

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 669

S.P. 247

In Senate, January 26, 1999

**An Act to Change Certified Public Accountant Experience Requirements
for Employees of the Department of Audit.**

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator DAGGETT of Kennebec.
Cosponsored by Representative MADORE of Augusta.

Be it enacted by the People of the State of Maine as follows:

2
4 **Sec. 1. 32 MRSA §12228, sub-§10**, as amended by PL 1997, c.
526, §14, is further amended to read:

6 **10. Experience.** During the 5-year period immediately
7 following October 1, 1997, the applicant shall show that the
8 applicant has had 2 years of experience in the practice of public
9 accountancy or its equivalent, meeting requirements prescribed by
10 the board by rule; or, if the applicant's educational
11 qualifications include, a masters degree conferred by a college
12 or university approved by the board, then only one year of
13 experience in that practice or its equivalent is required. After
14 October 1, 2002, for initial issuance of a certificate under this
15 subsection, an applicant shall demonstrate 2 years of experience
16 that was under the direction of a licensee under this subchapter
17 and shall meet the other requirements prescribed by the board by
18 rule. The applicant's experience must include the use of
19 accounting or auditing skills, including the issuance of reports
20 on financial statements, and at least one of the following: the
21 provision of management advisory, financial advisory or
22 consulting services; the preparation of tax returns; the
23 furnishing of advice on tax matters; or equivalent activities
24 defined by the board by rule. Board rules adopted pursuant to
25 this subsection are routine technical rules as defined in Title
26 5, chapter 375, subchapter II-A. ~~To the extent the applicant's
27 experience is as an auditor engaged in the examination of
28 financial statements for the Department of Audit or as a revenue
29 agent or similar position engaged in the examination of personal
30 and corporate income tax returns for the Bureau of Revenue
31 Services, the applicant receives credit at the rate of 50% toward
32 the experience required by this subsection. To the extent the
33 applicant's experience is as an examiner engaged in financial
34 examinations for the Bureau of Insurance, the applicant receives
35 credit under this subsection if that experience meets the
36 following standards:~~

38 ~~A. Examinations are performed in conformity with the
39 Examiners' Handbook published by the National Association of
40 Insurance Commissioners;~~

42 ~~B. Working papers prepared by the examiners are in
43 conformity with generally accepted auditing standards and
44 are subject to a review by a supervisor who must be a
45 certified public accountant;~~

46 ~~C. Written reports of examination are prepared in
47 conformity with the Examiners' Handbook published by the
48 National Association of Insurance Commissioners. All
49 examiners working on the examinations must participate in
50 the preparation of the report;~~

2 D. ~~Reports of examination are prepared in accordance with~~
3 ~~statutory accounting principles. All examiners working on~~
4 ~~the examinations must participate in the preparation of the~~
5 ~~financial statements and corresponding note disclosures; and~~

6 E. ~~All examiners assigned to an examination must~~
7 ~~participate in the planning of the examination and the~~
8 ~~planning phase conforms to the Examiners' Handbook and~~
9 ~~generally accepted auditing standards.~~

12 Sec. 2. 32 MRSA §12228, sub-§10-A is enacted to read:

14 10-A. Experience credit. Credits towards the experience
15 requirement of subsection 10 are as follows.

16 A. To the extent the applicant's experience is as a revenue
17 agent or similar position engaged in the examination of
18 personal and corporate income tax returns for the Bureau of
19 Revenue Services, the applicant receives credit at the rate
20 of 50% toward the experience required by subsection 10.

21 B. To the extent the applicant's experience is as an
22 examiner engaged in financial examinations for the Bureau of
23 Insurance, the applicant receives credit under subsection 10
24 if that experience meets the following standards:

25 (1) Examinations are performed in conformity with the
26 Examiners' Handbook published by the National
27 Association of Insurance Commissioners;

28 (2) Working papers prepared by the examiners are in
29 conformity with generally accepted auditing standards
30 and are subject to a review by a supervisor who must be
31 a certified public accountant;

32 (3) Written reports of examination are prepared in
33 conformity with the Examiners' Handbook published by
34 the National Association of Insurance Commissioners.
35 All examiners working on the examinations must
36 participate in the preparation of the report;

37 (4) Reports of examination are prepared in accordance
38 with statutory accounting principles. All examiners
39 working on the examinations must participate in the
40 preparation of the financial statements and
41 corresponding note disclosures; and

42 (5) All examiners assigned to an examination must
43 participate in the planning of the examination, and the
44 planning phase conforms to the Examiners' Handbook and
45 generally accepted auditing standards.

