## MAINE STATE LEGISLATURE

The following document is provided by the

LAW AND LEGISLATIVE DIGITAL LIBRARY

at the Maine State Law and Legislative Reference Library

http://legislature.maine.gov/lawlib



Reproduced from scanned originals with text recognition applied (searchable text may contain some errors and/or omissions)



## 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

Legislative Document

No. 941

H.P. 685

House of Representatives, February 3, 1999

An Act to Require That Certified Public Accounting and Public Accounting Firms Have a Majority of Their Owners Hold Certificates.

Reference to the Committee on Business and Economic Development suggested and ordered printed.

OSEPH W. MAYO, Clerk

Presented by Representative WINSOR of Norway.

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

Sec. 1. 32 MRSA §12252, sub-§3, as enacted by PL 1987, c. 489, §2, is amended to read:

- Individual permits required. An applicant for initial issuance or renewal of a permit to practice under this section shall-be-required-to must show that at least 51% of the ownership is represented by one or more partners, officers or shareholders who each hold a valid individual permit to practice, issued under section 12251 and at least 51% of all each-partner, -officer-er sharehelder partners, officers or shareholders who regularly werks work in this State, and each employee holding a certificate who regularly works in this State, helds hold a valid individual practice, issued under section 12251 corresponding provision of prior law, and that -- each -- ether partner, - officer -er - shareholder - helds that at least 51% of all ownership is represented by one or more partners, officers or shareholders who hold a certificate and is are licensed to practice public accountancy in this State or some other state.
- Sec. 2. 32 MRSA §12275, sub-§3, as enacted by PL 1987, c. 489, §2, is amended to read:
  - 3. Use of title. No A firm may not 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 indicating that the firm is composed of certified public accountants, unless:
  - A. The firm holds a valid permit issued under section 12252; and
- B. All <u>Fifty-one percent of all partners</u>, officers and shareholders of the firm hold certificates.

38 SUMMARY

10

12

14

16

18

20

22

24

26

28

30

32

36

Currently all the owners of a certified public accounting or public accounting firm must hold licenses. This bill will allow a minority of the owners to be nonlicensed.