

AN ACT

To amend sections 1111.01, 2925.01, 4701.01, 4701.04, 4701.06, 4701.061, 4701.07, 4701.10, 4701.11, 4701.12, 4701.13, 4701.14, 4701.16, and 4701.19 and to enact section 4701.29 of the Revised Code to permit certain persons who do not hold a certificate or registration to practice as a certified public accountant or public accountant to acquire an ownership interest in public accounting firms, to add a statutory definition of the "practice of public accounting" and modify or add other definitions in the Accountancy Board Law, to expand the discipline that may be imposed for infractions of that law, and to make other related changes in that law.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 1111.01, 2925.01, 4701.01, 4701.04, 4701.06, 4701.061, 4701.07, 4701.10, 4701.11, 4701.12, 4701.13, 4701.14, 4701.16, and 4701.19 be amended and section 4701.29 of the Revised Code be enacted to read as follows:

Sec. 1111.01. As used in this chapter:

(A) "Charitable trust" means a charitable remainder annuity trust as defined in section 664(d) of the Internal Revenue Code, a charitable remainder unitrust as defined in section 664(d) of the Internal Revenue Code, a charitable lead or other split interest trust subject to the governing instrument requirements of section 508(e) of the Internal Revenue Code, a pooled income fund as defined in section 642(c) of the Internal Revenue Code, a trust that is a private foundation as defined in section 509 of the Internal Revenue Code, or a trust of which each beneficiary is a charity.

For purposes of this division and division (B) of this section, "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(B) "Charity" means a state university as defined in section 3345.011 of

the Revised Code, a community college as defined in section 3354.01 of the Revised Code, a technical college as defined in section 3357.01 of the Revised Code, a state community college as defined in section 3358.01 of the Revised Code, a private college or university that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, a trust or organization exempt from taxation under section 501(c)(3) or section 501(c)(13) of the Internal Revenue Code, or a corporation, trust, or organization described in section 170(c)(2) of the Internal Revenue Code. The term "charities" means more than one trust or organization that is a charity.

(C) "Collective investment fund" means a fund established by a trust company or an affiliate of a trust company for the collective investment of assets held in a fiduciary capacity, either alone or with one or more cofiduciaries, by the establishing trust company and its affiliates.

(D) "Fiduciary investment company" means a corporation that is both of the following:

(1) An investment company;

(2) Incorporated, owned, and operated in accordance with rules adopted by the superintendent of financial institutions for the investment of funds held by trust companies in a fiduciary capacity and for true fiduciary purposes, either alone or with one or more cofiduciaries.

(E) "Instrument" includes any will, declaration of trust, agreement of trust, agency, or custodianship, or court order creating a fiduciary relationship.

(F) "Investment company" means any investment company as defined in section 3 and registered under section 8 of the "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C.A. 80a-3 and 80a-8.

(G) "Trust business" means accepting and executing trusts of property, serving as a trustee, executor, administrator, guardian, receiver, or conservator, and providing fiduciary services as a business. "Trust business" does not include any of the following:

(1) Any natural person acting as a trustee, executor, administrator, guardian, receiver, or conservator; pursuant to appointment by a court of competent jurisdiction;

(2) Any natural person serving as a trustee who does not hold self out to the public as willing to act as a trustee for hire. For purposes of division (G) of this section, the solicitation or advertisement of legal or accounting services by a person licensed in this state as an attorney or a person holding ~~a live~~ an Ohio permit to practice public accounting issued under division (A) of section 4701.10 of the Revised Code shall not be considered to be the act

of holding self out to the public as willing to act as a trustee for hire.

(3) A charity, an officer or employee of a charity, or a person affiliated with a charity, serving as trustee of a charitable trust of which the charity, or another charity with a similar purpose, is a beneficiary;

(4) Other fiduciary activities the superintendent determines are not undertaken as a business.

Sec. 2925.01. As used in this chapter:

(A) "Administer," "controlled substance," "dispense," "distribute," "hypodermic," "manufacturer," "official written order," "person," "pharmacist," "pharmacy," "sale," "schedule I," "schedule II," "schedule III," "schedule IV," "schedule V," and "wholesaler" have the same meanings as in section 3719.01 of the Revised Code.

(B) "Drug dependent person" and "drug of abuse" have the same meanings as in section 3719.011 of the Revised Code.

(C) "Drug," "dangerous drug," "licensed health professional authorized to prescribe drugs," and "prescription" have the same meanings as in section 4729.01 of the Revised Code.

(D) "Bulk amount" of a controlled substance means any of the following:

(1) For any compound, mixture, preparation, or substance included in schedule I, schedule II, or schedule III, with the exception of marihuana, cocaine, L.S.D., heroin, and hashish and except as provided in division (D)(2) or (5) of this section, whichever of the following is applicable:

(a) An amount equal to or exceeding ten grams or twenty-five unit doses of a compound, mixture, preparation, or substance that is or contains any amount of a schedule I opiate or opium derivative;

(b) An amount equal to or exceeding ten grams of a compound, mixture, preparation, or substance that is or contains any amount of raw or gum opium;

(c) An amount equal to or exceeding thirty grams or ten unit doses of a compound, mixture, preparation, or substance that is or contains any amount of a schedule I hallucinogen other than tetrahydrocannabinol or lysergic acid amide, or a schedule I stimulant or depressant;

(d) An amount equal to or exceeding twenty grams or five times the maximum daily dose in the usual dose range specified in a standard pharmaceutical reference manual of a compound, mixture, preparation, or substance that is or contains any amount of a schedule II opiate or opium derivative;

(e) An amount equal to or exceeding five grams or ten unit doses of a compound, mixture, preparation, or substance that is or contains any amount

of phencyclidine;

(f) An amount equal to or exceeding one hundred twenty grams or thirty times the maximum daily dose in the usual dose range specified in a standard pharmaceutical reference manual of a compound, mixture, preparation, or substance that is or contains any amount of a schedule II stimulant that is in a final dosage form manufactured by a person authorized by the "Federal Food, Drug, and Cosmetic Act," 52 Stat. 1040 (1938), 21 U.S.C.A. 301, as amended, and the federal drug abuse control laws, as defined in section 3719.01 of the Revised Code, that is or contains any amount of a schedule II depressant substance or a schedule II hallucinogenic substance;

(g) An amount equal to or exceeding three grams of a compound, mixture, preparation, or substance that is or contains any amount of a schedule II stimulant, or any of its salts or isomers, that is not in a final dosage form manufactured by a person authorized by the Federal Food, Drug, and Cosmetic Act and the federal drug abuse control laws.

(2) An amount equal to or exceeding one hundred twenty grams or thirty times the maximum daily dose in the usual dose range specified in a standard pharmaceutical reference manual of a compound, mixture, preparation, or substance that is or contains any amount of a schedule III or IV substance other than an anabolic steroid or a schedule III opiate or opium derivative;

(3) An amount equal to or exceeding twenty grams or five times the maximum daily dose in the usual dose range specified in a standard pharmaceutical reference manual of a compound, mixture, preparation, or substance that is or contains any amount of a schedule III opiate or opium derivative;

(4) An amount equal to or exceeding two hundred fifty milliliters or two hundred fifty grams of a compound, mixture, preparation, or substance that is or contains any amount of a schedule V substance;

(5) An amount equal to or exceeding two hundred solid dosage units, sixteen grams, or sixteen milliliters of a compound, mixture, preparation, or substance that is or contains any amount of a schedule III anabolic steroid.

(E) "Unit dose" means an amount or unit of a compound, mixture, or preparation containing a controlled substance that is separately identifiable and in a form that indicates that it is the amount or unit by which the controlled substance is separately administered to or taken by an individual.

(F) "Cultivate" includes planting, watering, fertilizing, or tilling.

(G) "Drug abuse offense" means any of the following:

(1) A violation of division (A) of section 2913.02 that constitutes theft

of drugs, or a violation of section 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, 2925.11, 2925.12, 2925.13, 2925.22, 2925.23, 2925.31, 2925.32, 2925.36, or 2925.37 of the Revised Code;

(2) A violation of an existing or former law of this or any other state or of the United States that is substantially equivalent to any section listed in division (G)(1) of this section;

(3) An offense under an existing or former law of this or any other state, or of the United States, of which planting, cultivating, harvesting, processing, making, manufacturing, producing, shipping, transporting, delivering, acquiring, possessing, storing, distributing, dispensing, selling, inducing another to use, administering to another, using, or otherwise dealing with a controlled substance is an element;

(4) A conspiracy to commit, attempt to commit, or complicity in committing or attempting to commit any offense under division (G)(1), (2), or (3) of this section.

(H) "Felony drug abuse offense" means any drug abuse offense that would constitute a felony under the laws of this state, any other state, or the United States.

(I) "Harmful intoxicant" does not include beer or intoxicating liquor but means any compound, mixture, preparation, or substance the gas, fumes, or vapor of which when inhaled can induce intoxication, excitement, giddiness, irrational behavior, depression, stupefaction, paralysis, unconsciousness, asphyxiation, or other harmful physiological effects, and includes, but is not limited to, any of the following:

(1) Any volatile organic solvent, plastic cement, model cement, fingernail polish remover, lacquer thinner, cleaning fluid, gasoline, or other preparation containing a volatile organic solvent;

(2) Any aerosol propellant;

(3) Any fluorocarbon refrigerant;

(4) Any anesthetic gas.

(J) "Manufacture" means to plant, cultivate, harvest, process, make, prepare, or otherwise engage in any part of the production of a drug, by propagation, extraction, chemical synthesis, or compounding, or any combination of the same, and includes packaging, repackaging, labeling, and other activities incident to production.

(K) "Possess" or "possession" means having control over a thing or substance, but may not be inferred solely from mere access to the thing or substance through ownership or occupation of the premises upon which the thing or substance is found.

(L) "Sample drug" means a drug or pharmaceutical preparation that

would be hazardous to health or safety if used without the supervision of a licensed health professional authorized to prescribe drugs, or a drug of abuse, and that, at one time, had been placed in a container plainly marked as a sample by a manufacturer.

(M) "Standard pharmaceutical reference manual" means the current edition, with cumulative changes if any, of any of the following reference works:

(1) "The National Formulary";

(2) "The United States Pharmacopeia," prepared by authority of the United States Pharmacopeial Convention, Inc.;

(3) Other standard references that are approved by the state board of pharmacy.

(N) "Juvenile" means a person under eighteen years of age.

(O) "Counterfeit controlled substance" means any of the following:

(1) Any drug that bears, or whose container or label bears, a trademark, trade name, or other identifying mark used without authorization of the owner of rights to that trademark, trade name, or identifying mark;

(2) Any unmarked or unlabeled substance that is represented to be a controlled substance manufactured, processed, packed, or distributed by a person other than the person that manufactured, processed, packed, or distributed it;

(3) Any substance that is represented to be a controlled substance but is not a controlled substance or is a different controlled substance;

(4) Any substance other than a controlled substance that a reasonable person would believe to be a controlled substance because of its similarity in shape, size, and color, or its markings, labeling, packaging, distribution, or the price for which it is sold or offered for sale.

(P) An offense is "committed in the vicinity of a school" if the offender commits the offense on school premises, in a school building, or within one thousand feet of the boundaries of any school premises.

(Q) "School" means any school operated by a board of education or any school for which the state board of education prescribes minimum standards under section 3301.07 of the Revised Code, whether or not any instruction, extracurricular activities, or training provided by the school is being conducted at the time a criminal offense is committed.

(R) "School premises" means either of the following:

(1) The parcel of real property on which any school is situated, whether or not any instruction, extracurricular activities, or training provided by the school is being conducted on the premises at the time a criminal offense is committed;

(2) Any other parcel of real property that is owned or leased by a board of education of a school or the governing body of a school for which the state board of education prescribes minimum standards under section 3301.07 of the Revised Code and on which some of the instruction, extracurricular activities, or training of the school is conducted, whether or not any instruction, extracurricular activities, or training provided by the school is being conducted on the parcel of real property at the time a criminal offense is committed.

(S) "School building" means any building in which any of the instruction, extracurricular activities, or training provided by a school is conducted, whether or not any instruction, extracurricular activities, or training provided by the school is being conducted in the school building at the time a criminal offense is committed.

(T) "Disciplinary counsel" means the disciplinary counsel appointed by the board of commissioners on grievances and discipline of the supreme court under the Rules for the Government of the Bar of Ohio.

(U) "Certified grievance committee" means a duly constituted and organized committee of the Ohio state bar association or of one or more local bar associations of the state of Ohio that complies with the criteria set forth in Rule V, section 6 of the Rules for the Government of the Bar of Ohio.

(V) "Professional license" means any license, permit, certificate, registration, qualification, admission, temporary license, temporary permit, temporary certificate, or temporary registration that is described in divisions (W)(1) to (35) of this section and that qualifies a person as a professionally licensed person.

(W) "Professionally licensed person" means any of the following:

(1) A person who has obtained a license as a manufacturer of controlled substances or a wholesaler of controlled substances under Chapter 3719. of the Revised Code;

(2) A person who has received a certificate or temporary certificate as a certified public accountant or who has registered as a public accountant under Chapter 4701. of the Revised Code and who holds ~~a live~~ an Ohio permit issued under that chapter;

(3) A person who holds a certificate of qualification to practice architecture issued or renewed and registered under Chapter 4703. of the Revised Code;

(4) A person who is registered as a landscape architect under Chapter 4703. of the Revised Code or who holds a permit as a landscape architect issued under that chapter;

(5) A person licensed as an auctioneer or apprentice auctioneer or licensed to operate an auction company under Chapter 4707. of the Revised Code;

(6) A person who has been issued a certificate of registration as a registered barber under Chapter 4709. of the Revised Code;

(7) A person licensed and regulated to engage in the business of a debt pooling company by a legislative authority, under authority of Chapter 4710. of the Revised Code;

(8) A person who has been issued a cosmetologist's license, manicurist's license, esthetician's license, managing cosmetologist's license, managing manicurist's license, managing esthetician's license, cosmetology instructor's license, manicurist instructor's license, esthetician instructor's license, or tanning facility permit under Chapter 4713. of the Revised Code;

(9) A person who has been issued a license to practice dentistry, a general anesthesia permit, a conscious intravenous sedation permit, a limited resident's license, a limited teaching license, a dental hygienist's license, or a dental hygienist's teacher's certificate under Chapter 4715. of the Revised Code;

(10) A person who has been issued an embalmer's license, a funeral director's license, a funeral home license, or a crematory license, or who has been registered for an embalmer's or funeral director's apprenticeship under Chapter 4717. of the Revised Code;

(11) A person who has been licensed as a registered nurse or practical nurse, or who has been issued a certificate for the practice of nurse-midwifery under Chapter 4723. of the Revised Code;

(12) A person who has been licensed to practice optometry or to engage in optical dispensing under Chapter 4725. of the Revised Code;

(13) A person licensed to act as a pawnbroker under Chapter 4727. of the Revised Code;

(14) A person licensed to act as a precious metals dealer under Chapter 4728. of the Revised Code;

(15) A person licensed as a pharmacist, a pharmacy intern, a wholesale distributor of dangerous drugs, or a terminal distributor of dangerous drugs under Chapter 4729. of the Revised Code;

(16) A person who is authorized to practice as a physician assistant under Chapter 4730. of the Revised Code;

(17) A person who has been issued a certificate to practice medicine and surgery, osteopathic medicine and surgery, a limited branch of medicine or surgery, or podiatry under Chapter 4731. of the Revised Code;

(18) A person licensed as a psychologist or school psychologist under

Chapter 4732. of the Revised Code;

(19) A person registered to practice the profession of engineering or surveying under Chapter 4733. of the Revised Code;

(20) A person who has been issued a license to practice chiropractic under Chapter 4734. of the Revised Code;

(21) A person licensed to act as a real estate broker, real estate salesperson, limited real estate broker, or limited real estate salesperson under Chapter 4735. of the Revised Code;

(22) A person registered as a registered sanitarian under Chapter 4736. of the Revised Code;

(23) A person licensed to operate or maintain a junkyard under Chapter 4737. of the Revised Code;

(24) A person who has been issued a motor vehicle salvage dealer's license under Chapter 4738. of the Revised Code;

(25) A person who has been licensed to act as a steam engineer under Chapter 4739. of the Revised Code;

(26) A person who has been issued a license or temporary permit to practice veterinary medicine or any of its branches, or who is registered as a graduate animal technician under Chapter 4741. of the Revised Code;

(27) A person who has been issued a hearing aid dealer's or fitter's license or trainee permit under Chapter 4747. of the Revised Code;

(28) A person who has been issued a class A, class B, or class C license or who has been registered as an investigator or security guard employee under Chapter 4749. of the Revised Code;

(29) A person licensed and registered to practice as a nursing home administrator under Chapter 4751. of the Revised Code;

(30) A person licensed to practice as a speech-language pathologist or audiologist under Chapter 4753. of the Revised Code;

(31) A person issued a license as an occupational therapist or physical therapist under Chapter 4755. of the Revised Code;

(32) A person who is licensed as a professional clinical counselor or professional counselor, licensed as a social worker or independent social worker, or registered as a social work assistant under Chapter 4757. of the Revised Code;

(33) A person issued a license to practice dietetics under Chapter 4759. of the Revised Code;

(34) A person who has been issued a license or limited permit to practice respiratory therapy under Chapter 4761. of the Revised Code;

(35) A person who has been issued a real estate appraiser certificate under Chapter 4763. of the Revised Code.

(X) "Cocaine" means any of the following:

(1) A cocaine salt, isomer, or derivative, a salt of a cocaine isomer or derivative, or the base form of cocaine;

(2) Coca leaves or a salt, compound, derivative, or preparation of coca leaves, including ecgonine, a salt, isomer, or derivative of ecgonine, or a salt of an isomer or derivative of ecgonine;

(3) A salt, compound, derivative, or preparation of a substance identified in division (X)(1) or (2) of this section that is chemically equivalent to or identical with any of those substances, except that the substances shall not include decocainized coca leaves or extraction of coca leaves if the extractions do not contain cocaine or ecgonine.

(Y) "L.S.D." means lysergic acid diethylamide.

(Z) "Hashish" means the resin or a preparation of the resin contained in marihuana, whether in solid form or in a liquid concentrate, liquid extract, or liquid distillate form.

(AA) "Marihuana" has the same meaning as in section 3719.01 of the Revised Code, except that it does not include hashish.

(BB) An offense is "committed in the vicinity of a juvenile" if the offender commits the offense within one hundred feet of a juvenile or within the view of a juvenile, regardless of whether the offender knows the age of the juvenile, whether the offender knows the offense is being committed within one hundred feet of or within view of the juvenile, or whether the juvenile actually views the commission of the offense.

(CC) "Presumption for a prison term" or "presumption that a prison term shall be imposed" means a presumption, as described in division (D) of section 2929.13 of the Revised Code, that a prison term is a necessary sanction for a felony in order to comply with the purposes and principles of sentencing under section 2929.11 of the Revised Code.

(DD) "Major drug offender" has the same meaning as in section 2929.01 of the Revised Code.

(EE) "Minor drug possession offense" means either of the following:

(1) A violation of section 2925.11 of the Revised Code as it existed prior to July 1, 1996;

(2) A violation of section 2925.11 of the Revised Code as it exists on and after July 1, 1996, that is a misdemeanor or a felony of the fifth degree.

(FF) "Mandatory prison term" has the same meaning as in section 2929.01 of the Revised Code.

(GG) "Crack cocaine" means a compound, mixture, preparation, or substance that is or contains any amount of cocaine that is analytically identified as the base form of cocaine or that is in a form that resembles

cks or pebbles generally intended for individual use.

Sec. 4701.01. As used in this chapter:

(A) ~~"Live permit" means a permit issued under section 4701.10 of the Revised Code that is not suspended or revoked~~ Practice of public accounting" means performing or offering to perform any engagement that will result in the issuance of an attest report and, with respect to a person who holds a CPA certificate, PA registration, foreign certificate, or firm registration, any other services involving the use of accounting or auditing skills as established by rules adopted by the accountancy board.

(B) "Public accounting firm" means a sole proprietorship, a partnership, a limited liability company, a professional association, a corporation-for-profit, or any other ~~legal entity~~ business organization that is ~~permitted by the accountancy board to engage~~ engaged in the practice of public accounting in this state.

(C) ~~"Opinion on a financial statement report"~~ Opinion on a financial statement report" means any opinion on a financial statement that is expressed in accordance with generally accepted auditing standards as to the fairness of presentation of information and that is used for guidance in financial transactions or, for accounting, or for assessing the status or performance of commercial and noncommercial enterprises, whether public, private, or governmental.

(D) ~~"Quality Peer review"~~ Quality Peer review" means a study, appraisal, or review of one or more aspects of the professional work of a public accounting firm that meets the standards and requirements set forth by the accountancy board.

(E) ~~"Review report on a financial statement"~~ Review report on a financial statement" means either of the following:

(1) Any review report on a financial statement that is issued with respect to any of the following:

(a) Interim financial information in accordance with generally accepted auditing standards;

(b) The financial information of a nonpublic entity in accordance with statements on standards for accounting and review services;

(c) The reliability of another party's written assertion in accordance with statements on standards for attestation engagements.

(2) Any other review report on a financial statement that is not described in division (E)(1) of this section and that is issued in accordance with standards promulgated by the American institute of certified public accountants.

(F) ~~"Compilation report on a financial statement"~~ Compilation report on a financial statement" means any compilation report on a financial statement that is issued with respect to financial information of a nonpublic entity in accordance with statements on

standards for accounting and review services as promulgated by the American institute of certified public accountants.

(G) "~~Examination report on a financial statement~~" means any examination report on a financial statement that is issued with respect to another party's written assertion in accordance with statements on standards for attestation engagements as promulgated by the American institute of certified public accountants.

(H) "~~Agreed-upon procedures report on a financial statement~~" means any report that is on a financial statement and that is based on agreed-upon procedures issued with respect to another party's written assertion in accordance with statements on standards for attestation engagements as promulgated by the American institute of certified public accountants.

(I) "Qualified firm" means a sole proprietorship, partnership, professional association, corporation-for-profit, limited liability company, or other business organization in which the individuals who own a majority of the business organization interests in the business organization and control the business organization hold an Ohio permit or a foreign certificate.

(J) "Own" means any direct or indirect ownership of an equity interest in a public accounting firm or qualified firm.

(K) "Control" or "controlled" means the right to exercise the majority of the voting equity interests in a public accounting firm or qualified firm with respect to any matter.

(L) "Equity interest" means any capital interest or profit interest in a sole proprietorship, partnership, professional association, corporation-for-profit, limited liability company, or other business organization.

(M) "Ohio permit" means a permit to practice public accounting issued under division (A) of section 4701.10 of the Revised Code that is not revoked or suspended.

(N) "Ohio registration" means the registration under division (B) of section 4701.10 Of the Revised Code of a holder of a CPA certificate or PA registration who is not in the practice of public accounting in this state.

(O) "Firm registration" or "registered firm" means registration as a public accounting firm under section 4701.04 of the Revised Code.

(P) "PA registration" means registration as a public accountant under section 4701.07 of the Revised Code that is not revoked or suspended.

(Q) "CPA certificate" means a certificate issued under section 4701.06 or 4701.061 of the Revised Code that is not revoked or suspended.

(R) "Foreign certificate" means a certificate of a certified public accountant issued under the laws of another state.

(S) "Attest report" means an opinion report, review report, compilation report, examination report, agreed-upon procedures report, or any similar report prepared in accordance with standards established by the American institute of certified public accountants with respect to a financial statement or other financial information.

(T) "Person" means any individual, corporation-for-profit, business trust, estate, partnership, limited liability company, professional association, or other business organization.

(U) Technical terms that define specific public accounting engagements have the same meanings as in the professional standards promulgated by the American institute of certified public accountants.

(V)(1) "GOOD MORAL CHARACTER" MEANS THE COMBINATION OF PERSONAL TRAITS OF HONESTY, INTEGRITY, ATTENTION TO DUTY, FORTHRIGHTNESS, AND SELF-RESTRAINT THAT ENABLES A PERSON TO DISCHARGE THE DUTIES OF THE ACCOUNTING PROFESSION FULLY AND FAITHFULLY.

(2) A HISTORY OF DISHONEST ACTS OR FELONIOUS ACTS OR CONVICTIONS IS SUFFICIENT TO PROVE LACK OF GOOD MORAL CHARACTER IF THAT HISTORY DEMONSTRATES BY A PREPONDERANCE OF THE EVIDENCE THAT THE PERSON LACKS ONE OR MORE OF THE PERSONAL TRAITS REFERRED TO IN DIVISION (V)(1) OF THIS SECTION. A PERSON WHO HAS A FELONY CONVICTION RELATED TO ONE OR MORE OF THOSE PERSONAL TRAITS BEARS THE BURDEN OF ESTABLISHING THE PERSON'S PRESENT GOOD MORAL CHARACTER, INCLUDING THE PERSON'S FULL AND COMPLETE REHABILITATION SUBSEQUENT TO THE CONVICTION. IF LESS THAN ONE YEAR HAS PASSED SINCE THE COMPLETION OF THE PERSON'S SENTENCE ON A FELONY CONVICTION, INCLUDING ANY PERIOD UNDER A COMMUNITY CONTROL SANCTION OR POST-RELEASE CONTROL, THE BOARD MAY DELAY ANY DETERMINATION OF THE PERSON'S GOOD MORAL CHARACTER UNTIL ONE YEAR HAS PASSED FROM THE TIME OF THE COMPLETION OF THAT SENTENCE.

(3) IN DETERMINING WHETHER A PERSON WHO HAS A FELONY CONVICTION HAS MET THE PERSON'S BURDEN OF PROOF DESCRIBED IN DIVISION (V)(2) OF THIS SECTION, THE ACCOUNTANCY BOARD MAY CONSIDER THE FOLLOWING FACTORS:

(a) THE PERSON'S PATH TOWARD PROFESSIONAL LICENSING

FOLLOWING COMPLETION OF THE PERSON'S SENTENCE;

(b) THE NATURE AND DEGREE OF THE PERSON'S ACADEMIC ACHIEVEMENTS;

(c) THE NATURE AND DEGREE OF THE PERSON'S EMPLOYMENT FOLLOWING COMPLETION OF THE PERSON'S SENTENCE;

(d) THE PERSON'S DEGREE OF SELF-SUFFICIENCY FOLLOWING COMPLETION OF THE PERSON'S SENTENCE;

(e) THE NATURE AND DEGREE OF THE PERSON'S OTHER RESPONSIBILITIES FOLLOWING COMPLETION OF THE PERSON'S SENTENCE;

(f) THE PERSON'S CONVICTION FOR ANY OTHER CRIMINAL OFFENSE SINCE COMPLETION OF THE PERSON'S SENTENCE FOR THE PERSON'S FIRST FELONY CONVICTION;

(g) WHETHER THE PERSON'S APPLICATION OR PRESENTATION CONTAINS ANY INCONSISTENCIES OR MISLEADING EXPLANATIONS THAT CONVINCED THE BOARD THAT EITHER THE PERSON OR THE PERSON'S ATTORNEY IS TRYING TO KEEP THE BOARD FROM ACQUIRING A TRUE, THOUGH DAMAGING, REPRESENTATION OF THE PERSON'S CHARACTER;

(h) THE NATURE AND CIRCUMSTANCES OF THE DISHONEST ACTS OR FELONIOUS ACTS OR CONVICTIONS OF THE PERSON;

(i) ANY OTHER SPECIFICALLY IDENTIFIABLE INFORMATION THAT THE BOARD DETERMINES TO BE RELEVANT TO THE PERSON'S ABILITY TO DISCHARGE THE DUTIES OF THE ACCOUNTING PROFESSION FULLY AND FAITHFULLY.

Sec. 4701.04. (A) No public accounting firm shall engage in the practice under the firm's name of public accounting in this state unless it registers with the accountancy board and pays a registration fee set by the board.

(B) ~~New public~~ Public accounting firms shall apply for initial registration within ninety days ~~of~~ after formation or within ninety days after the commencement of practicing public accounting in this state. All public accounting firms shall renew their registration triennially. All public accounting firms shall submit with their initial and renewal registration applications ~~a~~ all of the following:

(1) A list of the names, addresses, and certificate or registration numbers of all ~~license holders~~ individuals who hold an Ohio permit and who own an equity interest in the public accounting firm or are employed by ~~them~~ the public accounting firm;

(2) A list of the names and addresses of each person who does not hold an Ohio permit or a foreign certificate and who owns an equity interest in the public accounting firm if the person's principal place of business is located in this state;

(3) A statement that the public accounting firm and each person who owns an equity interest in the public accounting firm or is employed by the public accounting firm and who does not hold an Ohio permit or a foreign certificate is in compliance with divisions (C) and (D) of this section.

(C) A public accounting firm shall satisfy all of the following requirements in order to register:

(1) Except as provided in division (C)(5) of this section, each partner, shareholder, member, or other person who owns an equity interest in the public accounting firm shall hold an Ohio permit or a foreign certificate.

(2) The chief executive of any office of a public accounting firm located in or doing business in this state shall hold an Ohio permit or a foreign certificate.

(3) Each individual in a public accounting firm who signs any attest report issued from an office of the public accounting firm located in this state shall hold an Ohio permit.

(4) An individual who owns an equity interest in the public accounting firm or is employed by the public accounting firm and who holds an Ohio permit or a foreign certificate, or a qualified firm that owns an equity interest in the public accounting firm, shall assume ultimate responsibility for any attest report issued from an office of the public accounting firm located in this state.

(5) Any person who does not hold an Ohio permit or a foreign certificate and who holds an equity interest in the public accounting firm shall satisfy the conditions set forth in division (D) of this section.

(6) The public accounting firm shall provide for the transfer of the equity interest owned by persons who do not hold an Ohio permit or a foreign certificate to either the public accounting firm or to another person who owns an equity interest in the firm if a person who does not hold an Ohio permit or a foreign certificate withdraws from or ceases to be employed by the public accounting firm. The public accounting firm may make payments in connection with the person's withdrawal from the firm to that person or, if that person is deceased or dissolved, to the person's estate or successor in interest.

(D) A person who does not hold an Ohio permit or a foreign certificate may own an equity interest in a public accounting firm if all of the following conditions are met:

(1) All of the individuals who hold an Ohio permit or a foreign certificate and who own equity interests in the public accounting firm, and qualified firms that own equity interests in the public accounting firm, own, in the aggregate, a majority of the equity interests in the public accounting firm and control the public accounting firm.

(2) The person does not assume or use any titles or designations specified in division (A) of section 4701.14 Of the Revised Code. The person may designate or refer to the person as a shareholder, partner, member, principal, owner, or officer of the public accounting firm and also may use any other title that the board authorizes by rule.

(3) The person is not in violation of any standard regarding the character or conduct of that person that the board establishes by rule.

(4) The person's participation in the business of the public accounting firm is the person's principal occupation and consists of providing services to or on behalf of the public accounting firm, and the person is not functioning solely or predominately as a passive investor in the public accounting firm.

(5) The person has graduated with a baccalaureate or higher degree conferred by a college or university approved by the board.

(6) The person meets or exceeds the continuing education requirements that the board establishes by rule.

(7) A person who holds a professional license, registration, or certification issued by this state or another state complies with the requirements of that license, registration, or certification.

(8) The person abides by the code of conduct of the American institute of certified public accountants or a comparable code of professional conduct that the board adopts by rule.

(9) The person complies with all applicable provisions of this chapter and the rules adopted by the board.

~~(C)~~(E) A person who owns a voting equity interest in a public accounting firm may not delegate, by proxy or otherwise, the duty to exercise any voting rights to a person that does not hold an Ohio permit or a foreign certificate or to a person that is not a qualified firm.

(E) As a condition for initial or renewal registration of a public accounting firm on and after January 1, 1993, the board, by rule, shall require that ~~all~~ each public accounting ~~firms~~ firm undergo a ~~quality peer~~ review to determine the public accounting firm's degree of compliance ~~by the firm~~ in the practice of public accounting with generally accepted accounting principles ~~and, generally accepted~~ auditing standards, and other generally accepted technical standards, unless the ~~applicant~~ public

accounting firm meets one of the exceptions in division ~~(G)~~(J) of this section.

~~(D)~~(G) The board shall adopt rules establishing guidelines for quality peer reviews. The rules shall do all of the following:

(1) Designate a quality peer review committee consisting of accounting professionals to serve as advisors to the board and to ensure that the board's guidelines are followed. The board ~~shall~~ may establish fair and reasonable compensation for the committee members to be paid for time they spend conducting committee business.

(2) Require that the quality peer review be conducted by a reviewer that is both independent of the public accounting firm reviewed and qualified pursuant to board rules;

(3) Require that the standards and practices applied by the reviewer be at least as stringent as those applied by the American institute of certified public accountants;

(4) Prohibit the use or disclosure of information obtained by members of the board or a committee of peer reviewers during or in connection with the quality peer review process for purposes other than those related to determining the degree of compliance by the public accounting firm with generally accepted accounting principles ~~and, generally accepted~~ auditing standards, and other generally accepted technical standards. Division ~~(D)~~(G)(4) of this section does not apply to the use or disclosure of information that is described in division ~~(H)~~(K)(3) of this section or that is necessary to comply with any provision of law.

~~(E)~~(H)(1) If a quality peer review report indicates that a public accounting firm does not comply with standards and practices set forth in board guidelines, the board ~~may, at, in~~ its discretion, ~~or shall, upon submission of a written application by the firm, may~~ hold a hearing to ~~determine whether the firm complies with the standards and practices. If the board, after conducting the hearing, determines that the firm complies with the standards and practices, it shall issue an order requiring the reviewer and the quality review committee to take any necessary action to record and implement the board's determination and to restore the status of compliance upon the firm. However, if~~ review the results of the peer review report. If the board, after conducting the hearing, determines that the public accounting firm does not comply with the standards and practices, it may issue an order that requires both of the following:

(a) Remedial or disciplinary action, which may include any of the following:

(i) Requiring employees of the public accounting firm to complete

general or specific continuing professional education courses;

(ii) Requiring the public accounting firm to undergo quality peer review more frequently than triennially and peer review that is conducted in whole or part under the direct supervision of the board or its designee;

(iii) Any other remedial action specified by the board;

(iv) Imposing any disciplinary measures set forth in division (B) of section 4701.16 Of the Revised Code.

(b) An affidavit from the public accounting firm submitted within the time specified by the board indicating completion of required remedial actions.

(2) Notwithstanding divisions ~~(H)~~(K)(1) and (2) of this section, all matters relating to the procedures for determining compliance with the standards and practices under division ~~(E)~~(H)(1) of this section are subject to Chapter 119. of the Revised Code, including the notice and conduct of any hearing; and the issuance and appeal of any order.

~~(F)~~(I) The public accounting firm reviewed shall pay for any quality peer review performed.

~~(G)~~(J) The board may exempt a public accounting firm from the requirement to undergo a quality peer review if the public accounting firm submits to the board a written and notarized statement that the public accounting firm meets at least one of the following grounds for exemption identified in the statement:

(1) Within three years of the date of application for initial or renewal registration, the public accounting firm has been subject to a quality peer review acceptable to the board and conducted pursuant to standards not less stringent than review standards applied by the American institute of certified public accountants. The public accounting firm shall submit to the board a copy of the results of the quality peer review and any additional documentation required by the board. The board, ~~however~~, shall not require submittal of the working papers related to the quality peer review process.

(2) Within three years of the date of application for initial or renewal registration, the public accounting firm has undergone a quality peer review conducted in another state or foreign country. The public accounting firm shall submit to the board a copy of the results of the quality peer review and any additional documentation required by the board, including a detailed report of the procedures and standards applied by the reviewer.

(3) The public accounting firm has never practiced public accounting in this state or any other state or foreign country and will undergo a quality peer review within eighteen months of registration.

(4) The public accounting firm, on a schedule as required by rule

adopted by the board, submits a report to the board that states all of the following:

(a) The public accounting firm does not ~~engage in any financial reporting areas of practice including audits, compilations, or reviews undertake any engagement that will result in the issuance of an attest report.~~

(b) Within the next three years, the public accounting firm does not intend to ~~engage in any financial reporting areas of practice including audits, compilations, reviews, or prospective financial statements undertake any engagement that will result in the issuance of any attest report.~~

(c) The public accounting firm agrees to notify the board within ninety days ~~of engaging in any financial reporting areas of practice including audits, compilations, or reviews~~ after accepting any engagement that will result in the issuance of any attest report and will undergo a quality peer review within one year ~~of commencing such practices~~ after the acceptance of an engagement of that nature.

(5) Subject to the board's approval, for reasons of personal health, military service, or other good cause, the public accounting firm is entitled to an exemption.

~~(H)(K)~~ In any civil action, arbitration, or administrative proceeding involving a public accounting firm, all of the following shall apply:

(1) The proceedings, records, and work papers of any reviewer, including board members and review committee members, involved in the quality peer review process are privileged and not subject to discovery, subpoena, or other means of legal process and may not be introduced into evidence.

(2) No reviewer, including board members and review committee members, involved in the quality peer review process shall be permitted or required to testify as to any matters produced, presented, disclosed, or discussed during or in connection with the quality peer review process; or shall be required to testify to any finding, recommendation, evaluation, opinion, or other actions of ~~such those~~ committees; or their members.

(3) No privilege exists under this section for either of the following:

(a) Information presented or considered in the quality peer review process ~~which that~~ was otherwise available to the public;

(b) Materials prepared in connection with a particular engagement merely because they subsequently are presented or considered as part of the quality peer review process.

~~(H)(L)~~ If a quality peer review report indicates that a public accounting firm complies with standards and practices set forth in board guidelines, the board shall destroy all documents and reports related to the quality peer

review within thirty days after the board completes its review of the report. If a quality peer review report indicates that a public accounting firm does not comply with ~~such~~ those standards and practices, the board shall retain all documents and reports related to the quality peer review until completion of the next quality peer review.

Sec. 4701.06. The accountancy board shall grant the certificate of "certified public accountant" ~~shall be granted by the accountancy board~~ to any person who satisfies the following requirements:

(A) ~~Who~~ The person is a resident of this state or has a place of business ~~therein in this state~~ or, as an employee, is regularly employed ~~therein in this state~~. The board may determine by rule ~~determine~~ circumstances under which the residency requirement may be waived.

(B) ~~Who~~ The person has attained the age of eighteen years;.

(C) ~~Who~~ The person is of good moral character;.

(D) ~~Who~~ The person meets the following requirements of education and experience ~~as provided in this division:~~

(1)(a) Prior to January 1, 2000, graduation with a baccalaureate degree conferred by a college or university recognized by the board, with a concentration in accounting that includes related courses in other areas of business administration, or what the board determines to be substantially the equivalent of the foregoing;

(b) On and after January 1, 2000, graduation with a baccalaureate or higher degree that includes successful completion of one hundred fifty semester hours of undergraduate or graduate education. The board ~~shall~~ by rule shall specify graduate degrees that satisfy this requirement and ~~shall~~ also by rule shall require ~~such~~ any subjects as that it considers appropriate. The total educational program shall include an accounting concentration with related courses in other areas of business administration, as defined by board rule.

(2)(a) The experience requirement for candidates meeting the educational requirements set forth in division (D)(1)(a) or (b) of this section is ~~two years~~ one year of ~~public accounting~~ experience, satisfactory to the board; ~~in any state in practice, as a certified public accountant or as a public accountant, or, in any state in employment, as a staff accountant by anyone practicing public accounting, or such experience in private or governmental accounting as is, in the opinion of the board, the equivalent of such public accounting practice, or any combination of such types of experience.~~

~~(b) The experience requirement is only one year of the experience described in division (D)(2)(a) of this section for any candidate holding a master's degree in accounting or business administration from a college or~~

~~university recognized by the board, if he has satisfactorily completed such number of semester hours in graduate accounting and such related subjects as the board determines to be appropriate~~ any of the following:

- (i) A public accounting firm;
- (ii) Government;
- (iii) Business;
- (iv) Academia.

~~(e)(b)~~ Except as provided in division (D)(2)~~(d)(c)~~ of this section, the experience requirement for any candidate who, on and after January 1, 2000, does not meet the educational requirement set forth in division (D)(1)(b) of this section is four years of experience described in division (D)(2)(a) of this section. The experience requirement for any candidate who, prior to January 1, 2000, does not meet the educational requirement set forth in division (D)(1)(a) of this section is two years of experience described in division (D)(2)(a) of this section.

~~(d)(c)~~ On and after January 1, 2000, the experience requirement for any candidate who, subsequent to obtaining a baccalaureate or higher degree, other than a baccalaureate or higher degree described in division (D)(1)(b) of this section, successfully completes coursework that meets the educational requirement set forth in division (D)(1)(b) of this section; is two years of experience described in division (D)(2)(a) of this section.

(E) ~~Who~~ The person has passed a written examination in accounting and auditing and in ~~such any~~ related subjects as that the board determines to be appropriate. The board shall adopt rules, consistent with this section, for these examinations and for application to take these examinations.

None of the educational requirements specified in division (D) of this section apply to a candidate who ~~is registered as a public accountant under section 4701.07 of the Revised Code~~ has a PA registration, but the experience requirement for ~~such the~~ candidate who does not meet ~~such those~~ educational requirements is four years of the experience described in division (D)(2)(a) of this section.

Prior to January 1, 2000, the board shall waive the educational requirement set forth in division (D)(1)(a) of this section for any candidate if it finds that the candidate has attained the equivalent education by attendance at a business school, by self-study, or otherwise, and if it is satisfied from the results of special written examinations ~~given that the board gives~~ the candidate ~~by the board~~ to test ~~his the candidate's~~ educational qualifications that ~~he the candidate~~ is as well equipped, educationally, as if ~~he the candidate~~ met the applicable educational requirement specified in division (D)(1)(a) of this section.

On and after January 1, 2000, the board shall waive the educational requirement set forth in division (D)(1)(b) of this section for any candidate if the board finds that the candidate has obtained from an accredited college or university approved by the board, either an associate degree or a baccalaureate degree, other than a baccalaureate degree described in division (D)(1)(b) of this section, with a concentration in accounting that includes related courses in other areas of business administration, and if the board is satisfied from the results of special written examinations ~~given that the board gives~~ the candidate ~~by the board~~ to test ~~his~~ the candidate's educational qualification that the candidate is as well equipped, educationally, as if ~~he~~ the candidate met the applicable educational requirement specified in division (D)(1)(b) of this section.

The board shall provide by rule for the general scope of any special written examinations for a waiver of the educational requirements under division (D)(1)(a) or (b) of this section; and may obtain ~~such~~ any advice and assistance ~~as~~ that it considers appropriate to assist it in preparing and grading ~~such~~ those special written examinations. The board may use any existing examinations or may prepare any number of new examinations to assist in determining the equivalent training of a candidate. The board ~~shall~~ by rule shall prescribe any special written examinations for a waiver of the educational requirements under division (D)(1)(a) or (b) of this section and the passing score required for each examination.

The examinations described in division (E) of this section and the special written examinations for a waiver of the educational requirements under division (D)(1)(a) or (b) of this section shall be held by the board and shall take place as often as the board determines to be desirable, but the examinations described in division (E) of this section shall be held not less frequently than once each year. The board may make ~~such~~ the use of all or any part of the uniform certified public accountants' examination and advisory grading service, or either, as it considers appropriate to assist it in performing its duties ~~hereunder~~ under this section. The board also may ~~also~~ contract with qualified organizations for assistance in the administration of any examinations. The board by rule may provide for granting credit to a candidate for ~~his~~ satisfactory completion of a written examination in one or more of the subjects ~~specified~~ referred to in division (E) of this section given by the licensing authority in any other state.

A candidate who has met the educational requirements, or with respect to whom they either do not apply or have been waived, is eligible to take the examination ~~specified~~ referred to in division (E) of this section without waiting until ~~he~~ the candidate meets the experience requirements, provided

~~he~~ the candidate also meets the requirements of divisions (A) and (C) of this section.

A candidate for the certificate of certified public accountant who has successfully completed the examination under division (E) of this section has no status as a certified public accountant, unless and until ~~he~~ the candidate has the requisite experience and has received ~~his~~ A certificate as a certified public accountant. The board shall determine and charge a fee for issuing the certificate that is adequate to cover the expense.

The board ~~may~~ by rule may prescribe the terms and conditions under which a candidate who passes the examination in one or more of the subjects ~~indicated~~ referred to in division (E) of this section may be reexamined in only the remaining subjects, with credit for the subjects previously passed. It ~~may~~ also may provide by rule for a reasonable waiting period for a candidate's reexamination in a subject ~~he~~ the candidate has failed. Subject to ~~the foregoing~~ board rules of those types and ~~such~~ any other rules ~~as~~ that the board may adopt governing reexaminations, a candidate is entitled to any number of reexaminations under division (E) of this section. No candidate shall be required to be reexamined in all subjects unless a period of four years has elapsed since the candidate initially earned credit on the examination.

The applicable educational and experience requirements under division (D) of this section shall be those in effect on the date on which the candidate first sits for the examination.

The board shall charge ~~such~~ a candidate a reasonable fee, to be determined by the board, that is adequate to cover all rentals, compensation for proctors, and other administrative expenses of the board related to examination or reexamination, including the expenses of procuring and grading the examination provided for in division (E) of this section and for any special written examinations for a waiver of the educational requirements under division (D)(1)(a) or (b) of this section. Fees for reexamination under division (E) of this section shall be charged by the board in amounts determined by it. The applicable fees shall be paid by the candidate at the time ~~he~~ the candidate applies for examination or reexamination.

Any person who has received from the board a certificate as a certified public accountant and who holds a an Ohio permit ~~issued under section 4701.10 of the Revised Code, which is in full force and effect,~~ shall be styled and known as a "certified public accountant" and ~~may~~ also may use the abbreviation "CPA." The board shall maintain a list of certified public accountants. Any certified public accountant ~~may~~ also may be known as a

"public accountant."

Persons who, on the effective date of an amendment of this section, held certified public accountant certificates ~~theretofore previously~~ issued under the laws of this state shall not be required to obtain additional certificates under this section; but shall otherwise be subject to all provisions of this section; and ~~such those previously issued~~ certificates ~~theretofore issued~~ ~~shall~~, for all purposes, shall be considered certificates issued under this section and subject to ~~the its~~ provisions ~~hereof~~.

The board may waive the examination under division (E) of this section; and, upon payment of a fee determined by it, may issue a certificate as a "certified public accountant" to any person ~~possessing~~ who possesses the qualifications specified in divisions (A), (B), and (C) of this section and what the board determines to be substantially the equivalent of the applicable qualifications under division (D) of this section; and who is the holder of a certificate as a certified public accountant, then in full force and effect, issued under the laws of any state, or is the holder of a certificate, license, or degree in a foreign country ~~constituting~~ that constitutes a recognized qualification for the practice of public accounting in ~~such that~~ country, that is comparable to that of a certified public accountant of this state, ~~which and that~~ is then in full force and effect.

Sec. 4701.061. Notwithstanding anything to the contrary in section 4701.06 of the Revised Code, the accountancy board shall grant a certificate of "certified public accountant" ~~shall be granted by the accountancy board~~ to any public accountant who meets all the following requirements:

(A) The public accountant applies to the board for the certificate under this section;

(B) At the time of application and the time that the certificate is granted, the public accountant holds ~~a live~~ an Ohio permit ~~issued under division (A) of section 4701.10 of the Revised Code;~~

(C) At the time of application, any public accounting firm that employs the public accountant or in which the public accountant has an interest is registered; and meets the applicable ~~quality peer~~ review requirements of the board; under section 4701.04 of the Revised Code;

(D) For not less than one hundred twenty months, the public accountant has held ~~a~~ an Ohio permit ~~issued under division (A) of section 4701.10 of the Revised Code~~ and has completed and reported to the board all applicable continuing education hours required by section 4701.11 of the Revised Code and the rules adopted pursuant ~~thereto~~ to that section.

Sec. 4701.07. The accountancy board shall register as a public accountant any person who meets all the following requirements:

(A) ~~Is~~ The person is a resident of this state; or has a place of business ~~therein; in this state.~~

(B) ~~Has~~ The person has attained the age of eighteen years;.

(C) ~~Is~~ The person is of good moral character;.

(D) ~~Holds~~ The person holds a baccalaureate or higher degree conferred by a college or university recognized by the board, with a concentration in accounting, or with what the board determines to be substantially the equivalent of the foregoing; or with a nonaccounting concentration supplemented by what the board determines to be substantially the equivalent of an accounting concentration, including related courses in other areas of business administration.

The board may waive the educational requirement for any candidate if it finds that the candidate has attained the equivalent education by attendance at a business school or two-year college, by self-study, or otherwise, and if it is satisfied from the result of a special written examination ~~given that the board gives~~ the candidate ~~by the board~~ to test ~~his~~ the candidate's educational qualifications that ~~he the candidate~~ is as well equipped, educationally, as if ~~he the candidate~~ met the applicable educational requirement specified in this division. The board may provide by rule for the general scope of ~~such these~~ examinations and may obtain ~~such any~~ advice and assistance ~~as that~~ it considers appropriate to assist it in preparing and grading ~~such the~~ special examinations. The board may use any existing examinations or may prepare any number of new examinations to assist it in determining the equivalent training of a candidate. The board ~~may~~ by rule ~~may~~ prescribe ~~such the~~ special examinations and the passing score required for each examination.

(E) ~~Has~~ The person has completed two years of public accounting experience, satisfactory to the board, in any state in practice as a public accountant; or in any state in employment; as a staff accountant by anyone practicing public accounting, or ~~such other~~ experience in private or governmental accounting ~~as will that~~, in the opinion of the board, will be the equivalent of ~~such that~~ public accounting practice, or any combination of ~~such those~~ types of experience, except that the experience requirement is only one year of the experience described in this division for any candidate holding a master's degree in accounting or business administration from a college or university recognized by the board, if ~~he the candidate~~ has satisfactorily completed ~~such the~~ number of credit hours in accounting, business administration, economics, and ~~such any~~ related subjects ~~as that~~ the board determines to be appropriate; and if either of the following applies:

(1) ~~Has~~ The person has passed the uniform national society of public accountants examination or a comparable examination approved by the

public accountant members of the accountancy board; ~~or.~~

(2) ~~Has~~ The person has passed the accounting practice and auditing sections of the uniform CPA examination.

The examination described in division (E)(1) of this section shall be held by the board and shall take place as often as the board determines; but shall not be held less frequently than once each year. The board shall charge a candidate an application fee, to be determined by the board, that is adequate to cover all rentals, compensation for proctors, and other expenses of the board related to examination or reexamination except the expenses of procuring and grading the examination. In addition, the board shall charge ~~such~~ the candidate an examination fee to be determined by the board, that is adequate to cover the expense of procuring and grading the examination. Fees for reexamination under division (E) of this section ~~shall~~ also shall be charged by the board in amounts determined by it to be adequate to cover the expenses of procuring and grading the examinations. The applicable fees shall be paid by the candidate at the time ~~he~~ the candidate applies for examination or reexamination.

(F) ~~Applied~~ The person applied, on or before ~~the effective date of this amendment~~ April 16, 1993, for registration as a public accountant.

The board shall determine and charge a fee for registration under this section that is adequate to cover the expense.

The board ~~shall~~ in each case shall determine whether the applicant is eligible for registration. Any individual who is so registered and who holds a an Ohio permit ~~issued under section 4701.10 of the Revised Code~~ shall be styled and known as a "public accountant" and may use the abbreviation "PA."

A person who, on the effective date of an amendment of this section, holds a valid registration as a public accountant issued under the laws of this state shall not be required to obtain additional registration under this section; but shall otherwise be subject to all provisions of this section; ~~and such.~~ That registration ~~shall~~, for all purposes, shall be considered a registration issued under this section and subject to ~~the its~~ provisions ~~hereof~~.

Sec. 4701.10. (A) ~~Permits to practice public accounting shall be issued by the~~ The accountancy board shall issue Ohio permits to practice public accounting to holders of the certificate of certified public accountant issued under section 4701.06 or 4701.061 of the Revised Code and to persons registered under sections 4701.07 and 4701.09 of the Revised Code. Subject to division (D)(1) of this section, there shall be a triennial permit fee in an amount to be determined by the board not to exceed one hundred fifty dollars. All Ohio permits shall expire on the last day of December of the

year assigned by the board and, subject to division (D)(1) of this section, shall be renewed triennially for a period of three years by certificate holders and registrants in good standing upon payment of a triennial renewal fee not to exceed one hundred fifty dollars. For the purpose of implementing this section and enforcing section 4701.11 of the Revised Code, the board may issue a an Ohio permit for less than three years' duration. A prorated fee shall be determined by the board for ~~such that~~ Ohio permit. Failure of any certificate holder or registrant to apply for a triennial Ohio permit to practice within three years from the expiration date of the Ohio permit to practice last obtained or renewed, or three years from the date upon which the certificate holder or registrant was granted a certificate or registration, shall result in suspension of ~~such the~~ certificate or registration unless the board determines ~~such the~~ failure to have been due to excusable neglect. In ~~such that~~ that case, the renewal fee or the fee for the issuance of the original Ohio permit, as the case may be, shall be ~~such the~~ amount as that the board shall determine, but not in excess of fifty dollars plus the fee for each triennial period or part of a period the certificate holder or registrant did not have a an Ohio permit.

(B) All certificate holders and registrants who are not in the practice of public accounting in this state shall register with the board every three years at a fee, not to exceed fifty-five dollars, established by the board. Such persons shall not convey to the general public that they are actively engaged in the practice of public accounting in this state.

(C) The board shall suspend the certificate or registration of any person failing to obtain a an Ohio permit in accordance with this section, except that the board ~~may~~ by rule may exempt persons from the requirement of holding a an Ohio permit for ~~such specified~~ as, including, but not limited to, retirement, health reasons, military service, foreign residency, or other just cause.

(D)(1) On and after January 1, 1995, the board ~~shall~~, by rule adopted in accordance with Chapter 119. of the Revised Code, shall increase the triennial Ohio permit and renewal fee imposed pursuant to this section by at least fifteen dollars but no more than thirty dollars.

(2) Beginning with the first quarter of 1995 and each quarter thereafter, the board, for the purpose provided in section 4743.05 of the Revised Code, shall certify to the director of budget and management the number of triennial Ohio permits renewed under this chapter during the preceding quarter and the amount equal to that number times the amount by which the triennial Ohio permit and renewal fee is increased by the board under division (D)(1) of this section.

Sec. 4701.11. The accountancy board may adopt rules requiring that each applicant for ~~the~~ an Ohio permit ~~required by section 4701.10 of the Revised Code~~ shall have demonstrated to the satisfaction of the board that the applicant has maintained a high level of professional competence by the completion of programs of continuing education satisfactory to the board during the period immediately prior to the application for the permit ~~or renewal~~. The board shall not require more than one hundred twenty hours of ~~such those~~ programs over any three-year period for applicants possessing a ~~live~~ an Ohio permit. For purposes of this section, the board shall not approve any continuing education courses for which fees are charged and ~~which that~~ are sponsored by an accounting association in this state unless ~~such those~~ courses are open to all persons registered or certified under this chapter and unless the fees charged are reasonable for all persons desiring to take the courses.

The board may issue a an Ohio permit ~~required by section 4701.10 of the Revised Code~~ for less than three years to any person who is unable to complete continuing education hours required for renewal of a triennial Ohio permit for good cause, as established by rule. ~~Such~~ The Ohio permit shall be conditioned upon the completion of all required continuing education hours during the period for which ~~such the Ohio~~ permit is issued.

Sec. 4701.12. The display or uttering by a person of a card, sign, advertisement, or other printed, engraved, or written instrument or device, bearing a person's name in conjunction with the words "certified public accountant" or any abbreviation ~~thereof of those words~~, or "public accountant" or any abbreviation ~~thereof of those words~~, shall be prima-facie evidence in any action brought under section 4701.18 or ~~section~~ 4701.99 of the Revised Code; that the person whose name is so displayed caused or procured the display or uttering of ~~such that~~ card, sign, advertisement, or other printed, engraved, or written instrument or device, and that ~~such the~~ person is holding ~~himself self~~ out to be a certified public accountant or a public accountant holding a an Ohio permit ~~to practice under section 4701.10 of the Revised Code~~. In any action, evidence of the commission of a single act prohibited by this section shall be sufficient to justify an injunction or a conviction without evidence of a general course of conduct.

Sec. 4701.13. The accountancy board shall publish annually a printed register, ~~which~~. The printed register shall contain in separate lists the names and business addresses of all certified public accountants and public accountants holding ~~live~~ Ohio permits as of the date of preparation of the register.

Sec. 4701.14. (A) ~~No person~~ Except as permitted by rules adopted by

e accountancy board, no individual shall assume or use the title or designation "certified public accountant," "certified accountant," "chartered accountant," "enrolled accountant," "licensed accountant," or "registered accountant," or any other title or designation likely to be confused with "certified public accountant," or abbreviation any of the abbreviations "CPA," "PA," "CA," "EA," "LA," or "RA," or similar abbreviations likely to be confused with "CPA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the person individual is a certified public accountant, unless the person has received individual holds a CPA certificate as a certified public accountant under section 4701.06 or 4701.061 of the Revised Code and holds a live an Ohio permit issued under section 4701.10 of the Revised Code; provided that a foreign accountant who. However, an individual who possesses a foreign certificate, has registered under section 4701.09 of the Revised Code, and holds a live an Ohio permit issued under section 4701.10 of the Revised Code may use the title permitted under which he is generally known in his country the laws of the individual's other licensing jurisdiction, followed by the name of the country from which he received his certificate, license, or degree jurisdiction.

(B) ~~No partnership shall assume or use the title or designation "certified public accountant" or abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the partnership is composed of certified public accountants unless it meets all of the following requirements:~~

~~(1) At least one general partner of the partnership is a certified public accountant of this state in good standing.~~

~~(2) Each partner who is personally engaged within this state in the practice of public accounting as a member of the partnership is a certified public accountant of this state in good standing.~~

~~(3) Each partner of the partnership is a certified public accountant of some state in good standing.~~

~~(4) Each resident manager in charge of an office of the firm in this state is a certified public accountant of this state in good standing.~~

(C) ~~No person~~ Except as permitted by rules adopted by the board, no individual shall assume or use the title or designation "public accountant," or "certified public accountant," "certified accountant," "chartered accountant," "enrolled accountant," "registered accountant," or "licensed accountant," or any other title or designation likely to be confused with "public accountant," or any of the abbreviations "PA," "CPA," "CA," "EA," "LA," or "RA," or similar abbreviations likely to be confused with "PA," or

any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the ~~person~~ individual is a public accountant, unless the ~~person is registered as a public accountant under section 4701.07 of the Revised Code and~~ individual holds a PA registration and holds a live an Ohio permit issued under section 4701.10 of the Revised Code, or unless the ~~person has received a~~ individual holds a CPA certificate as a certified public accountant under section 4701.06 or 4701.061 of the Revised Code or holds a live permit issued under section 4701.10 of the Revised Code. An individual who holds a PA registration and an Ohio permit may hold self out to the public as an "accountant" or "auditor."

~~(D) No partnership shall assume or use the title or designation "public accountant" or abbreviation "PA" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the partnership is composed of public accountants, unless all of the following apply:~~

~~(1) At least one general partner of the partnership is a certified public accountant or a public accountant of this state in good standing.~~

~~(2) Each partner who is personally engaged within this state in the practice of public accounting as a member of the partnership is a certified public accountant or a public accountant of this state in good standing.~~

~~(3) Each resident manager in charge of an office of a firm in this state is a certified public accountant or a public accountant of this state in good standing.~~

~~(E) No person or partnership shall assume or use the title or designation "certified accountant," "chartered accountant," "enrolled accountant," "licensed accountant," "registered accountant," or any other title or designation likely to be confused with "certified public accountant" or "public accountant," or any of the abbreviations "CA," "EA," "RA," or "LA" or similar abbreviations likely to be confused with "CPA" or "PA"; provided that anyone who holds a live permit issued under section 4701.10 of the Revised Code may hold himself out to the public as an "accountant" or "auditor"; and provided that a foreign accountant who has registered under section 4701.09 of the Revised Code and holds a live permit issued under section 4701.10 of the Revised Code may use the title under which he is generally known in his country, followed by the name of the country from which he received his certificate, license, or degree.~~

~~(F) No (C) Except as provided in divisions (C)(1), (2), (3), and (4) of this section, no partnership, professional association, corporation-for-profit, limited liability company, or other legal entity business organization not addressed in another division of this section that is practicing public~~

accounting in this state shall assume or use the title or designation "certified public accountant," or "public accountant," and no professional association, corporation for profit, limited liability company, or other legal entity not addressed in another division of this section shall assume or use the title or designation "certified accountant," "chartered accountant," "enrolled accountant," "licensed accountant," "registered accountant," or any other title or designation likely to be confused with "certified public accountant" or "public accountant," or any of the abbreviations "CPA," "PA," "CA," "EA," "RA," or "LA," or similar abbreviations likely to be confused with "CPA" or "PA," except that a or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the business organization is a public accounting firm.

(1)(a) A partnership may assume or use the title or designation "certified public accountant," the abbreviation "CPA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the partnership is composed of certified public accountants if it is a registered firm, if a majority of its partners who are individuals hold a CPA certificate or a foreign certificate, and if a majority of the owners of any qualified firm that is a partner hold a CPA certificate or a foreign certificate.

(b) A partnership may assume or use the title or designation "public accountant," the abbreviation "PA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the partnership is composed of public accountants if it is a registered firm, if a majority of its partners who are individuals hold a PA registration, a CPA certificate, or a foreign certificate, and if a majority of the owners of any qualified firm that is a partner hold a PA registration, a CPA certificate, or a foreign certificate.

(2)(a) A professional association organized for the practice of public accounting and incorporated under Chapter 1785. of the Revised Code may assume or use the title or designation "certified public accountant," if all of its shareholders are certified public accountants in good standing under the law of this state or another state or may assume or use the title "public accountant" if all of its shareholders are public accountants in good standing under this chapter or its shareholders consist of certified public accountants and public accountants in good standing under this chapter, except that a the abbreviation "CPA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the professional association is composed of certified public accountants if it is a registered firm, if a majority of its shareholders who are individuals hold a CPA certificate or a foreign certificate, and if a majority of the owners of any

qualified firm that is a shareholder hold a CPA certificate or a foreign certificate.

(b) A professional association incorporated under Chapter 1785. of the Revised Code may assume or use the title or designation "public accountant," the abbreviation "PA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the professional association is composed of public accountants if it is a registered firm, if a majority of its shareholders who are individuals hold a PA registration, a CPA certificate, or a foreign certificate, and if a majority of the owners of any qualified firm that is a shareholder hold a PA registration, a CPA certificate, or a foreign certificate.

(3)(a) A corporation-for-profit ~~organized for the practice of public accounting and~~ incorporated under Chapter 1701. of the Revised Code may assume or use the title or designation "certified public accountant," if all of its shareholders are certified public accountants in good standing under the law of this state or another state or may assume or use the title "public accountant" if all of its shareholders are public accountants in good standing under this chapter or its shareholders consist of certified public accountants and public accountants in good standing under this chapter, and except that a the abbreviation "CPA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the corporation is composed of certified public accountants if it is a registered firm, if a majority of its shareholders who are individuals hold a CPA certificate or a foreign certificate, and if a majority of the owners of any qualified firm that is a shareholder hold a CPA certificate or a foreign certificate.

(b) A corporation incorporated under Chapter 1701. of the Revised Code may assume or use the title or designation "public accountant," the abbreviation "PA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the corporation is composed of public accountants if it is a registered firm, if a majority of the shareholders who are individuals hold a PA registration, a CPA certificate, or a foreign certificate, and if a majority of the owners of any qualified firm that is a shareholder hold a PA registration, a CPA certificate, or a foreign certificate.

(4)(a) A limited liability company ~~formed~~ organized under Chapter 1705. of the Revised Code for the purpose of rendering public accounting services may assume and or use the title or designation "certified public accountant," if each member of the company and, if the management of the company is not reserved to its members, each manager of the company is a certified public accountant in good standing under the law of this state or

~~another state or may assume and use the title "public accountant" if each member of the company and, if the management of the company is not reserved to its members, each manager of the company is a public accountant in good standing under this chapter or those members and, if applicable, managers are either a certified public accountant or a public accountant in good standing under this chapter the abbreviation "CPA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the limited liability company is composed of certified public accountants if it is a registered firm, if a majority of its members who are individuals hold a CPA certificate or a foreign certificate, and if a majority of the owners of any qualified firm that is a member hold a CPA certificate or a foreign certificate.~~

(b) A limited liability company organized under Chapter 1705. of the Revised Code may assume or use the title or designation "public accountant," the abbreviation "PA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the limited liability company is composed of public accountants if it is a registered firm, if a majority of the members who are individuals hold a PA registration, CPA certificate, or a foreign certificate, and if a majority of the owners of any qualified firm that is a member hold a PA registration, a CPA certificate, or a foreign certificate.

~~(G)(D) No person individual shall sign, affix, or associate his the individual's name or any trade or assumed name used by him the individual in his the individual's profession or business to any opinion, review report, compilation report, examination report, or agreed-upon procedures report on a financial statement attest report with any wording indicating that he the individual is an accountant or auditor, or with any wording accompanying or contained in the opinion or attest report that indicates that he the individual has expert knowledge in accounting or auditing or expert knowledge regarding compliance with conditions established by law or contract, including, but not limited to, statutes, ordinances, regulations, grants, loans, and appropriations, unless he the individual holds a live an Ohio permit issued under section 4701.10 of the Revised Code; provided that. However, this division does not prohibit any officer, employee, partner, or principal of any organization from affixing his the officer's, employee's, partner's, or principal's signature to any statement or report in reference to the financial affairs of that organization with any wording designating the position, title, or office that he the individual holds in that organization; and provided that this. This division also does not prohibit any act of a public official or public employee in the performance of his the public official's or public employee's~~

duties.

~~(H)~~(E) No person shall sign, affix, or associate the name of a partnership, limited liability company, professional association, corporation-for-profit, or other ~~legal entity~~ business organization not addressed in ~~another division of this section to any opinion, review report, compilation report, examination report, or agreed-upon procedures report on a financial statement attest report~~ with any wording accompanying or contained in the ~~opinion or attest~~ report that indicates that the partnership, limited liability company, professional association, corporation-for-profit, or other ~~legal entity~~ business organization is composed of or employs accountants or auditors or persons having expert knowledge in accounting or auditing or expert knowledge regarding compliance with conditions established by law or contract, including, but not limited to, statutes, ordinances, regulations, grants, loans, and appropriations, unless the partnership ~~is entitled to designate itself as a partnership of certified public accountants under division (B) of this section or as a partnership of public accountants under division (D) of this section and, if it is required to be registered, is registered under section 4701.04 of the Revised Code or unless the,~~ limited liability company, professional association, ~~or~~ corporation-for-profit ~~is entitled to designate itself as a limited liability company, professional association, or corporation for profit of certified public accountants or public accountants under division (F) of this section and, if it is required to be registered, or other business organization is a registered under section 4701.04 of the Revised Code firm.~~

~~(H)~~(F) No ~~person~~ individual who does not holding a live hold an Ohio permit under section 4701.10 of the Revised Code shall hold himself self out to the public as an "accountant" or "auditor" by use of either or both of those words on any sign, card, or letterhead, in any advertisement or directory, or otherwise, without indicating ~~thereon or therein~~ on the sign, card, or letterhead, in the advertisement or directory, or in the other manner of holding out that the person does not hold ~~a live an Ohio permit; provided that. An individual who holds a CPA certificate and an Ohio permit may hold self~~ out to the public as an "accountant" or "auditor." However, this division does not prohibit any officer, employee, partner, or principal of any organization from describing ~~himself self~~ by the position, title, or office ~~he~~ the person holds in that organization; ~~and provided that this. This~~ division also does not prohibit any act of a public official or public employee in the performance of ~~his~~ the public official's or public employee's duties.

~~(J)~~(G) No partnership ~~that is not entitled to designate itself as a partnership of certified public accountants under division (B) of this section~~

~~or as a partnership of public accountants under division (D) of this section, and no limited liability company, professional association, corporation-for-profit, limited liability company, or other legal entity business organization not addressed in another division of this section that is not entitled to assume or use the title "certified public accountant" or "public accountant" under division (F)(C) of this section; shall hold itself out to the public as a firm, partnership, limited liability company, professional association, corporation-for-profit, limited liability company, or other legal entity business organization not addressed in another division of this section~~ of as being composed of or employing "accountants" or "auditors" by use of either or both of those words on any sign, card, or letterhead, in any advertisement or directory, or otherwise, without indicating thereon or therein on the sign, card, or letterhead, in the advertisement or directory, or in the other manner of holding out that the partnership, limited liability company, professional association, corporation-for-profit, limited liability company, or other legal entity business organization is not a registered firm and is not permitted by law to practice as a partnership, limited liability company, professional association, corporation for profit, or other legal entity of public accountants public accounting firm.

~~(K)(H)~~ (H) No person shall assume or use the title or designation "certified public accountant" or "public accountant" in conjunction with names indicating or implying that there is a partnership or in conjunction with the designation "and Company" or "and Co." or a similar designation if, in any ~~such case of those cases,~~ there is in fact no bona fide partnership entitled to designate itself as a partnership of certified public accountants under division ~~(B)(C)(1)(a)~~ (C)(1)(a) of this section or as a partnership of public accountants under division ~~(D)(C)(1)(b)~~ (C)(1)(b) of this section; ~~provided that.~~ However, a sole proprietor or partnership that was on October 22, 1959, or a corporation that on or after September 30, 1974, has been, lawfully using a title or designation of those types in conjunction with names or designations of those types, may continue to do so if ~~he or it the sole proprietor, partnership, or corporation~~ otherwise complies with this section.

(I)(1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER, AN INDIVIDUAL WHOSE PRINCIPAL PLACE OF BUSINESS IS NOT IN THIS STATE AND WHO HOLDS A VALID foreign certificate AS A CERTIFIED PUBLIC ACCOUNTANT shall be presumed TO HAVE QUALIFICATIONS SUBSTANTIALLY EQUIVALENT TO THIS STATE'S CPA REQUIREMENTS AND shall have ALL of THE PRIVILEGES OF a holder of a CPA CERTIFICATE AND an Ohio permit WITHOUT THE NEED TO OBTAIN a CPA

certificate and AN OHIO PERMIT IF THE ACCOUNTANCY BOARD HAS FOUND AND HAS SPECIFIED IN ITS RULES ADOPTED PURSUANT TO DIVISION (A) OF SECTION 4701.03 OF THE REVISED CODE THAT THE CPA REQUIREMENTS OF THE STATE THAT ISSUED THE INDIVIDUAL'S FOREIGN CERTIFICATE ARE SUBSTANTIALLY EQUIVALENT TO THIS STATE'S CPA REQUIREMENTS.

(2) ANY INDIVIDUAL EXERCISING THE PRIVILEGE AFFORDED UNDER division (I)(1) of THIS SECTION HEREBY CONSENTS AND IS SUBJECT, AS A CONDITION OF THE GRANT OF THE PRIVILEGE, TO all of the following:

(a) THE PERSONAL AND SUBJECT MATTER JURISDICTION OF THE ACCOUNTANCY BOARD;

(b) ALL PRACTICE AND DISCIPLINARY PROVISIONS OF THIS CHAPTER AND THE ACCOUNTANCY BOARD'S RULES;

(c) THE APPOINTMENT OF THE BOARD THAT ISSUED THE INDIVIDUAL'S foreign CERTIFICATE AS THE INDIVIDUAL'S AGENT UPON WHOM PROCESS MAY BE SERVED IN ANY ACTION OR PROCEEDING BY THE ACCOUNTANCY BOARD AGAINST THE individual.

(3) The holder OF a CPA certificate and AN OHIO PERMIT who offers OR RENDERs ATTEST SERVICES OR uses the holder's CPA TITLE IN ANOTHER state shall be SUBJECT TO DISCIPLINARY ACTION IN THIS STATE FOR AN ACT COMMITTED IN the other state FOR WHICH THE HOLDER of a foreign certificate issued by the other state WOULD BE SUBJECT TO DISCIPLINE IN the other state.

(4) The HOLDER OF A foreign CERTIFICATE WHO offers or renders ATTEST SERVICES OR USES a CPA TITLE OR DESIGNATION IN THIS STATE PURSUANT TO THE PRIVILEGE afforded BY division (I)(1) of THIS SECTION shall be SUBJECT TO DISCIPLINARY ACTION IN THIS STATE FOR ANY ACT that WOULD SUBJECT THE HOLDER OF a CPA certificate and AN OHIO PERMIT TO DISCIPLINARY ACTION in this state.

Sec. 4701.16. (A) After notice and hearing as provided in Chapter 119. of the Revised Code, the accountancy board may discipline as described in division (B) of this section ~~a registrant or certificate holder as specified in division (B) of this section~~ PERSON HOLDING AN OHIO PERMIT, AN OHIO REGISTRATION, A FIRM REGISTRATION, A CPA CERTIFICATE, OR A PA REGISTRATION OR ANY OTHER PERSON WHOSE ACTIVITIES ARE REGULATED BY THE BOARD for any one

or any combination of the following causes:

(1) ~~Fraud or deceit in registering as a public accounting firm; registration or in obtaining a CPA certificate as a certified public accountant, or in obtaining a permit to practice accounting pursuant to sections 4701.02 to 4701.19 of the Revised Code, a PA registration, an Ohio permit, or an Ohio registration;~~ obtaining a firm; registration or in obtaining a CPA certificate as a certified public accountant, or in obtaining a permit to practice accounting pursuant to sections 4701.02 to 4701.19 of the Revised Code, a PA registration, an Ohio permit, or an Ohio registration;

(2) Dishonesty, fraud, or gross negligence in the practice of public accounting;

(3) Violation of any of the provisions of section 4701.14 of the Revised Code;

(4) Violation of a rule of professional conduct promulgated by the board under the authority granted by ~~sections 4701.02 to 4701.22 of the Revised Code~~ this chapter;

(5) Conviction of a felony under the laws of any state or of the United States;

(6) Conviction of any crime, an element of which is dishonesty or fraud, under the laws of any state or of the United States;

(7) Cancellation, revocation, suspension, or refusal to renew authority to practice as a certified public accountant, a public accountant, or a public accounting firm by any other state, for any cause other than failure to pay registration fees in ~~such that~~ such that other state;

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

(9) ~~Failure of a certified public accountant or public accountant holder of a CPA certificate or PA registration to obtain the an Ohio permit required by section 4701.10 of the Revised Code or an Ohio registration, or the failure of a public accounting firm to register with the board pursuant to section 4701.04 of the Revised Code~~ Failure of a certified public accountant or public accountant holder of a CPA certificate or PA registration to obtain the an Ohio permit required by section 4701.10 of the Revised Code or an Ohio registration, or the failure of a public accounting firm to register with the board pursuant to section 4701.04 of the Revised Code obtain a firm registration;

(10) ~~Conduct discreditable to the public accounting profession or to the holder of an Ohio permit, Ohio registration, or foreign certificate;~~ Conduct discreditable to the public accounting profession or to the holder of an Ohio permit, Ohio registration, or foreign certificate;

(11) ~~Failure of a public accounting firm to comply with section 4701.04 Of the Revised Code.~~ Failure of a public accounting firm to comply with section 4701.04 Of the Revised Code.

(B) For any of the reasons specified in division (A) of this section, the board may do any of the following:

(1) ~~Revoke or, suspend, or refuse to renew any CPA certificate issued under section 4701.06 or 4701.061 of the Revised Code or PA registration or any registration granted under section 4701.04 or 4701.07 of the Revised Code Ohio permit, Ohio registration, or firm registration;~~ Revoke or, suspend, or refuse to renew any CPA certificate issued under section 4701.06 or 4701.061 of the Revised Code or PA registration or any registration granted under section 4701.04 or 4701.07 of the Revised Code Ohio permit, Ohio registration, or firm registration;

(2) ~~Revoke, suspend, or refuse to renew any permit issued under section 4701.10 of the Revised Code~~ Revoke, suspend, or refuse to renew any permit issued under section 4701.10 of the Revised Code disqualify a person who is not a holder of an

Ohio permit or a foreign certificate from owning an equity interest in a public accounting firm or qualified firm;

(3) Publicly censure a ~~registrant~~ registered firm or a holder of a CPA certificate, a PA registration, an Ohio permit, or an Ohio registration;

(4) Levy against a registered firm or a holder of a CPA certificate, a PA registration, an Ohio permit, or an Ohio registration a penalty or fine not to exceed one thousand dollars for each offense. Any fine shall be reasonable and in relation to the severity of the offense.

(5) In the case of violations of division (A)(2) or (4) of this section, require completion of remedial continuing education programs prescribed by the board in addition to those required by section 4701.11 of the Revised Code;

(6) In the case of violations of division (A)(2) or (4) of this section, require the holder of a CPA certificate ~~holder or registrant,~~ PA registration, or firm registration to submit to a quality peer review by a professional committee designated by the board, which committee shall report to the board concerning ~~the certificate holder's or registrant's~~ that holder's compliance with generally accepted accounting principles ~~or, generally accepted auditing standards, or other generally accepted technical standards;~~

(7) REVOKE OR SUSPEND THE PRIVILEGES TO OFFER OR RENDER ATTEST SERVICES IN THIS STATE OR TO USE A CPA TITLE OR DESIGNATION IN THIS STATE OF AN INDIVIDUAL WHO HOLDS A FOREIGN CERTIFICATE.

(C) ~~Where~~ If the board levies a fine against or suspends the certificate of a person or registration of a person or firm for a violation of division (A)(2) or (4) of this section, it may waive all or any portion of the fine or suspension ~~where~~ if the holder of the CPA certificate ~~holder or registrant,~~ PA registration, or firm registration complies fully with division (B)(5) or (6) of this section.

Sec. 4701.19. (A) All statements, records, schedules, working papers, and memoranda made by a certified public accountant or public accountant incident to or in the course of professional service to clients by the accountant, except reports submitted by a certified public accountant or public accountant to a client, shall be and remain the property of the accountant; in the absence of an express agreement between the accountant and the client to the contrary. No ~~such~~ statement, record, schedule, working paper, or memorandum of that nature shall be sold, transferred, or bequeathed; without the consent of the client or ~~his~~ the client's personal representative or assignee; to ~~anyone~~ any person other than one or more surviving partners or new partners of the accountant.

(B) The statements, records, schedules, working papers, and memoranda made by a certified public accountant or public accountant incident to or in the course of performing an audit of a public office or private entity, except reports submitted by the accountant to the client, are not a public record as defined. Statements, records, schedules, working papers, and memoranda that are so made in an audit by a certified public accountant or public accountant and that are in the possession of the auditor of state also are not a public record. As used in this division, "public record" has the same meaning as in section 149.43 of the Revised Code.

Sec. 4701.29. (A) the accountancy board may investigate whether a person has violated any provision of this chapter or rule adopted under it before commencing a DISCIPLINARY proceeding pursuant to section 4701.16 of the Revised Code or taking legal action pursuant to section 4701.18 of the Revised Code. an INVESTIGATION under this section is NOT SUBJECT TO CHAPTER 119. OF THE REVISED CODE.

the board may appoint a committee of board members or staff employed by the board to conduct an investigation. notwithstanding any statute or rule to the CONTRARY, a BOARD member who participates in an investigation may participate actively in any hearing or proceeding to the same extent as a board member WHO DID NOT PARTICIPATE IN THE INVESTIGATION.

(B) during an INVESTIGATION, THE BOARD MAY ADMINISTER OATHS, ORDER THE TAKING OF DEPOSITIONS, ISSUE SUBPOENAS, COMPEL THE ATTENDANCE AND TESTIMONY OF A PERSON AT a DEPOSITION, AND COMPEL THE PRODUCTION OF ANY FORM OF DOCUMENTARY EVIDENCE OR RECORD. SUBPOENAS AND ORDERS TO COMPEL UNDER THIS section MAY BE SERVED BY A DESIGNEE OF THE BOARD OR By CERTIFIED MAIL, return receipt requested, TO THE RESIDENCE OR PLACE OF BUSINESS OF THE individual, professional association, FIRM, CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP, LIMITED LIABILITY COMPANY, OR OTHER BUSINESS ORGANIZATION NAMED IN THE SUBPOENA OR ORDER.

(C)(1) any WITNESS WHO APPEARS IN RESPONSE TO A SUBPOENA OF THE BOARD may request, and SHALL RECEIVE WITHIN A REASONABLE TIME AFTER MAKING THE REQUEST, THE FEES AND MILEAGE PROVIDED FOR WITNESSES IN CIVIL CASES IN THE COURTS OF COMMON PLEAS IN THIS STATE.

(2) If a person fails to comply WITH A SUBPOENA OR ORDER ISSUED BY THE BOARD UNDER THIS section, THE BOARD MAY

apply to THE FRANKLIN COUNTY COURT OF COMMON PLEAS for AN ORDER COMPELLING COMPLIANCE WITH THE BOARD'S SUBPOENA OR ORDER. UPON APPLICATION BY THE BOARD AND UPON EVIDENCE OF THE person's FAILURE TO COMPLY, THE COURT SHALL COMPEL THE appearance of the PERSONS OR the production of the DOCUMENTS named in the board's subpoena or order IN ACCORDANCE WITH THE RULES OF CIVIL PROCEDURE. the court also MAY ISSUE any CONTEMPT CITATION AND SANCTION THE COURT DEEMS APPROPRIATE.

(D) THE INVESTIGATIVE PROCEEDINGS OF THE BOARD UNDER THIS SECTION ARE NOT A PUBLIC RECORD under section 149.43 Of the Revised Code, ARE CONFIDENTIAL, AND ARE NOT SUBJECT TO DISCOVERY IN ANY CIVIL OR ADMINISTRATIVE ACTION or proceeding.

SECTION 2. That existing sections 1111.01, 2925.01, 4701.01, 4701.04, 4701.06, 4701.061, 4701.07, 4701.10, 4701.11, 4701.12, 4701.13, 4701.14, 4701.16, and 4701.19 of the Revised Code are hereby repealed.

SECTION 3. Section 2925.01 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. S.B. 66 and Am. Sub. S.B. 117 of the 122nd General Assembly, with the new language of neither of the acts shown in capital letters. Section 4701.16 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. S.B. 165 and Am. S.B. 316 of the 119th General Assembly, with the new language of neither of the acts shown in capital letters. This is in recognition of the principle stated in division (B) of section 1.52 of the Revised Code that such amendments are to be harmonized where not substantively irreconcilable and constitutes a legislative finding that such is the resulting version in effect prior to the effective date of this act.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Sub. S. B. No. 200

42

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the
____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____