by
646 this state's board against the individual;

647 (4) An individual who qualifies for the substantial equivalency practice ~~privilege~~
648 privileges under this Code section who, for ~~any entity with its home office in this state,~~
649 performs a client who specifies a location in this state to which any service under
650 subparagraph (A), (C), or (D) of paragraph ~~(1)~~ (2) of Code Section 43-3-2 ~~may do so only~~

651 is directed, may only perform such services through a firm that ~~has registered~~ is licensed
 652 with the board under Code Section ~~43-3-21~~ 43-3-16; and

653 (5) An individual qualifying for the substantial equivalency practice privilege privileges
 654 under paragraph (1) of this subsection may provide expert witness services in this state
 655 and shall be deemed to be in compliance with Code Section 24-7-702 for purposes of
 656 such services.

657 (c) Subsection (b) of this Code section shall not be applied or construed to ~~permit~~ allow
 658 an individual to engage in the practice of public accountancy in this state based on a
 659 substantial equivalency ~~privilege~~ practice privileges unless such individual holds a ~~valid~~
 660 current license as a certified public accountant in a any other state which grants similar
 661 reciprocity to license holders in this state.

662 ~~43-3-25:~~ 43-3-19.

663 (a) ~~Every~~ When an individual for one year or more has been certificated as a certified
 664 public account or was registered as a foreign accountant in this state before July 1, 1989,
 665 and has maintained licensure under such status, his or her application for renewal of a
 666 license ~~live permit by any individual who is and has been certificated as a certified public~~
 667 ~~accountant or registered as a foreign accountant by this state for one year or more shall be~~
 668 accompanied or supported by such evidence as the board shall prescribe of satisfactory
 669 completion of continuing professional education as provided in this Code section, provided
 670 that the board may relax or suspend requirements of continuing professional education in
 671 instances where an applicant's health requires it or in instances of individual hardship.

672 (b) The board shall be authorized to promulgate rules ~~and or~~ or regulations providing for ~~the~~
 673 continuing professional education which shall include:

674 (1) The number of hours of acceptable continuing professional education, which shall
 675 not be less than 60 hours, required to renew a ~~live permit, for the~~ license;

676 (2) The assignment of credit for hours in excess of the minimum continuing professional
 677 education requirement, ~~and for the;~~

678 (3) The proration of required continuing professional education hours. ~~The board may~~
 679 ~~establish criteria;~~

680 (4) Criteria for continuing professional education programs, ~~provide for accreditation of~~
 681 ~~such programs, enter into agreements with sponsors of such programs, and provide for~~
 682 ~~the;~~

683 (5) Accreditation of continuing professional education programs; and

684 (6) The assignment of credits for participation in such continuing professional education
 685 programs.

686 (c) All provisions of this chapter relating to continuing professional education shall be
 687 administered by the board; and, in addition to the other powers conferred on the board by
 688 this chapter, the board shall have the authority to appoint a committee or committees
 689 composed of certified public accountants, as it deems appropriate, to administer,
 690 implement, and otherwise carry out the provisions of this chapter relating to continuing
 691 professional education. The board may enter into agreements with sponsors to provide
 692 continuing professional education.

693 (d) Any licensee who has attained the age of 70 shall be exempt from the continuing
 694 professional educational requirements of this Code section and paragraph (1) of Code
 695 Section 43-3-24.

696 ~~43-3-26.~~

697 ~~Reserved.~~

698 ~~43-3-27.~~

699 ~~Reserved.~~

700 43-3-20.

701 (a) The executive director shall be vested with the power and authority to make, or cause
 702 to be made through employees or agents of the board, such investigations as the board may
 703 deem necessary or proper for the enforcement of the provisions of this chapter. Any person
 704 properly conducting an investigation on behalf of the board shall have access to and may
 705 examine any writing, document, electronically stored information, or other material relating
 706 to the fitness of any licensee or applicant. The executive director or his or her appointed
 707 representative may issue subpoenas to compel access to any writing, document,
 708 electronically stored information, or other material upon a determination that reasonable
 709 grounds exist for the belief that a violation of this chapter may have occurred.

710 (b) The results of all investigations initiated by the board shall be reported solely to the
 711 board, and the records of such investigations shall be kept for the board by the executive
 712 director, with the board retaining the right to have access at any time to such records. No
 713 part of any such records shall be released, except to the board, for any purpose other than
 714 a hearing before the board, nor shall such records be subject to subpoena; provided,
 715 however, that the board shall be authorized to release such records to another enforcement
 716 agency or licensing authority.

717 (c) If a licensee is the subject of a board inquiry, all records relating to any person who
 718 receives services rendered by such licensee in his or her capacity as licensee shall be
 719 admissible at any hearing held to determine whether a violation of this chapter has

720 occurred, regardless of any statutory privilege; provided, however, that any documentary
721 or electronic evidence relating to a person who received such services shall be reviewed
722 in camera and shall not be subject to Article 4 of Chapter 18 of Title 50.

723 (d) The board shall have the authority to exclude all persons during its deliberations on
724 disciplinary proceedings and to discuss any disciplinary matter in private with a licensee
725 or applicant and the legal counsel for such licensee or applicant.

726 (e) An individual may file a complaint against a licensee or applicant by submitting his or
727 her complaint to the board or the executive director. When a complaint is filed, within 30
728 days after the conclusion of the investigation of such complaint, the executive director shall
729 notify the complainant of the disposition of such complaint. In addition, the executive
730 director shall upon request by the complainant advise the complainant as to the status of
731 the complaint during the period of time that such complaint is pending.

732 (f) An individual, firm, association, authority, or other entity shall be immune from civil
733 liability and criminal prosecution for reporting or investigating the acts or omissions of a
734 licensee or applicant which violate the provisions of this chapter relating to a licensee's or
735 applicant's fitness to practice a business or profession licensed under this chapter or for
736 initiating or conducting proceedings against such licensee or applicant, if such report is
737 made or action is taken in good faith, without fraud or malice. Any individual who testifies
738 or makes a recommendation to the board in the nature of peer review, in good faith,
739 without fraud or malice, before the board in any proceeding involving the provisions of this
740 chapter relating to a licensee's or applicant's fitness to practice the business or profession
741 licensed by the board shall be immune from civil liability and criminal prosecution for so
742 testifying.

743 (g) Neither the issuance of a private reprimand nor the denial of a license by reciprocity
744 nor the denial of a request for reinstatement of a revoked license nor the refusal to issue a
745 previously denied license shall be considered to be a contested case within the meaning of
746 Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act'; notice and hearing
747 within the meaning of Chapter 13 of Title 50 shall not be required, but the licensee or
748 applicant shall be allowed to appear before the board if he or she so requests. The board
749 may resolve a pending action by the issuance of a letter of concern. Such letter shall not
750 be considered a disciplinary action or a contested case under Chapter 13 of Title 50 and
751 shall not be disclosed to any individual except the licensee or applicant.

752 (h) If a licensee or applicant after reasonable notice fails to appear at any hearing of the
753 board for such licensee or applicant, the board may proceed to hear the evidence against
754 such licensee or applicant and take action as if such licensee or applicant had been present.
755 A notice of hearing, initial or recommended decision, or final decision of the board in a
756 disciplinary proceeding shall be served personally upon the licensee or applicant or served

757 by certified mail or statutory overnight delivery, return receipt requested, to the last known
 758 address of record with the board. If such material is served by certified mail or statutory
 759 overnight delivery and is returned marked 'unclaimed' or 'refused' or is otherwise
 760 undeliverable and if the licensee or applicant cannot, after diligent effort, be located, the
 761 executive director, or his or her designee, shall be deemed to be the agent for service for
 762 such licensee or applicant for purposes of this Code section, and service upon the executive
 763 director, or his or her designee, shall be deemed to be service upon the licensee or
 764 applicant.

765 (i) The voluntary surrender of a license or the failure to renew a license by the end of an
 766 established penalty period shall have the same effect as a revocation of such license,
 767 subject to reinstatement at the discretion of the board. The board may restore and reissue
 768 a license in the practice of public accountancy and, as a condition thereof, may impose any
 769 disciplinary sanction provided by this chapter.

770 ~~43-3-28.~~ 43-3-21.

771 (a) After notice and hearing as provided in Code Section ~~43-3-30~~ 43-3-23, the board may
 772 revoke or suspend any certification issued under Code Sections ~~43-3-6 through Section~~
 773 43-3-9 or 43-3-12 or a registration issued under Code Section ~~43-3-20~~ 43-3-15 or may
 774 revoke, suspend, or refuse to renew any ~~five permit~~ license or may censure the holder of
 775 any such permit license, or may forbid an individual from exercising the substantial
 776 equivalency practice ~~privilege~~ privileges, for any cause which the board may deem
 777 sufficient, including, without limiting the generality of the foregoing, any one or any
 778 combination of the following causes:

- 779 (1) Violation of any rule, regulation, or order promulgated by the board in accordance
 780 with this chapter;
- 781 (2) Fraud or deceit in obtaining certification as a certified public accountant ~~or~~
 782 ~~registration as a public accountant~~, in obtaining registration certification under this
 783 chapter, or in obtaining a ~~five permit~~ license;
- 784 (3) Violation of any of the provisions of ~~Code Section 43-3-35 or any other Code section~~
 785 ~~of this chapter~~;
- 786 (4) Dishonesty, fraud, or gross negligence in the practice of public accountancy;
- 787 (5) Commission of a felony under the laws of ~~any~~ this state or any other state or of the
 788 United States;
- 789 (6) Commission of any crime, an element of which is dishonesty or fraud, under the laws
 790 of ~~any~~ this state or any other state or of the United States;
- 791 (7) Cancellation, revocation, suspension, or refusal to renew authority to practice as a
 792 certified public accountant or as a public accountant by any other state for any cause

793 other than voluntary withdrawal or failure to pay ~~an annual registration~~ a licensing fee in
794 such other state;

795 (8) Suspension or revocation of the right to practice any profession before any state or
796 federal agency;

797 (9) Failure to furnish evidence of satisfaction of requirements of continuing professional
798 education as required by the board pursuant to Code Section ~~43-3-25~~ 43-3-19 or to meet
799 any conditions with respect to continuing professional education which the board may
800 have ordered under ~~that Code section~~ Code Section 43-3-19;

801 (10) Conduct which discredits the accounting profession; or

802 (11) Failure of such holder's firm to ~~register or~~ renew its registration license under Code
803 Sections ~~43-3-21 and 43-3-23~~ 43-3-16 and 43-3-17 or the failure of such firm to comply
804 with any of the provisions of Code Section ~~43-3-23~~ 43-3-17.

805 (b) An individual, ~~A person~~, firm, ~~corporation~~, association, authority, or other entity shall
806 be immune from civil ~~and criminal~~ liability and criminal prosecution for reporting or
807 investigating the acts or omissions of a licensee or applicant which violate the provisions
808 of subsection (a) of this Code section or any other provision of law relating to a licensee's
809 or applicant's fitness to practice public ~~accounting~~ accountancy or for initiating or
810 conducting proceedings against such licensee or applicant, if such report is made or action
811 is taken in good faith, without fraud or malice. Any ~~person~~ individual who testifies or who
812 makes a recommendation to the board in the nature of peer review, in good faith, without
813 fraud; or malice, before the board in any proceeding involving the provisions of subsection
814 (a) of this Code section or any other law relating to a licensee's or applicant's fitness to
815 practice public ~~accounting~~ accountancy shall be immune from civil ~~and criminal~~ liability
816 and criminal prosecution for so testifying.

817 ~~43-3-29.~~ 43-3-22.

818 (a) After notice and hearing, as provided in Code Section ~~43-3-30~~ 43-3-23, the board, ~~in~~
819 ~~its discretion~~, may revoke the registration and permit license to practice of a firm if at any
820 time it does not have all the qualifications prescribed by the Code section under which it
821 qualified for registration licensure.

822 (b) After notice and hearing as provided in Code Section ~~43-3-30~~ 43-3-23, the board may
823 revoke or suspend the registration license of a firm or may revoke, suspend, or refuse to
824 renew its ~~valid permit~~ license or may censure the holder of any ~~such permit~~ license for any
825 of the following causes in addition to those enumerated in Code Section ~~43-3-28~~ 43-3-21:

826 (1) The revocation or suspension of the certificate or registration license or the
827 revocation ~~or~~, suspension, or refusal to renew the permit license to practice of any

828 partner, member, or shareholder required by law to have such certificate, ~~registration~~, or
 829 permit license as a condition to the firm's ~~registration or permit licensure~~;

830 (2) The cancellation, revocation, suspension, or refusal to renew the authority of the firm,
 831 or any partner, member, or shareholder thereof, to practice public accountancy in any
 832 other state for any cause other than voluntary withdrawal or failure to pay ~~registration~~
 833 licensing fees in such other state; or

834 (3) The failure of such firm to ~~register~~ become licensed or renew its ~~registration license~~
 835 under Code Section ~~43-3-21~~ 43-3-16 or the failure of such firm to comply with any of the
 836 provisions of Code Section ~~43-3-23~~ 43-3-17.

837 ~~43-3-29.1.~~

838 ~~After notice and hearing as provided in Code Section 43-3-30, the board may impose any~~
 839 ~~one or more of the following sanctions in addition to the actions described in Code Sections~~
 840 ~~43-3-28 and 43-3-29 for any of the causes described in Code Sections 43-3-28 and 43-3-29:~~

841 (1) ~~Require the licensee or licensees to complete successfully the specific courses or~~
 842 ~~types of continuing education as specified by the board or pass special examinations as~~
 843 ~~specified by the board, all at the cost and expense of the licensee or licensees;~~

844 (2) ~~Require the licensee or firm holding a live permit to submit to a preissuance review~~
 845 ~~prior to the issuance of any future reports, in a manner and for a duration as set by the~~
 846 ~~board by a reviewer selected by the board at the licensee's or holder's cost and expense;~~

847 or

848 (3) ~~Require a licensee or firm holding a valid permit to submit to a peer review of its~~
 849 ~~accounting and auditing practices upon such terms and conditions as shall be determined~~
 850 ~~by the board at the cost and expense of such licensee or holder of a valid permit.~~

851 ~~43-3-30.~~ 43-3-23.

852 (a) The board may initiate proceedings under this chapter either on its own motion or on
 853 the complaint of any person.

854 (b) Notice, rules of procedure, right to review, and any other matters arising with respect
 855 to all adjudicative hearings conducted by the board shall be determined in accordance with
 856 Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.'

857 (c) Before the board shall revoke or suspend a permit license, a certificate, ~~registration~~, or
 858 substantial equivalency practice privilege privileges, it shall provide for a hearing for the
 859 holder of such permit license, certificate, ~~registration~~, or practice privilege privileges in
 860 accordance with Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.' Any
 861 person who has exhausted all administrative remedies available within this chapter and

862 who is aggrieved by a final decision in a contested case ~~is~~ shall be entitled to judicial
863 review in accordance with Chapter 13 of Title 50.

864 (d) Initial judicial review of a final decision of the board shall be held solely in the
865 superior court of the county of domicile of the State Accounting Office.

866 43-3-24.

867 After notice and hearing as provided in Code Section 43-3-23, the board may impose any
868 one or more of the following sanctions in addition to the actions described in Code Sections
869 43-3-21, 43-3-22, and 43-3-25 for any of the causes described in Code Sections 43-3-21,
870 43-3-22, and 43-3-25:

871 (1) Require the licensee to complete successfully the specific courses or types of
872 continuing professional education as specified by the board in accordance with Code
873 Section 43-3-19 or pass special examinations as specified by the board, all at the cost and
874 expense of the licensee;

875 (2) Require the licensee or firm holding a license to submit to a preissuance review prior
876 to the issuance of any future reports, in a manner and for a duration as set by the board
877 by a reviewer selected by the board at the licensee's cost and expense; or

878 (3) Require a licensee or firm holding a license to submit to a peer review of its
879 accounting and auditing practices upon such terms and conditions as shall be determined
880 by the board at the cost and expense of such licensee.

881 43-3-25.

882 (a) Upon a finding by the board that an individual or firm governed by this chapter has
883 violated any rule, regulation, or order promulgated by the board or any provision of this
884 chapter, the board may impose a civil penalty, not to exceed \$5,000.00 for each violation.

885 (b) In determining the amount of the penalty to impose for a violation, the board shall
886 consider:

887 (1) The seriousness of the violation, including:

888 (A) The nature, circumstances, extent, and gravity of any prohibited act; and

889 (B) The hazard or potential hazard to the public;

890 (2) The economic damage to property caused by the violation;

891 (3) The history of any previous violation by the individual or firm;

892 (4) The amount necessary to deter a future violation;

893 (5) Any efforts on the part of the individual or firm to correct the violation; and

894 (6) Any other matter that justice may require.

895 (c) The board by rule or regulation may adopt a schedule for purposes of this Code section
 896 that prescribes ranges in the amounts of civil penalties to be imposed for specified types
 897 of conduct and circumstances.

898 43-3-25.1.

899 (a) The following shall be available to an applicant, the board, and the board's employees
 900 and agents, but shall be treated as confidential, not subject to Article 4 of Chapter 18 of
 901 Title 50, and shall not be disclosed without the approval of the board:

902 (1) Applications and other personal information submitted by applicants;

903 (2) Information, favorable or unfavorable, submitted by a reference source concerning
 904 an applicant; and

905 (3) Examination questions and other examination materials.

906 (b) The deliberations of the board with respect to an application, an examination, a
 907 complaint, an investigation, or a disciplinary proceeding, except as may be contained in
 908 official board minutes, shall be treated as confidential and not subject to Article 4 of
 909 Chapter 18 of Title 50; provided, however, that such deliberations may be released only to
 910 a federal enforcement agency or licensing authority or any other state's enforcement agency
 911 or licensing authority.

912 (c) Releasing the documents pursuant to this Code section shall not subject any otherwise
 913 privileged documents to the provisions of Article 4 of Chapter 18 of Title 50.

914 43-3-26.

915 The executive director shall be authorized to provide to any licensing authority of this or
 916 any other state, upon inquiry by such authority, information regarding a past or pending
 917 investigation of or disciplinary sanction against any applicant for licensure by the board or
 918 licensee of the board notwithstanding the provisions of subsection (b) of Code Section
 919 43-3-20 or any other law to the contrary regarding the confidentiality of that information;
 920 provided, however, that such information shall only be shared after receiving written
 921 confirmation from the recipient authority that it assures preservation of confidentiality and
 922 the licensee has been given reasonable notice that the information shall be provided to
 923 another entity. Nothing in this chapter shall be construed to prohibit or limit the authority
 924 of the executive director to disclose to any person or entity information concerning the
 925 existence of any investigation for unlicensed practice being conducted against any person
 926 who is neither licensed nor an applicant for licensure by the board.

927 43-3-27.

928 (a) Any individual issued a license or certification under this chapter or providing services
 929 under substantial equivalency practice privileges and convicted under the laws of this state,
 930 the United States, any other state, or any other country of a felony as defined in paragraph
 931 (3) of subsection (a) of Code Section 43-1-19 shall be required to notify the board of such
 932 conviction within 30 days of such conviction. The failure of such individual to notify the
 933 board of a conviction shall be considered grounds for revocation of his or her license or
 934 other authorization issued pursuant to this chapter.

935 (b) The board may suspend the license of an individual who has been certified by a federal
 936 agency and reported to the board for nonpayment or default or breach of a repayment or
 937 service obligation under any federal educational loan, loan repayment, or service
 938 conditional scholarship program. Prior to the suspension, the licensee shall be entitled to
 939 notice of the board's intended action and opportunity to appear before the board. A
 940 suspension of a license under this Code section is not a contested case under Chapter 13
 941 of Title 50, the 'Georgia Administrative Procedure Act.' A license suspended under this
 942 Code section shall not be reinstated or reissued until the individual provides the board a
 943 written release issued by the reporting agency stating that the individual is making
 944 payments on the loan or satisfying the service requirements in accordance with an
 945 agreement approved by the reporting agency. If the individual has continued to meet all
 946 other requirements for licensure during the period of suspension, reinstatement of the
 947 license shall be automatic upon receipt of the notice and payment of any reinstatement fee
 948 which the board may impose.

949 ~~43-3-31.~~ 43-3-28.

950 Upon written application after a hearing pursuant to Chapter 13 of Title 50, the 'Georgia
 951 Administrative Procedure Act,' the board may recertificate a certified public accountant or
 952 reregister a foreign accountant whose certification or registration has been revoked or may
 953 reissue or modify the suspension of a ~~five permit~~ license or substantial equivalency practice
 954 privilege privileges which ~~has~~ have been revoked or suspended.

955 ~~43-3-32.~~ 43-3-29.

956 (a) All statements, records, schedules, working papers, computer printouts, computer
 957 tapes, and memoranda made by a certified public accountant ~~or public accountant~~ incident
 958 to, or in the course of, professional service to clients by such certified public accountant
 959 ~~or public accountant~~, except reports submitted by a certified public accountant ~~or public~~
 960 ~~accountant~~ to a client, shall be and remain the property of such certified public accountant
 961 ~~or public accountant~~ and his or her partners, fellow shareholders, or fellow members of the

962 firm, in the absence of an express agreement between such certified public accountant ~~or~~
 963 ~~public accountant~~ and the his or her client to the contrary. No such statement, record,
 964 schedule, working paper, or memorandum shall be sold, transferred, or bequeathed, without
 965 the consent of the client or his or her personal representative or ~~his~~ assignee, to anyone
 966 other than one or more surviving partners, fellow shareholders, or fellow members of the
 967 firm of such certified public accountant ~~or public accountant~~.

968 (b) All communications between a certified public accountant ~~or public accountant~~ or
 969 employee of such certified public accountant ~~or public accountant~~ acting in the scope of
 970 such employment and the person for whom such certified public accountant, ~~public~~
 971 ~~accountant~~, or employee shall have made any audit or other investigation in a professional
 972 capacity and all information obtained by a certified public accountant, ~~public accountant~~,
 973 or such an employee in his or her professional capacity concerning the business and affairs
 974 of clients shall be deemed privileged communications in all courts or in any other
 975 proceedings whatsoever; and no such certified public accountant, ~~public accountant~~, or
 976 employee shall be permitted to testify with respect to any of such matters, except with the
 977 written consent of such person or client or such person's or client's legal representative;²
 978 provided, however, that nothing in this subsection shall be construed as prohibiting a
 979 certified public accountant, ~~public accountant~~, or such an employee from:

980 (1) Disclosing any data required to be disclosed by the standards of the accounting
 981 profession in rendering an opinion on the presentation of financial statements or in
 982 making disclosure where the practices or diligence of the accountant in preparing, or in
 983 expressing an opinion upon, such financial statements are contested;

984 (2) Disclosing any data ~~where the professional services of~~ when the practice of public
 985 accountancy by the accountant are is being contested by or against the client for whom
 986 ~~such services were~~ the practice of public accountancy was performed or any
 987 representative or assignee of such client;

988 (3) Disclosing any data to other certified public accountants, ~~public accountants~~, or
 989 employees thereof in connection with practice reviews and ethics reviews sponsored by
 990 professional groups, the purpose of which reviews is to survey such accountant's business
 991 practices, audits, and work papers or to review ethical considerations concerning such
 992 accountant; or

993 (4) Disclosing any data pertaining to an application, investigation by the board, or
 994 hearing on its behalf, so long as such data shall be received by the board in camera and
 995 shall not be disclosed to the public; and provided, further, that no disclosure provided for
 996 in this paragraph shall constitute a waiver of the privilege established in this subsection.

997 (c) The proceedings of and data obtained through peer review or by the board pursuant to
 998 paragraph (3) of subsection (b) of this Code section shall not be subject to discovery or

999 introduction into evidence in any civil action, except in a hearing before the board, against
 1000 a certified public accountant for matters which are the subject of evaluation and review by
 1001 such peer review or the board; and no individual who was in attendance at a meeting of
 1002 such peer review or the board shall be permitted or required to testify in any such civil
 1003 action, except in a hearing before the board, as to any evidence or the matters produced or
 1004 presented during the proceedings of such peer review or the board or as to any findings,
 1005 recommendations, evaluations, opinions, or actions of such peer review or the board or any
 1006 members thereof; provided, however, that any information, documents, or records
 1007 otherwise available from original sources shall not be construed as immune from discovery
 1008 or use in any such civil action merely because they were presented during proceedings of
 1009 such peer review or the board; and provided, further, that no individual who testifies before
 1010 such peer review or the board or who is a member of such peer review or the board shall
 1011 be prevented from testifying as to matters within his or her knowledge, provided that such
 1012 witness may not be questioned regarding such witness's testimony before such peer review
 1013 or the board or opinions formed by the witness as a result of such hearings of such peer
 1014 review or the board.

1015 ~~43-3-33.~~ 43-3-30.

1016 (a) Whenever, in the judgment of the board, any person has engaged or is about to engage
 1017 in any acts or practices which constitute or will constitute a violation of Code Section
 1018 ~~43-3-35~~ or any other Code section of this chapter, the board may make application to the
 1019 superior court of the county in which such acts or practices have occurred or may be
 1020 reasonably expected to occur for an order enjoining such acts or practices; and upon a
 1021 showing by the board that such person has engaged or is about to engage in any such acts
 1022 or practices, an injunction, restraining order, or such other order as may be appropriate
 1023 shall be granted by such court.

1024 (b) The Attorney General shall assist in the enforcement of this chapter. The board is
 1025 authorized to retain such attorneys as it deems necessary, with the approval of the Attorney
 1026 General, to assist the board in bringing any action authorized by law.

1027 (c) The electronic, printed, engraved, or written display or uttering by a person of a card,
 1028 sign, advertisement, instrument, or other device bearing an individual's name in
 1029 conjunction with the words 'certified public accountant' or any abbreviation thereof shall
 1030 be prima-facie evidence in any action brought under this Code section or Code Section
 1031 43-3-34 that the individual whose name is so displayed caused or procured the electronic,
 1032 printed, engraved, or written display or uttering of such card, sign, advertisement,
 1033 instrument, or other device and that such individual is holding himself or herself out to be
 1034 a certified public accountant holding a license or otherwise claims to be qualified to use

1035 such title by virtue of the substantial equivalency practice privileges under subsection (b)
 1036 of Code Section 43-3-18 or of the firm practice provisions of subsection (b) of Code
 1037 Section 43-3-16. In any such action, evidence of the commission of a single act prohibited
 1038 by this chapter shall be sufficient to justify an injunction or a conviction without evidence
 1039 of a general course of conduct.

1040 ~~43-3-34.~~

1041 ~~The display or uttering by a person of a card, sign, advertisement, or other printed,~~
 1042 ~~engraved, or written instrument or device bearing a person's name in conjunction with the~~
 1043 ~~words 'certified public accountant' or any abbreviation thereof, or 'public accountant' or any~~
 1044 ~~abbreviation thereof shall be prima-facie evidence in any action brought under Code~~
 1045 ~~Section 43-3-33 or 43-3-38 that the person whose name is so displayed caused or procured~~
 1046 ~~the display or uttering of such card, sign, advertisement, or other printed, engraved, or~~
 1047 ~~written instrument or device and that such person is holding himself or herself out to be a~~
 1048 ~~certified public accountant or a public accountant holding a live permit or otherwise claims~~
 1049 ~~to be qualified to use such title by virtue of the substantial equivalency practice privilege~~
 1050 ~~under subsection (b) of Code Section 43-3-24 or of the firm practice provisions of~~
 1051 ~~subsection (b) of Code Section 43-3-21. In any such action, evidence of the commission~~
 1052 ~~of a single act prohibited by this chapter shall be sufficient to justify an injunction or a~~
 1053 ~~conviction without evidence of a general course of conduct.~~

1054 ~~43-3-35.~~ 43-3-31.

1055 (a) No individual shall assume or use the title or designation 'certified public accountant'
 1056 or the abbreviation '~~C.P.A.~~' 'CPA' or any other title, designation, words, letters,
 1057 abbreviation, sign, card, or device tending to indicate that such individual is a certified
 1058 public accountant unless such individual has received a certificate as a certified public
 1059 accountant under this chapter, holds a ~~live permit~~ license, and all of such individual's
 1060 physical offices in this state ~~for the practice of public accountancy~~ are maintained and
 1061 ~~registered~~ licensed as required under Code Sections ~~43-3-21 and 43-3-23~~ 43-3-16 and
 1062 43-3-17, provided that a foreign accountant who has registered under Code Section ~~43-3-20~~
 1063 43-3-15 and who holds a ~~live permit~~ license may use the title under which he or she is
 1064 generally known in his or her country, followed by the name of the country from which he
 1065 or she received his or her certificate, license, or degree.

1066 (b) No firm ~~or any other person or entity~~ shall assume or use the title or designation
 1067 'certified public accountant' or the abbreviation '~~C.P.A.~~' 'CPA' or any other title,
 1068 designation, words, letters, abbreviation, sign, card, or device tending to indicate that such
 1069 firm, ~~person, or entity~~ is composed of certified public accountants unless such firm, ~~person,~~

1070 ~~or entity is registered licensed~~ as a firm of certified public accountants under Code Section
 1071 ~~43-3-21, holds a live permit 43-3-16,~~ and all physical offices of such firm in this state for
 1072 ~~the practice of public accountancy~~ are maintained and registered licensed as required under
 1073 Code Sections ~~43-3-21 and 43-3-23~~ 43-3-16 and 43-3-17.

1074 (c) No individual, ~~firm, or any other person or entity~~ firm shall assume or use:

1075 (1) Any any title or designation likely to be confused with 'certified public accountant,'
 1076 including, without limiting the generality of the foregoing, 'certified accountant,' 'enrolled
 1077 accountant,' 'licensed accountant,' 'licensed public accountant,' or 'registered accountant';
 1078 or

1079 (2) Any any abbreviation likely to be confused with '~~C.P.A.,~~ CPA,' including, without
 1080 limiting the generality of the foregoing, 'C.A.,' 'E.A.,' 'R.A.,' 'L.A.,' or 'L.P.A.,'
 1081 provided that a foreign accountant registered under Code Section ~~43-3-20~~ 43-3-15 who
 1082 holds a ~~live permit~~ license in this state and all of whose physical offices in this state ~~for the~~
 1083 ~~practice of public accountancy~~ are maintained and registered licensed as required under
 1084 Code Sections ~~43-3-21 and 43-3-23~~ 43-3-16 and 43-3-17 may use the title under which he
 1085 or she is generally known in his or her country, followed by the name of the country from
 1086 which he or she received his or her certificate, license, or degree.

1087 (d) No individual shall sign or affix his or her name or any trade assumed name used by
 1088 him or her in his or her profession or business to any opinion or certificate ~~attesting in any~~
 1089 ~~way~~ that states or implies assurance as to the reliability of any representation or estimate
 1090 in regard to any person or organization embracing (1) financial information; or (2) facts
 1091 respecting compliance with conditions established by law or contract, including but not
 1092 limited to statutes, ordinances, rules, regulations, grants, loans, and appropriations, together
 1093 with any wording accompanying, contained in, or affixed on such opinion or certificate,
 1094 which indicates that he or she has expert knowledge in accounting or auditing unless he or
 1095 she holds a ~~live permit~~ license and all of his or her physical offices in this state ~~for the~~
 1096 ~~practice of public accountancy~~ are maintained and registered licensed under Code Sections
 1097 ~~43-3-21 and 43-3-23~~ 43-3-16 and 43-3-17, provided that this subsection shall not prohibit
 1098 any officer, employee, partner, member, or principal of any organization from affixing his
 1099 or her signature to any statement or report in reference to the affairs of such organization
 1100 with any wording designating the position, title, or office which he or she holds in such
 1101 organization, nor shall this subsection prohibit any act of a public official or public
 1102 employee in the performance of his or her duties as such.

1103 (e) No ~~person~~ individual shall sign or affix, or cause to be signed or affixed, a firm name
 1104 to any opinion or certificate ~~attesting in any way~~ that states or implies assurance as to the
 1105 reliability of any representation or estimate in regard to any person or organization
 1106 embracing (1) financial information; or (2) facts respecting compliance with conditions

1107 established by law or contract, including but not limited to statutes, ordinances, regulations,
 1108 rules, grants, loans, and appropriations, together with any wording accompanying or
 1109 contained in such opinion or certificate, which indicates that such firm is composed of or
 1110 employs ~~persons~~ individuals having expert knowledge in accounting or auditing unless the
 1111 firm holds a ~~live permit~~ license and all of its physical offices in this state ~~for the practice~~
 1112 ~~of public accountancy~~ are maintained and ~~registered~~ licensed as required under Code
 1113 Sections ~~43-3-21 and 43-3-23~~ 43-3-16 and 43-3-17.

1114 (f) A licensee shall not use or participate in the use of any form of public communication
 1115 having reference to his or her ~~professional services~~ practice of public accountancy which
 1116 contains a false, fraudulent, misleading, deceptive, or unfair statement or claim. A false,
 1117 fraudulent, misleading, deceptive, or unfair statement or claim includes, ~~but is~~ shall not be
 1118 limited to, a statement or claim which:

- 1119 (1) Contains a misrepresentation of fact;
- 1120 (2) Is likely to mislead or deceive because it fails to make full disclosure of relevant
 1121 facts;
- 1122 (3) Contains any testimonial, laudatory, or other statement or implication that the
 1123 licensee's ~~professional services are~~ practice of public accountancy is of exceptional
 1124 quality, if not supported by verifiable facts;
- 1125 (4) Is intended or likely to create false or unjustified expectations of favorable results;
- 1126 (5) Implies educational or professional attainments or licensing recognition not
 1127 supported in fact;
- 1128 (6) States or implies that the licensee has received formal recognition as a specialist in
 1129 any aspect of the practice of public ~~accounting~~ accountancy, except in accordance with
 1130 rules or regulations adopted by the board;
- 1131 (7) Represents that ~~professional services~~ the practice of public accountancy can or will
 1132 be completely performed for a stated fee when this is not the case or makes
 1133 representations with respect to fees for ~~professional~~ such services that do not disclose all
 1134 variables that may reasonably be expected to affect the fees that will in fact be charged;
 1135 or
- 1136 (8) Contains other representations or implications that in reasonable probability will
 1137 cause an ordinarily prudent person to misunderstand or be deceived.

1138 (g) The board may by rule or regulation prohibit a licensee from soliciting by any direct
 1139 personal communication an engagement to ~~perform professional services~~ practice public
 1140 accountancy.

1141 (h) It shall not be a violation of this Code section or chapter for an individual who does not
 1142 hold a ~~live permit~~ license under this chapter but who qualifies for the substantial
 1143 equivalency practice ~~privilege~~ privileges under subsection (b) of Code Section ~~43-3-24~~

1144 ~~43-3-18~~ to use the title or designation 'certified public accountant' or '~~C.P.A.~~' 'CPA' or other
 1145 titles to indicate that the ~~person~~ individual is a certified public accountant, and such
 1146 individual may ~~provide professional services~~ engage in the practice of public accountancy
 1147 in this state with the same privileges as a ~~live permit license~~ holder so long as the
 1148 individual complies with paragraph (4) of subsection (b) of Code Section ~~43-3-24~~ 43-3-18.
 1149 (i) It shall not be a violation of this Code section or chapter for a firm that has not
 1150 ~~registered with the board or~~ obtained a ~~live permit license~~ under this chapter and that does
 1151 not have an office in this state to use the title or designation 'certified public accountant' or
 1152 '~~C.P.A.~~' 'CPA' or other titles to indicate that the firm is composed of certified public
 1153 accountants, and such firm may ~~provide professional services~~ engage in the practice of
 1154 public accountancy in this state with the same privileges as a ~~registered~~ firm with a ~~live~~
 1155 ~~permit license~~ so long as it complies with subsection (b) of Code Section ~~43-3-21~~ 43-3-16.

1156 ~~43-3-36.~~ 43-3-32.

1157 (a) Nothing contained in this chapter shall prohibit any ~~person~~ individual who is not a
 1158 certified public accountant ~~or public accountant~~ from serving as an employee of or an
 1159 assistant to a certified public accountant ~~or public accountant~~ or firm of certified public
 1160 accountants ~~or public accountants~~ holding a ~~live permit license~~ or a foreign accountant
 1161 registered under Code Section ~~43-3-20~~ 43-3-15 and holding a ~~live permit license~~, provided
 1162 that such employee or assistant shall not issue or attest to any accounting or financial
 1163 statement over his or her name.

1164 (b) Nothing contained in this chapter shall prohibit any person from offering to perform
 1165 or performing for the public, for compensation, any of the following services:

- 1166 (1) The recording of financial transactions in books of record;
- 1167 (2) The making of adjustments of such transactions in books of record;
- 1168 (3) The making of trial balances from books of record;
- 1169 (4) Internal verification and analysis of books or accounts of original entry;
- 1170 (5) The preparation of unaudited financial statements, schedules, or reports;
- 1171 (6) The devising and installing of systems or methods of bookkeeping, internal controls
- 1172 of financial data, or the recording of financial data; or
- 1173 (7) The preparation of tax returns and related forms.

1174 43-3-33.

1175 (a) As used in this Code section, the term 'service member' means an active duty member
 1176 of the regular or reserve component of the United States armed forces, the United States
 1177 Coast Guard, the Georgia National Guard, or the Georgia Air National Guard on ordered
 1178 federal duty for a period of 90 days or longer.

1179 (b) Any service member whose license issued pursuant to any provision of this chapter
 1180 expired while such service member was serving on active duty outside this state shall be
 1181 permitted to practice public accountancy in accordance with such expired license and shall
 1182 not be charged with a violation of this chapter related to practicing a profession with an
 1183 expired license for a period of six months from the date of his or her discharge from active
 1184 duty or reassignment to a location within this state. Any such service member shall be
 1185 entitled to renew such expired license without penalty within six months after the date of
 1186 his or her discharge from active duty or reassignment to a location within this state. The
 1187 service member shall present to the board either a copy of the official military orders or a
 1188 written verification signed by the service member's commanding officer in order to waive
 1189 any violation of this chapter relating to practicing public accountancy with an expired
 1190 license.

1191 ~~43-3-36.1.~~

1192 ~~Notwithstanding any other provisions of this chapter, any licensee who has attained 70~~
 1193 ~~years of age shall be exempt from any continuing professional education requirements of~~
 1194 ~~Code Section 43-3-25 or 43-3-29.1.~~

1195 ~~43-3-37.~~

1196 ~~The proceedings of and data obtained by a peer review committee or the board pursuant~~
 1197 ~~to paragraph (3) of subsection (b) of Code Section 43-3-32 shall not be subject to discovery~~
 1198 ~~or introduction into evidence in any civil action, except in a hearing before the board,~~
 1199 ~~against a certified public accountant or public accountant for matters which are the subject~~
 1200 ~~of evaluation and review by such committee or the board; and no person who was in~~
 1201 ~~attendance at a meeting of such committee or board shall be permitted or required to testify~~
 1202 ~~in any such civil action, except in a hearing before the board, as to any evidence or the~~
 1203 ~~matters produced or presented during the proceedings of such committee or board or as to~~
 1204 ~~any findings, recommendations, evaluations, opinions, or actions of such committee or~~
 1205 ~~board or any members thereof; provided, however, that any information, documents, or~~
 1206 ~~records otherwise available from original sources shall not be construed as immune from~~
 1207 ~~discovery or use in any such civil action merely because they were presented during~~
 1208 ~~proceedings of such committee or board; and provided, further, that no person who testifies~~
 1209 ~~before such committee or board or who is a member of such committee or board shall be~~
 1210 ~~prevented from testifying as to matters within his or her knowledge, provided that such~~
 1211 ~~witness may not be questioned regarding such witness's testimony before such committee~~
 1212 ~~or board or opinions formed by the witness as a result of such hearings of the committee~~
 1213 ~~or board.~~

1214 ~~43-3-38.~~ 43-3-34.

1215 Any person who violates this chapter shall be guilty of a misdemeanor."

1216 **SECTION 1-3.**

1217 Chapter 5B of Title 50 of the Official Code of Georgia Annotated, relating to the State
1218 Accounting Office, is amended by revising Code Section 50-5B-2, relating to administrative
1219 units, directors, and employees of the State Accounting Office, as follows:

1220 "50-5B-2.

1221 (a) The state accounting officer shall establish such units within the State Accounting
1222 Office as he or she deems proper for its administration, including The Council of Superior
1223 Court Judges of Georgia and the Prosecuting Attorneys' Council of the State of Georgia as
1224 separate units with distinct accounting functions, and shall designate persons to be directors
1225 and assistant directors of such units to exercise such authority as he or she may delegate
1226 to them in writing.

1227 (b) The Georgia State Board of Accountancy shall be a division within the State
1228 Accounting Office. The state accounting officer shall appoint an executive director of the
1229 Georgia State Board of Accountancy. Such executive director shall have such powers and
1230 duties as provided under Chapter 3 of Title 43.

1231 ~~(b)~~(c) The state accounting officer shall have the authority, within budgetary limitations,
1232 to employ as many persons as he or she deems necessary for the administration of the
1233 office and for the discharge of the duties of the office. The state accounting officer shall
1234 issue all necessary directions, instructions, orders, and rules applicable to such persons.
1235 He or she shall have authority, as he or she deems proper, to employ, assign, compensate,
1236 and discharge employees of the office within the limitations of the office's appropriation,
1237 the requirements of the state system of personnel administration provided for in Chapter 20
1238 of Title 45, and restrictions set forth by law."

1239 **PART II**

1240 **SECTION 2-1.**

1241 Code Section 24-5-501 of the Official Code of Georgia Annotated, relating to certain
1242 communications as privileged, is amended by revising paragraph (9) of subsection (a) as
1243 follows:

1244 "(9) Communications between accountant and client as provided by Code Section
1245 ~~43-3-32~~ 43-3-29."

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SECTION 2-2.

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Code Section 36-81-8.1 of the Official Code of Georgia Annotated, relating to definitions, grant certification forms, filings with the state auditor, forfeiture of funds for noncompliance, and no exemption from liability relative to local government budgets and audits, is amended by revising subsection (b) as follows:

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"(b) Each grant of state funds to a recipient unit of local government from the Governor's emergency fund or from a special project appropriation in an amount greater than \$5,000.00 shall be conditioned upon the receipt by the state auditor of a properly completed grant certification form. The form shall be designed by the state auditor and shall be distributed with each covered grant as required by this Code section. The grant certification form shall require the certification by the recipient unit of local government and by the unit of local government auditor that the grant funds were used solely for the express purpose or purposes for which the grant was made. Such form shall be filed with the state auditor in conjunction with the annual audit required under Code Section 36-81-7 or 50-6-6 or any other applicable Code section for each year in which such grant funds are expended or remain unexpended by the unit of local government. A recipient unit of local government which is not otherwise subject to the annual audit requirements specified in this subsection shall file a grant certification form with the state auditor no later than December 31 of each year in which such grant funds are expended or remain unexpended. For grant funds to subrecipients, the certification by the unit of local government auditor required by this subsection may also be made by an in-house or internal auditor of the unit of local government who meets the education requirements contained in subparagraph ~~(a)(3)(A)~~ (b)(3)(A) of Code Section ~~43-3-6~~ 43-3-9. The cost of performing any audit required by this subsection or paragraph (1) of subsection (d) of this Code section shall be an eligible expense of the grant. However, the amount charged shall not exceed 2 percent of the amount of the grant or \$250.00 per required audit, whichever is less. The unit of local government to whom the grant is made may deduct the cost of any such audit from the funds disbursed to the subrecipient."

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PART III

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SECTION 3-1.

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