

AN ACT  
D.C. ACT 19-173

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCTOBER 11, 2011

*Codification  
District of  
Columbia  
Official Code*

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Publisher

To amend Chapter 28 of Title 47 of the District of Columbia Official Code to conform the provisions regulating accountants to section 23 of the Uniform Accountancy Act.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Accountant Mobility Act of 2011".

Sec. 2. Chapter 28 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended as follows:

(1) Strike the phrase "47-2853.41. Scope of practice for accountants." and insert the phrase "47-2853.41. Definitions; scope of practice for accountants." in its place.

(2) Strike the phrase "47-2853.46. Offices; annual registration." and insert the phrase "47-2853.46. Offices; annual registration. [Repealed]" in its place.

(3) Add a new section designation 47-2853.49 to read as follows:  
"47-2853.49. Substantial equivalency; practice privilege."

(b) Section 47-2853.06(b) is amended as follows:

(1) The existing language is designated as paragraph (1).

(2) A new paragraph (2) is added to read as follows:

"(2) The standards of attestation specified in § 47-2853.41(1) shall be adopted by reference by the Board pursuant to rulemaking and shall be those developed for general application by recognized national accountancy organizations, such as the American Institute of Certified Public Accountants and the Public Company Accounting Oversight Board .".

(c) Section 47-2853.41 is amended to read as follows:

"§ 47-2853.41. Definitions; scope of practice for accountants.

"For the purposes of this part, the term:

"(1) "Attest services" or "attestation services" means providing any of the following financial statement services:

"(A) An audit or other engagement to be performed in accordance with the Statements on Auditing Standards;

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"(B) A review of a financial statement to be performed in accordance with the Statements on Standards for Accounting and Review Services;

"(C) An examination of prospective financial information to be performed in accordance with the Statements on Standards for Attestation Engagements: and

"(D) An engagement to be performed in accordance with the Auditing Standards of the Public Company Accounting Oversight Board.

"(2) "Board" means the Board of Accountancy established under § 47-2853.06(b).

"(3) "Certificate" means the certificate of certified public accountant.

"(4) "Compilation service" means providing a service to be performed in accordance with Statements on Standards for Accounting and Review Services that is presenting in the form of financial statements information that is the representation of management or owners without undertaking to express any assurance on the statements.

"(5) "Firm" means a sole proprietorship, a corporation, a partnership, or any other form of organization.

"(6) "Home office" means the location specified by the client as the address to which a service described in § 47-2853.49(d)(4) is directed.

"(7) "Practice of certified public accounting" means providing accounting or consulting services under circumstances where there is an expectation of public confidence in the services, and attesting to the results, including:

"(A) Expressing opinions on financial statements or audits;

"(B) Reviewing financial statements and issuing reports in standard form on the statements;

"(C) Compiling financial statements and issuing reports in standard form on the compilations; and

"(D) Examining prospective financial information.

"(8) "Principal place of business" means the office location designated by a certified public accountant for purposes of § 47-2853.49 and reciprocity.”.

(d) Section 47-2853.43 is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Strike the phrase "Except as permitted by the Board" and insert the phrase "Except as provided in § 47-2853.49 and as permitted by the Board" in its place.

(B) Strike the phrase "under this subchapter, holds" and insert the phrase "under this subchapter and holds" in its place.

(C) Strike the phrase ", and all of the person's offices in the District for the practice of public accounting are maintained and registered as required under § 47-2853.45".

(D) Strike the phrase "§ 47-2853.44 and 47- 2853.46" and insert the phrase "§ 47-2853.44, or unless the firm is exempt from registration under § 47- 2853.44(a)(2) or (3)" in its place.

(2) Subsection (b) is amended by striking the phrase "under § 47-2853.46" and

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inserting the phrase "under § 47-2853.44, or unless the firm is exempt from registration under § 47-2853.44(a)(2) or (3)" in its place.

(3) Subsection (c) is amended by striking the phrase "and all of whose offices in the District for the practice of public accounting are maintained and registered as required by the special rules" and inserting the phrase ", or anyone who holds a practice privilege pursuant to § 47-2853.49," in its place.

(4) Subsection (d)(1) is amended by striking the phrase "and all of the person's offices in the District for the practice of public accounting are maintained and registered as required by § 47-2853.46" and inserting the phrase ", or unless the person holds a practice privilege pursuant to § 47-2853.49" in its place.

(5) Subsection (e) is amended by striking the phrase "§§ 47-2853.44 and 47-2853.46" and inserting the phrase "§ 47-2853.44, or unless the firm is exempt from registration under § 47-2853.44(a)(2) or (3)" in its place.

(6) Subsection (f) is amended by striking the phrase "§§ 47-2853.44 and 47-2853.46" and inserting the phrase "§ 47-2853.44, or a firm exempt from registration under § 47-2853.44(a)(2) or (3)" in its place.

(7) A new subsection (g) is added to read as follows:

"(g) Notwithstanding any other provision of this section, it shall not be a violation of this section for a firm that does not hold a valid permit under § 47-2853.44 and that does not have an office in the District to provide its professional services in the District so long as it complies with the requirements of § 47-2853.44(a)(2) or (3), whichever is applicable."

(e) Section 47-2853.44 is amended as follows:

(1) Subsections (a) through (f) are redesignated as subsections (b) through (g).

(2) A new subsection (a) is added to read as follows:

"(a)(1) The Board shall register firms of certified public accountants that demonstrate their qualifications in accordance with this section.

"(2) The following entities must register under this section:

"(A) Any firm with an office in the District performing attest services as defined in § 47-2853.41(1) or engaging in the practice of certified public accounting as defined in § 47-2853.41(7);

"(B) Any firm with an office in the District that uses the title "CPA" or "CPA firm"; and

"(C) Any firm that does not have an office in the District but performs attest services defined in § 47-2853.41(1) for a client having its home office in the District.

"(3) A firm that does not have an office in the District may perform attest services as defined in § 47-2853.41(1) for a client having its home office in the District, may otherwise engage in the practice of certified public accounting, and may use the title "CPA" or "CPA firm" without registering under this section or obtaining a permit under § 47-2853.47, if the firm:

"(A) Has the qualifications described in subsection (b) of this section;

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and                                   “(B) Satisfies any requirements of the Board with respect to peer reviews:

  “(C) Performs the services through an individual with practice privileges under § 47-2853.49.

  “(4) A firm that is not subject to the requirements of paragraphs (2) and (3) of this subsection may perform other professional services in the practice of certified public accounting in the District and may use the title "CPA" or "CPA firm" without registering under this section or obtaining a permit under § 47-2853.47, if the firm:

  “(A) Performs the services through an individual with practice privileges under § 47-2853.49; and

  “(B) Is lawfully able to perform the services in the state where the individual with practice privileges has his or her principal place of business.”.

  (3) The newly designated subsection (b) is amended as follows:

  (A) The lead-in language is amended as follows:

  (i) Strike the phrase "engaged in the District in the practice of certified public accounting may register" and insert the word "registering" in its place.

  (ii) Strike the phrase "if it meets" and insert the phrase "under subsection (a) of this section shall meet" in its place.

  (B) Paragraph (1) is amended as follows:

  (i) Strike the phrase "is a certified" and insert the phrase "shall be a certified" in its place.

  (ii) Add the phrase "or, in the case of a firm required to register under subsection (a)(2)(A) of this section, shall be an individual with practice privileges under § 47-2853.49" after the phrase "in the District”.

  (C) Paragraph (2) is amended as follows:

  (i) Strike the phrase "Each member is" and insert the phrase "Each member, whose principal place of business is in the District and who performs professional services in the District shall be" in its place.

  (ii) Strike the phrase "or in a state”.

  (D) Paragraph (3) is repealed.

  (E) Paragraph (4) is amended as follows:

  (i) Subparagraph (A) is amended by striking the phrase "At least 51% of the ownership interest" and inserting the phrase "At least a simple majority of the ownership interests" in its place.

  (ii) Subparagraph (B) is amended by striking the phrase "District or who perform" and inserting the phrase "District and who perform" in its place.

  (F) Paragraph (5) is amended as follows:

  (i) Subparagraph (A) is amended by striking the phrase "in the District" and inserting the phrase "in the District or, in the case of a firm required to register under subsection (a)(2)(A) of this section, shall be an individual with practice privileges under

§ 47- 2853.49" in its place.

(ii) Subparagraph (B) is amended by adding the phrase "or in a state" after the phrase "in the District".

(iii) Subparagraph (C) is amended by striking the phrase "all requirements" and inserting the phrase "all other requirements" in its place.

(G) Paragraph (6) is amended by striking the phrase "individual who is responsible for supervising services requiring licensure as a certified public accountant" and inserting the phrase "individual, or individual with practice privileges pursuant to § 47-2853.49, who is responsible for attestation or compilation services" in its place.

(H) Paragraph (7) is amended by inserting the phrase ", or individual with practice privileges," after the phrase "licensed individual".

(4) The newly designated subsection (d) is amended as follows:

(A) Strike the phrase "issued by the Board" and insert the phrase "issued by the Board, or that is exempt from holding a registration and permit under subsection (a)(2) and (3) of this section" in its place.

(B) Strike the phrase "pursuant to this section" and insert the phrase "pursuant to this section, except as provided in subsection (a)(2) and (3) of this section" in its place.

(f) Sections 47-2853.46 and 47-2853.47(b) are repealed.

(g) A new section 47-2853.49 is added to read as follows:

"§ 47-2853.49. Substantial equivalency; practice privilege.

"(a) The Board, or its designee, shall make a determination of whether the education, examination, and experience requirements contained in the statutes and administrative rules of another jurisdiction are comparable to, or exceed, the education, examination, and experience requirements contained in the Uniform Accountancy Act, approved by the NASBA Board of Directors on July 7, 2007 ( [http://www.nasba.org/862571B900737CED/60C85E6667EE42F5862573E6004F3E9D/\\$file/UAA%20Fifth%20Edition%20Final.pdf](http://www.nasba.org/862571B900737CED/60C85E6667EE42F5862573E6004F3E9D/$file/UAA%20Fifth%20Edition%20Final.pdf)) ("UAA") or that an individual certified public accountant's ("CPA") education, examination, and experience qualifications are comparable to or exceed the education, examination, and experience requirements contained in the UAA. In making its determination, the Board, or its designee, shall take into account the qualifications without regard to the sequence in which experience, education, or examination requirements were attained.

"(b) An individual whose principal place of business is not in the District shall be presumed to have qualifications substantially equivalent to the District's qualifications and shall have all the privileges of licensees and permit holders of the District without the need to obtain a license under § 47-2853.42 or a permit under § 47-2853.47, if:

"(1) The individual holds a valid license as a CPA from any state that the NASBA National Qualification Appraisal Service has verified to be in substantial equivalence with the CPA licensure requirements of the AICPA/NASBA Uniform Accountancy; or

"(2) The individual holds a valid license as a CPA from any state that the

Repeal  
§ 47-2853.46  
Amend  
§ 47-2853.47  
New  
§ 47-2853.49

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NASBA National Qualification Appraisal Service has not verified to be in substantial equivalence with the CPA licensure requirements of the UAA, but the individual has obtained from the NASBA National Qualification Appraisal Service verification that the individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the UAA. Any individual who passed the Uniform CPA Examination and holds a valid license issued by any state prior to January 1, 2012, may be exempted by the Board from the education requirement in section 5(c)(2) of the UAA for purposes of this section.

"(c) Except as provided in this part, an individual granted practice privileges under this section, who offers or renders professional services, whether in person or by mail, telephone, or electronic means pursuant to this part, need not provide notice or other submission to any individual.

"(d) An individual licensee of another state exercising the privilege afforded under this section and the firm that employs the licensee shall simultaneously consent, as a condition of the grant of the privilege, to the following:

"(1) The personal and subject matter jurisdiction and disciplinary authority of the Board;

"(2) Compliance with this part, the generally applicable provisions of this subchapter, and the Board's rules;

"(3) In the event the license from the state of the individual's principal place of business is no longer valid, the cessation of the offering or rendering of professional services in the District, individually and on behalf of a firm; and

"(4) The appointment of the state board that issued the license as the licensee's agent upon whom process may be served in any action or proceeding by the Board against the licensee.

"(e)(1) An individual who has been granted practice privileges under this section, who performs any of the services listed in paragraph (2) of this subsection, and who performs the services for an entity with its home office in the District, may only perform the services through a firm that has obtained a registration under § 47-2853.44 and a permit under § 47-2853.47.

"(2) For purposes of paragraph (1) of this subsection, the services performed are any of the following:

"(A) Any financial statement audit or other engagement to be performed in accordance with Statements on Auditing Standards;

"(B) Any examination of prospective financial information to be performed in accordance with Statements on Standards for Attestation Engagements; or

"(C) Any engagement to be performed in accordance with Public Company Accounting Oversight Board Auditing Standards.

"(f) An individual who has been granted practice privileges under this section and who performs services for which a firm permit is required under subsection (e) of this section shall not be required to obtain a license under § 47-2853.42 or a permit under § 47-2953.47.

"(g) A permit holder of the District offering or rendering services or using their CPA title

in a state shall be subject to disciplinary action in the District for an act committed in the state for which the permit holder would be subject to discipline for the act committed in the state. The Board shall investigate any complaint made by a board of accountancy of a state."

Sec. 3. Applicability.

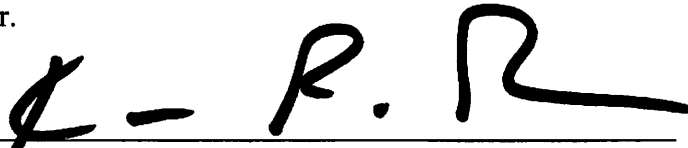
This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.

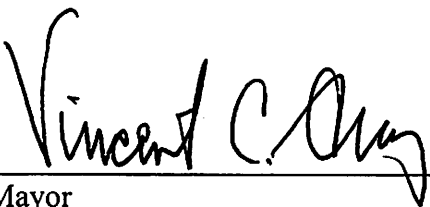
Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

  
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Chairman  
Council of the District of Columbia

  
\_\_\_\_\_  
Mayor  
District of Columbia  
APPROVED  
October 11, 2011



**COUNCIL OF THE DISTRICT OF COLUMBIA**  
**WASHINGTON, D.C. 20004**

Docket No. **B19-80**

ITEM ON CONSENT CALENDAR

ACTION & DATE

**ADOPTED FIRST READING, 07-12-11**

VOICE VOTE

RECORDED VOTE ON REQUEST

**APPROVED**

ABSENT

**ALL PRESENT**

ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Brown	X				Catania	X				Orange	X			
Alexander	X				Cheh	X				Thomas, Jr.	X			
Barry	X				Evans	X				Wells	X			
Bowser	X				Graham	X								
Brown, M	X				Mendelson	X								
X - Indicate Vote					AB - Absent						NV - Present, Not Voting			

CERTIFICATION RECORD

Secretary to the Council

9.29.11

Date

ITEM ON CONSENT CALENDAR

ACTION & DATE

**ADOPTED FINAL READING, 09-20-11**

VOICE VOTE

RECORDED VOTE ON REQUEST

**APPROVED**

ABSENT

**BARRY**

ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Brown	X				Catania	X				Orange	X			
Alexander	X				Cheh	X				Thomas, Jr.	X			
Barry				X	Evans	X				Wells	X			
Bowser	X				Graham	X								
Brown, M	X				Mendelson	X								
X - Indicate Vote					AB - Absent						NV - Present, Not Voting			

CERTIFICATION RECORD

Secretary to the Council

9.29.11

Date

ITEM ON CONSENT CALENDAR

ACTION & DATE

VOICE VOTE

RECORDED VOTE ON REQUEST

ABSENT

ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Brown					Catania					Orange				
Alexander					Cheh					Thomas, Jr.				
Barry					Evans					Wells				
Bowser					Graham									
Brown, M					Mendelson									
X - Indicate Vote					AB - Absent						NV - Present, Not Voting			

CERTIFICATION RECORD



Secretary to the Council

Date