

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0256/1dn

MDK:jld:rs

February 27, 2001

Representative Vrakas:

Please review this version, which is based on instructions from Michael Vaughn, very carefully to make sure that it achieves your intent. In particular, please note the following:

1. Instead of "natural person," proposed s. 442.08 (2) (c) 3. refers to an "individual." This word choice is consistent with our current drafting style. Also, I don't think it's necessary to include the exception for s. 442.08 (2) (c) 3. that is requested for the definition of "member of a firm" at proposed s. 442.001 (5). Proposed s. 442.08 (2) (c) 3. does not use the term "member of a firm," but refers instead to a person with an ownership interest.
2. Section 442.04 (5) refers to "public accounting experience." As amended, this is the only provision that uses the term "public accounting." I'm not sure how "public accounting" is different than "accounting." Neither term is defined under current law. Is it okay to continue to refer to "public accounting" in s. 442.04 (5)?
3. Under the bill, as under current law, the examining board issues certificates and DORL issues licenses. Is that okay?
4. The definition of "firm" is revised to include service corporations and limited liability partnerships. Also, I don't think the bill works if the definition includes the language about furnishing services under ch. 442, stats. For example, s. 442.03, as renumbered and amended, requires under certain circumstances a firm to have a license. The result is that a firm that does not have a license can't provide accounting services. Therefore, it doesn't make sense to define a firm as something that provides accounting services, because unlicensed firms aren't able to provide the services. On a related point, s. 442.025 (1) (intro.), as renumbered and amended, refers to a firm "licensed under this chapter," rather than to a "certified public accounting firm," because the bill does not define what a "certified public accounting firm" is.
5. I don't understand what is intended by inserting "under his or her own name" in s. 442.11 (2). Therefore, I didn't insert the language. Perhaps I don't understand the current law provision, but it seems to me that, if you insert this language, you prohibit a person who holds a certificate as a certified public accountant from practicing under his or her own name.

6. In other statutes that refer to a “public accountant,” without referring to a “certified public accountant,” I changed the reference to “certified public accountant licensed under ch. 442.” Is this okay?

7. In other statutes that refer to an accountant licensed or certified under ch. 442, I changed the reference to a “certified public accountant licensed under ch. 442.” Is this okay?

8. The following statutes refer to a certified public accountant, but do not specify certification or licensure under ch. 442: ss. 16.11 (3) (k) and (6) (r), 16.255 (3) (b), 59.57 (2) (g), 60.43 (2), 66.0823 (14), 66.1105 (6m) (a), 100.235 (6), 182.45, 186.235 (16) (b), 198.22 (9) and (11), 199.07 (4) (c), 214.37 (4) (a), 214.655 (2) (c), 214.725 (4), 214.755 (1) (d) and (1m) (b), 214.76 (1), 215.25, 224.72 (4) (a) 4. and (d) 2. and (4m) (a) 3. and (b) 2., 224.74 (1) (b) and (c), 224.985 (2) (a), 229.57, 229.79, 229.834, 289.41 (4) (b) and (c) (intro.) and 2., 289.41 (5) (a), (b), and (c), 289.41 (6) (a), (i), and (j) and (7) (b), 440.42 (3) (b), 440.62 (2) (c), 551.63 (3), 560.35 (3), 565.27 (2) (b) 1. and 4., 565.37 (2), 601.42 (1g) (d), 601.43 (3) and (4), 601.59 (9) (a) and (10) (i), 611.25 (3), 641.10 (2), 707.42 (2) (o), 707.43 (2) (f), and 805.06 (4) (c). I did **not** change them to refer to a certified public accountant licensed under ch. 442. Is that okay?

9. I did not change any of the following statutes that refer only to an accountant: ss. 14.64 (4), 20.566 (3) (c), 59.58 (2) (f), 66.0621 (4) (i), 66.1021 (6), 71.02 (2) (e), 76.25, 180.0825 (6), 214.75 (1), 221.0615 (6), 231.03 (9), 243.10 (1) (item 11 of the form), 551.02 (7) (b), 551.27 (5), 552.01 (3), 560.33 (1) (e), 632.68 (1) (c) and (10) (b), 644.07 (11), 645.46 (2), 701.20 (12) (a) 2. and (d) 2., 853.61 (2) (b) 1., 880.24 (1), and 881.016 (intro.). Do you want to change any of these statutes?

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