

1981 Assembly Bill 170

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CHAPTER 356 , Laws of 1981

AN ACT to repeal 442.05 (2); to renumber and amend 442.12 (2); to amend 15.405 (1), 440.09, 442.03, 442.04 (title), (1) and (5), 442.06 (1) (intro.), 442.07 (2), 442.08, 442.11 (8) and (9) and 442.12 (title) and (1); to consolidate, renumber and amend 442.05 (intro.) and (1); and to create 440.09 (1) to (3), 442.01 (4), 442.06 (5), 442.11 (16) and 442.12 (4) to (7) of the statutes, relating to various accounting examining board revisions and providing penalties.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 15.405 (1) of the statutes is amended to read:

15.405 (1) ACCOUNTING EXAMINING BOARD. There is created an accounting examining board in the department of regulation and licensing. The examining board shall consist of 6 ~~7~~ members, appointed for staggered 5-year terms. Five members shall hold certificates as certified public accountants authorized and be eligible for licensure to practice in this state, and may be selected from nominees of the Wisconsin society of certified public accountants. Any list of nominees submitted by the society shall bear the names of at least 7 nominees for each vacancy to be filled. One member. Two members shall be a public member who is not professionally engaged in accounting related services members.

SECTION 2. 440.09 of the statutes is amended to read:

440.09 License period. All licenses, permits and certificates issued or renewed under chs. 440 to 459, ~~except s. 440.41 and except apprentice, student and temporary licenses, permits and certificates,~~ shall be renewed for a 2-year period, except:

SECTION 3. 440.09 (1) to (3) of the statutes are created to read:

440.09 (1) Apprentice, student and temporary licenses, permits and certificates.

(2) Registrations under s. 440.41.

(3) Certificates under ch. 442.

SECTION 4. 442.01 (4) of the statutes is created to read:

442.01 (4) The examining board may promulgate rules for report and practice review, to be achieved through sampling, to evaluate the quality of performance by persons licensed under this chapter. This subsection and all rules promulgated under this subsection are inapplicable after June 30, 1985.

SECTION 5. 442.03 of the statutes is amended to read:

442.03 (title) Licenses required. (1) No person may lawfully practice in this state as a certified public accountant either in the person's own name, or as an employe, or under an assumed name, or as an officer, member or employe of a firm, or as an officer or employe of a corporation, unless the person has been granted by the examining board a certificate as a certified public accountant, and unless the person, firm or corporation, jointly and severally, has complied with all of the provisions of this chapter, including registration licensure in each odd-numbered year.

(2) No person may lawfully practice in this state as a public accountant either in the person's own name, or as an employe or under an assumed name, or as an officer, employe or member of a firm, or as an officer or employe of a corporation, unless the person has been granted by the examining board a certificate of authority as a public accountant and unless the person, firm or corporation, jointly and severally, has complied with all of the provisions of this chapter, including registration licensure in each odd-numbered year.

(3) No corporation or other entity and no officer, partner, stockholder or employe thereof may lawfully practice in this state as a public accountant or certified public accountant either in the corporation's entity's or person's name, or as an employe or under an assumed name, unless the natural person and corporation has been granted by this examining board a certificate of authority as a public accountant and unless the person or corporation entity, jointly and severally, has complied with all the provisions of this chapter, including registration licensure in each odd-numbered year.

SECTION 6. 442.04 (title), (1) and (5) of the statutes are amended to read:

442.04 (title) Certified public accountants; qualifications. (1) The examining board shall grant a certificate as a certified public accountant to all persons who become entitled thereto under this section and s. 442.05. A certificate is permanent unless revoked and not subject to periodic renewal.

(5) No certificate as a certified public accountant may be granted to any person other than a person who is over the age of 18 years and of good professional character, and except as provided in s. 442.05, who has successfully passed a written examination in such subjects affecting accountancy as the examining board deems necessary, and who, if the application was made before July 1, 1968, has had at least 3 years of accounting experience, equivalent to that of a senior in public practice. The examining board may accept evidence of sufficient technical education in accountancy in lieu of 1 1/2 years of public accounting experience. If the application was after that date and the applicant has had at least 1 1/2 years accounting experience equivalent to that of a senior in public practice, the sufficiency of the experience to be judged by the examining board, the examining board may supplement the written examination by an interview and may use the examination service provided by the American institute of certified public accountants. The examining board shall ensure that evaluation procedures and examinations are nondiscriminatory, relate directly to accountancy and are designed to measure only the ability to perform competently as an accountant.

SECTION 7. 442.05 (intro.) and (1) of the statutes are consolidated, renumbered 442.05 and amended to read:

442.05 Certification by endorsement. The examining board may grant a certificate to any applicant who: ~~(1) Is is the holder of a certificate or license to practice as a certified public accountant issued under the laws of any other state which extends similar privileges to certified public accountants of this state or foreign country.~~ The applicant must

also establish his or her substantial equivalence of the qualifications required under s. 442.04. The sufficiency of the substantial equivalence shall be judged by the examining board. Upon denial of a certificate under this subsection the examining board shall notify the applicant in writing of the decision, stating the reason for denial and that the applicant has the right to a hearing if a written request is filed with the examining board within 30 days after the notice of denial. Service of the notice of denial may be made by mail addressed to the applicant at the latest address filed by the applicant in writing with the examining board. Service by mail is complete on the date of mailing.

SECTION 8. 442.05 (2) of the statutes is repealed.

SECTION 9. 442.06 (1) (intro.) of the statutes is amended to read:

442.06 (1) (intro.) The examining board may grant a certificate of authority to practice as a public accountant to each individual who applied before December 1, 1935, ~~who presents evidence of good moral character satisfactory to the examining board, and:~~

SECTION 10. 442.06 (5) of the statutes is created to read:

442.06 (5) Certificates of authority issued under this section are permanent unless revoked and not subject to periodic renewal.

SECTION 11. 442.07 (2) of the statutes is amended to read:

442.07 (2) No person may practice in this state as a certified public accountant or a public accountant, either in the person's name, under an assumed name, or as a member of a partnership, except as provided in s. 442.02 (10), unless the person has been granted a certificate by the examining board and secured a registration card license for the current ~~certification~~ licensure period. No person may practice in this state as a public accountant, as an officer or director of a corporation engaged in the practice of public accounting, unless the corporation has ~~been granted a certificate by the examining board and secured a registration card license~~ secured a registration card license for the current ~~certification~~ licensure period.

SECTION 12. 442.08 of the statutes is amended to read:

442.08 (title) Biennial licensure. The department shall, in December of each odd-numbered year, upon application ~~made by any holder of an unrevoked Wisconsin certificate as a certified public accountant or an unrevoked Wisconsin certificate of authority as provided for in this chapter, issue a registration card license, which card shall be good valid until December 31 of the odd-numbered year following issuance, unless the certificate or license is revoked. A registration card license shall also be issued to any partnership or corporation, upon application, which has complied with this chapter. Interim registrations licenses shall be issued to individuals, partnerships and corporations who have complied with this chapter within the certification biennial licensure period.~~

SECTION 13. 442.11 (8) and (9) of the statutes are amended to read:

442.11 (8) Who shall as an individual, or, as a member of a partnership or as an officer or director of a corporation, practice or permit the partnership or corporation to practice as a certified public accountant or as a public accountant unless a registration card license has been secured for the current ~~certification~~ licensure period; or

(9) Who shall sell, buy, give or obtain an alleged certificate as a certified public accountant, or a certificate of authority, or a registration card license in any other manner than is provided for by this chapter; or

SECTION 14. 442.11 (16) of the statutes is created to read:

442.11 (16) If a person has engaged, or is about to engage, in an act or practice which constitutes, or will constitute, a violation of this chapter, the examining board in its own right or on behalf of an individual complainant may apply to the appropriate court for an order enjoining the act or practice. Upon a showing by the examining board or the complainant that the person has engaged, or is about to engage, in any such act or practice,

the court may grant an injunction, restraining order or other appropriate order without bond.

SECTION 15. 442.12 (title) and (1) of the statutes are amended to read:

442.12 (title) Disciplinary action. ~~(1)~~ Subject to the rules promulgated under s. 440.03 (1), the examining board may, ~~on its own motion, make:~~

~~(1) Make investigations and conduct hearings and may, on its own motion or upon complaint in writing, duly signed and verified by the complainant, revoke,~~

~~(2) Revoke, limit or suspend for a definite period any certificate or registration card license or officially reprimand the holder, if it finds that the holder has violated this chapter or any duly promulgated standard or rule of practice or for any other sufficient cause.~~

SECTION 16. 442.12 (2) of the statutes is renumbered 442.12 (3) and amended to read:

442.12 (3) In the case of a corporation or a partnership, ~~it shall be sufficient cause for the revocation, limitation or suspension of~~ revoke, limit or suspend the certificate or registration card license of the partnership or corporation, or ~~for~~ reprimand of it, if it is found that any officer, director or member has been guilty of such act or omission as would be cause for revoking, limiting or suspending a certificate or card license to the person as an individual or for reprimanding the person.

SECTION 17. 442.12 (4) to (7) of the statutes are created to read:

442.12 (4) Impose a period of probation under specified conditions, whether or not in conjunction with other sanctions.

(5) Require additional professional education or training, or reexamination, or any combination, as a condition precedent to the reinstatement of a license or of any privilege, or as a condition precedent to the termination of any suspension.

(6) Suspend a license until further order of the examining board or for a specified period for failure to comply with an order of the examining board imposing disciplinary sanctions.

(7) Upon application in writing and after hearing pursuant to notice, issue a new license to a licensee whose license has been revoked, reinstate a revoked certificate or modify the suspension of any license or certificate which has been suspended.

SECTION 18. **Initial term.** The additional public member appointed under section 15.405 (1) of the statutes, as affected by this act, shall be appointed for a term to expire July 1, 1985. Successors to that position shall be appointed for 5-year terms.
