

# MAINE STATE LEGISLATURE

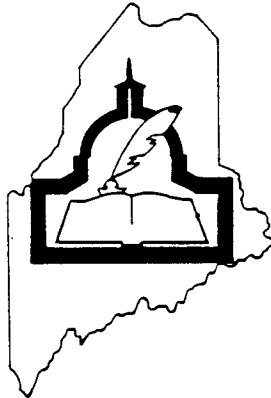
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STATE OF MAINE  
ONE HUNDRED AND THIRTEENTH LEGISLATURE  
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON  
BUSINESS LEGISLATION  
BILL SUMMARY



JUNE 1987

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ONE HUNDRED AND THIRTEENTH LEGISLATURE  
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JOINT STANDING COMMITTEE  
BILL SUMMARIES  
JUNE 1987

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "COMMITTEE" if it is a committee amendment.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

Sponsor: BRANNIGAN  
Committee Report: OTP-AM (Majority)  
ONTP (Minority)  
Amendments Adopted:  
S-51 COMMITTEE

SUMMARY: This bill requires that a person engaged in the business of buying and selling used cars is obligated to obtain certain information from the seller and to post it on the car. Among the information required is a listing of any mechanical defects and any damage that the car has sustained.

There was some confusion between the content of this bill and its Statement of Fact. The bill requires that the seller provide a signed statement as to the damage to the car (but not mechanical defects). The Statement of Fact says that such a statement is required for both items.

Committee Amendment A: This amendment eliminates the word substantial in describing the type of collision damage that a seller of a used motor vehicle must report to the purchaser. It makes it a requirement that all information that the seller is required to present shall bear his signature not just that dealing with damage. Lastly, it provides a definition of the word seller.

Sponsor: ERWIN, P., Gwadosky, Baldacci, Perkins  
Committee Report: OTP-AM  
Amendments Adopted:  
H-353 COMMITTEE

SUMMARY: The major focus of this bill are the provisions dealing with non-regulated accountants.

Current law states that unless certified in the state:

- A. A person may not use the terms CPA or PA
- B. A person may not use the term auditor in conjunction with any accounting or financial statements or any opinion on, report on or certificate to any accounting or financial statement

C. A person may not indicate that he is skilled in or has expert knowledge in accounting or auditing in conjunction with any accounting or financial statements or any opinion on any accounting or financial statements.

In addition to the current prohibition, this bill prohibits:

1. The use of the words accountant, auditor, accounting or auditing in connection with a report that implies that the person has special competence in these areas.
2. The practice of public accounting (see definition section)
3. Issuance of a report on financial statements.

The section concerning #3 further states that it shall not restrict the performance of services involving accounting skills, including tax returns, management advisory services, and preparation of financial statements. In doing so it appears to be in conflict with #2 and the related definition of public accounting.

The practice of public accounting is defined as holding oneself out to be a licensee of services related to:

1. Accounting or auditing
2. Management advisory or consulting services
3. Preparing tax returns or offering tax advice
4. Issuance of reports on financial statements, including using the term accountant in conjunction with such statements.

This definition is so broad and in conflict with #3 proceeding thus giving the impression that it is not what was intended and that #3 is what was intended.

Committee Amendment: This amendment addresses various areas of the bill.

In the definition section, it redefines practice of or practicing public accountancy and report on financial statements to clarify the distinction between the services that may be provided by an unlicensed person who provides accounting services.

A section is added to the bill specifically to provide what it is that unlicensed persons or firms may provide for services and what they may not provide for services.

The amendment provides that to constitute a quorum of the Board of Accountancy, at least the public member or the public accountant member must be present.

