2023 SENATE WORKFORCE DEVELOPMENT

SB 2061

2023 SENATE STANDING COMMITTEE MINUTES

Workforce Development Committee
Fort Lincoln Room, State Capitol

SB 2061
1/19/2023

Relating to the practice and licensure of public accountancy.

10:47 a.m. **Chairman Wobbema** called the meeting to order. **Senators Wobbema, Axtman, Elkin, Larson, Sickler, Piepkorn** are present.

Discussion Topics:

- CPA Certification hour requirement
- Moral character
- Disciplinary actions
- Uniform accountancy Act
- Complaint process

10:48 a.m. **Patrick Kautzman, President North Dakota Board of Accountancy**, testified in favor #14456

11:10 a.m. **Bridget Dowling, North Dakota CPA Society** testified in favor verbally

11:16 a.m. **Chairman Wobbema** closed the meeting.

Patricia Lahr, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Workforce Development Committee
Fort Lincoln Room, State Capitol

SB 2061
2/3/2023
9:03 AM

Relating to the practice and licensure of public accountancy.

9:03 AM **Chairman Wobbema** called the meeting to order. **Senators Wobbema, Larson, Sickler, Piepkorn** are present. **Senators Axtman** and **Elkin** were absent.

Discussion Topics:

- Appeals
- Good moral character

Senator Wobbema calls for discussion.

9:10 AM **Chairman Wobbema** closed the meeting.

Patricia Lahr, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Workforce Development Committee
Fort Lincoln Room, State Capitol

SB 2061
2/3/2023
10:22 AM

Relating to the practice and licensure of public accountancy.

10:22 AM **Chairman Wobbema** called the meeting to order. **Senators Wobbema, Larson and Sickler** were present. **Senators Axtman, Elkin** and **Piepkorn** were absent.

Discussion Topics:

- Good moral character
- Criminal acts

Senator Wobbema called for discussion.

Senator Sickler proposed an amendment #19055 and motioned a **DO PASS** recommendation on Amendment 23.8098.01001.

10:23 AM **Senator Larson** seconded.

10:24 AM Roll Call Vote.

Senators	Vote
Senator Michael A. Wobbema	Y
Senator Michelle Axtman	Absent
Senator Jay Elkin	Absent
Senator Diane Larson	Y
Senator Merrill Piepkorn	Absent
Senator Jonathan Sickler	Y

Motion passed. 3-0-3

10:24 AM **Senator Sickler** moved **DO PASS** AS **AMENDED.**

10:25 AM **Senator Larson** seconded.

10:25 Roll Call Vote

Senators	Vote
Senator Michael A. Wobbema	Y
Senator Michelle Axtman	Absent
Senator Jay Elkin	Absent
Senator Diane Larson	Y
Senator Merrill Piepkorn	Absent
Senator Jonathan Sickler	Y

Motion passed. 3-0-3

Senator Sickler will carry SB 2061

10:26 AM Chairman Wobbema closed the meeting.

Patricia Lahr, Committee Clerk

23.8098.01001
Title.02000

Adopted by the Senate Workforce
Development Committee
February 3, 2023

BR
1-7-2
2-2-2023

PROPOSED AMENDMENTS TO SENATE BILL NO. 2061

Page 2, line 5, after the overstruck period insert "The board may not grant a certificate if the applicant has been convicted of a felony, or of any crime an element of which is dishonesty or fraud, under the laws of the United States, this state, or any other state if the acts involved would have constituted a crime under the laws of this state."

Page 2, line 6, remove the overstrike over "~~3.~~"

Page 2, line 19, remove the overstrike over "~~14~~"

Page 2, line 19, remove "13"

Page 2, line 27, remove the overstrike over "~~15~~"

Page 2, line 27, remove "14"

Page 3, line 1, remove the overstrike over "~~4.~~"

Page 3, line 1, remove "3."

Page 3, line 6, remove the overstrike over "~~5~~"

Page 3, line 6, remove "4"

Page 3, line 7, remove the overstrike over "~~14~~"

Page 3, line 7, remove "13"

Page 3, line 12, remove the overstrike over "~~6~~"

Page 3, line 12, remove "5"

Page 3, line 16, remove the overstrike over "~~5.~~"

Page 3, line 16, remove "4."

Page 4, line 1, remove the overstrike over "~~6.~~"

Page 4, line 1, remove "5."

Page 4, line 17, remove the overstrike over "~~7.~~"

Page 4, line 17, remove "6."

Page 4, line 17, remove the overstrike over "~~6~~"

Page 4, line 17, remove "5"

Page 4, line 19, remove the overstrike over "~~8.~~"

Page 4, line 19, remove "7."

Page 4, line 22, remove the overstrike over "~~9.~~"

Page 4, line 22, remove "8."

Page 4, line 23, remove the overstrike over "~~7~~"

Page 4, line 23, remove "6"

Page 4, line 23, remove the overstrike over "8"

Page 4, line 23, remove "7"

Page 4, line 26, remove the overstrike over "10."

Page 4, line 26, remove "9."

Page 4, line 29, remove the overstrike over "11."

Page 4, line 29, remove "10."

Page 4, line 31, remove the overstrike over "12."

Page 4, line 31, remove "11."

Page 5, line 1, remove the overstrike over " 13."

Page 5, line 1, remove "12."

Page 5, line 8, remove the overstrike over " 14."

Page 5, line 8, remove "13."

Page 5, line 17, remove the overstrike over "15."

Page 5, line 17, remove "14" and remove the second the period

Page 5, line 23, replace "15." with "16."

Renumber accordingly

DK
2 of 2
2-3-2023

REPORT OF STANDING COMMITTEE

SB 2061: Workforce Development Committee (Sen. Wobbema, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (3 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). SB 2061 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 2, line 5, after the overstruck period insert "The board may not grant a certificate if the applicant has been convicted of a felony, or of any crime an element of which is dishonesty or fraud, under the laws of the United States, this state, or any other state if the acts involved would have constituted a crime under the laws of this state."

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Page 3, line 12, remove "5"

Page 3, line 16, remove the overstrike over "~~5.~~"

Page 3, line 16, remove "4."

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Page 5, line 8, remove the overstrike over " ~~14.~~"

Page 5, line 8, remove "13."

Page 5, line 17, remove the overstrike over " ~~15.~~"

Page 5, line 17, remove "14" and remove the second the period

Page 5, line 23, replace "15." with "16."

Renumber accordingly

2023 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2061

2023 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee
Room JW327C, State Capitol

SB 2061
3/8/2023

Relating to administrative hearings and relating to the practice and licensure of public accountancy.

Chairman Louser called meeting to order 10:42 AM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Christy, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner, Warrey.

Discussion Topics:

- Good moral tendency
- Executive session

In Favor:
Allison Hicks, Special Assistant Attorney General, ND Office of the Attorney General, representing the ND Board of Accountancy (no written testimony)

Chairman Louser adjourned the meeting 11:17 AM

Diane Lillis, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee
Room JW327C, State Capitol

SB 2061
3/13/2023

Relating to administrative hearings and relating to the practice and licensure of public accountancy.

Chairman Louser called meeting to order 11:19 AM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner.

Members absent: Representative Christy, Warrey.

Discussion Topics:

- Rewording Amendment
- Administrative Rules Committee
- Public Meeting Requirements

Representative Koppelman moved to adopt amendment, #24427, LC# 23.8098.02001.
Representative Schauer seconded.

Roll call vote:

Representatives	Vote
Representative Scott Louser	Y
Representative Mitch Ostlie	Y
Representative Josh Boschee	AB
Representative Josh Christy	AB
Representative Hamida Dakane	Y
Representative Jorin Johnson	Y
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Austen Schauer	Y
Representative Paul J. Thomas	Y
Representative Bill Tveit	Y
Representative Scott Wagner	Y
Representative Jonathan Warrey	AB

Motion passed 11-0-3

Representative Koppelman moved a do pass as amended.
Representative Kasper seconded.

Roll call vote:

Representatives	Vote
Representative Scott Louser	Y
Representative Mitch Ostlie	Y
Representative Josh Boschee	AB
Representative Josh Christy	AB
Representative Hamida Dakane	Y
Representative Jorin Johnson	Y
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Austen Schauer	Y
Representative Paul J. Thomas	Y
Representative Bill Tveit	Y
Representative Scott Wagner	Y
Representative Jonathan Warrey	AB

Motion passed 11-0-3

Representative Koppelman will carry the bill.

Chairman Louser adjourned the meeting 11:17 AM

Diane Lillis, Committee Clerk

Adopted by the House Industry, Business and Labor Committee
March 13, 2023

3-13-23

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2061

Page 1, line 18, remove the overstrike over "~~of~~"

Page 1, line 19, remove the overstrike over "~~good moral character~~"

Page 1, line 20, remove the overstrike over "~~For the purposes of this chapter, good moral character means the lack of a history of~~"

Page 1, remove the overstrike over lines 21 through 24

Page 2, remove the overstrike over lines 1 through 4

Page 2, line 5, remove the overstrike over "~~applicant's right of appeal.~~"

Page 2, line 5, remove "The board may not grant a certificate if the applicant has"

Page 2, remove lines 6 through 8

Page 3, line 7, remove the overstrike over "~~Meets the good moral character requirement of subsection 2;~~"

Page 3, line 8, remove the overstrike over "~~b.~~"

Page 3, line 13, remove the overstrike over "~~c.~~"

Page 3, line 13, remove "b."

Page 3, line 15, remove the overstrike over "~~d.~~"

Page 3, line 15, remove "c."

Page 3, line 17, remove the overstrike over "~~e.~~"

Page 3, line 17, remove "d."

Page 6, line 4, remove "at least sixty years of age,"

Page 6, line 8, remove ", at least sixty years of age,"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2061, as engrossed: Industry, Business and Labor Committee (Rep. Louser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2061 was placed on the Sixth order on the calendar.

Page 1, line 18, remove the overstrike over "~~of~~"

Page 1, line 19, remove the overstrike over "~~good moral character~~"

Page 1, line 20, remove the overstrike over "~~For the purposes of this chapter, good moral character means the lack of a history of~~"

Page 1, remove the overstrike over lines 21 through 24

Page 2, remove the overstrike over lines 1 through 4

Page 2, line 5, remove the overstrike over "~~applicant's right of appeal.~~"

Page 2, line 5, remove "The board may not grant a certificate if the applicant has"

Page 2, remove lines 6 through 8

Page 3, line 7, remove the overstrike over "~~Meets the good moral character requirement of subsection 2;~~"

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Page 3, line 13, remove "b."

Page 3, line 15, remove the overstrike over "~~d.~~"

Page 3, line 15, remove "c."

Page 3, line 17, remove the overstrike over "~~e.~~"

Page 3, line 17, remove "d."

Page 6, line 4, remove "at least sixty years of age,"

Page 6, line 8, remove ", at least sixty years of age,"

Renumber accordingly

2023 CONFERENCE COMMITTEE

SB 2061

2023 SENATE STANDING COMMITTEE MINUTES

Workforce Development Committee
Fort Lincoln Room, State Capitol

SB 2061
4/6/2023
Conference Committee

Relating to administrative hearings; and relating to the practice and licensure of public accountancy.

3:32 PM **Chair Wobbema** opened the conference committee. **Senators** Wobbema, Larson, Sickler and Representatives Ostlie, Christy, Dakane are present.

Discussion Topics:

- Proposed amendment
- Conference committee decision

Chairman Wobbema calls for discussion.

3:34 PM **Allyson Hix, Attorney, Assistant Attorney General, North Dakota Attorney Generals Office,** provided information verbally**.**

Committee discussion SB 2061.

Representative Ostlie moved to adopt and recede and further amend as follows, striking moral character, and delete at least sixty years on line 4 and line 8 on page 6. LC 23809802002.

Senator Sickler seconded the motion.

Roll call vote-motion carried 6-0-0.

Representative Ostlie is the House bill carrier.

Senator Sickler is the Senate bill carrier.

Chairman Wobbema closed the conference committee meeting at 3:48 PM.

Patricia Lahr, Committee Clerk

23.8098.02002
Title.04000

Adopted by the Conference Committee

April 6, 2023

AG
4-6-23
(1-1)

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2061

That the House recede from its amendments as printed on page 1048 of the Senate Journal and pages 1195 and 1196 of the House Journal and that Engrossed Senate Bill No. 2061 be amended as follows:

Page 6, line 4, remove ", at least sixty years of age"

Page 6, line 8, remove ", at least sixty years of age"

Renumber accordingly

Date: 4/6/2023
Roll Call Vote #: 1

2023 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2061 as engrossed

Senate Workforce Development Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☒ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Ostlie Seconded by: Senator Sickler

Senators	4/6			Yes	No		Representatives	4/6			Yes	No
Wobbema	X			Y			Ostlie	X			Y	
Larson	X			Y			Christy	X			Y	
Sickler	X			Y			Dakane	X			Y	
Total Senate Vote				3			Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Senator Sickler House Carrier Representative Ostlie

LC Number 23.8098 . 02002 of amendment

LC Number 23.8098 . 04000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Insert LC: 23.8098.02002
Senate Carrier: Sickler
House Carrier: Ostlie

REPORT OF CONFERENCE COMMITTEE

SB 2061, as engrossed: Your conference committee (Sens. Wobbema, Larson, Sickler and Reps. Ostlie, Christy, Dakane) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1195-1196, adopt amendments as follows, and place SB 2061 on the Seventh order:

That the House recede from its amendments as printed on page 1048 of the Senate Journal and pages 1195 and 1196 of the House Journal and that Engrossed Senate Bill No. 2061 be amended as follows:

Page 6, line 4, remove "<u>, at least sixty years of age</u>"

Page 6, line 8, remove "<u>, at least sixty years of age</u>"

Renumber accordingly

Engrossed SB 2061 was placed on the Seventh order of business on the calendar.

TESTIMONY

SB 2061

SENATE WORKFORCE DEVELOPMENT
THURSDAY, JANUARY 19, 2023

TESTIMONY OF PATRICK KAUTZMAN
NORTH DAKOTA STATE BOARD OF ACCOUNTANCY
SENATE BILL NO. 2061

Chairman Wobbema, members of the Committee:

I am Patrick Kautzman, President of the North Dakota State Board of Accountancy, and I appear today on their behalf. The Board is in support of this bill and recommends a **DO PASS** for SB 2061.

The Board is proposing this legislation primarily to 1) address an enhancement to access to testing for the Uniform CPA Examination, 2) formalization of disciplinary procedures, and 3) some language and clean up items.

Section 1.:

The definition of "principal place of business" was added to subsection 11 by the Legislature in 2009. The Uniform Accountancy Act (UAA) uses the term "designated." (See 2009 North Dakota Laws Ch. 357 (H.B. 1147)). The Board has not fully adopted the UAA; however, the Board decided that this proposed change from "designed" to "designated" is necessary for clarity and consistency with the uniform act definitions.

Section 2.:

The Section 2 amendment is a minor but important change required to be consistent with changes in Section 4 and Section 5 Amendments. I will address and refer back to this change later in my testimony regarding those Section 4 and Section 5 changes.

Section 3.:

There are 3 changes under Section 3:

- "Good Moral Character" requirement,
- Education Requirements,
- Formalizing Inactive and Retired status

Good Moral Character

Consistent with past legislation and other professional board statute changes, we are removing the requirement that a licensee be "of good moral character." The definition of good moral character is somewhat subjective, and again, this change is consistent with other prior legislation and other professional board changes.

Education Requirements

In 1999 the law was changed to required 150 credit hours of college to become certified. This is consistent with changes made by nearly all jurisdictions

throughout the country. The 1999 language under old Subsection 5a and 5b is being stricken as it is no longer necessary.

The new Subsection 5 (old Subsection 6) is being changed to allow CPA examination candidates to take the exam provided the candidate has obtained at least 120 semester hours of college education. Please note that this change in required education is just to qualify to begin taking the CPA examination and is not a change in the 150 hour requirement to fully qualify for the CPA certification. Nearly all jurisdictions have moved to a requirement of 150 hours for licensure; however, many jurisdictions have moved away from the requirement to sit for the exam. There are only currently only 10-15 jurisdictions that require 150 hours to sit for the exam. Nearly 40 jurisdictions have moved to allow students to sit for the exam at 120 credit hours.

This change to 120 credit hours to sit for the exam will:

- Lessen confusion for candidates wanting to sit for the exam
- Keep our state competitive for candidates desiring to sit for the exam
- Allows candidates to graduate from college, sit for the exam, and begin working sooner and possibly lessen the financial burden on a candidate

Inactive and Retired Status

The new Subsection 15 is changed to provide exceptions for inactive and retired members to use their CPA designation in limited capacity. A licensee who has not

met the ongoing continuing education requirements to be fully licensed as a CPA can continue to use the CPA designation by disclosing that they are "inactive" or "retired" by placing that word adjacent to their CPA title. This is already happening in rules and practice through the annual renewal process and disclosure by the licensee that they have not met the continuing education requirements but desire to hold out as inactive or retired. This change is to formalize this into law and have the law be more consistent with Uniform Accountancy Act (UAA).

Section 4 and Section 5.:

As a reminder, Section 4 and Section 5 relate to that small change in Section 2 of the bill taking out the language in that section "by the board."

Section 4.:

This change provides clarity for disciplinary or denial of licensure action that the hearing is to be held pursuant to 28-32 which is through the office of administrative hearings. Currently the law in Section 5 says hearing "before the board." The board has always had the option to go to office of admin hearing and these changes make that clear under the law.

Section 5.:

The focus of Section 5 is the complaint process against a licensee.

Subsections 2 and 3 provides for language specifically authorizing the board to investigate complaints against licensees. This language is consistent with the UAA language regarding initiating investigations and appointing individuals to conduct the investigation. The current law references the investigation process, but this additional language clarifies the board's ability to initiate an investigation and designation of the investigator. This is the board's current process for complaints and this language is being added to statute for clarity in disciplinary proceedings to the benefit of the public, licensees, and board members.

The Subsection 4 is in regard to confidentiality of records in the investigation and disciplinary process. The law stipulates that information collected under the complaint and investigation process be treated as confidential until the board has made a determination to pursue disciplinary action. Prior law required the information to be kept confidential indefinitely. The new law allows the information to become public at the time the board pursues disciplinary action. The new law is in the public and licensee's best interest to be made public at that point as well as allow the board to operate efficiently at that juncture of the disciplinary process.

Conclusion

Passage of this bill is important to enhance access for candidates to testing for the CPA examination and keep our state on par with other jurisdictions that allow candidates to sit for the examination with 120 credit hours of education. Additionally, this bill will provide for statutory clarification and document what is

happening in current practice in regard to the Inactive and Retired status for licensees as well as components of the disciplinary process.

Again, the Board supports this bill and recommends a **DO PASS** on Senate Bill 2061.

Thank you for your time. This ends my formal testimony. I would be happy to take any questions.

Patrick Kautzman
President
North Dakota State Board of Accountancy
pkautzman@eidebailly.com
701-239-8501
4310 17th Ave S
Fargo, ND 58103

PROPOSED AMENDMENT TO SENATE BILL NO. 2061

Page 2, line 5, after "~~appeal.~~" insert "The Board may not grant a certificate if the applicant has been convicted of a felony, or of any crime an element of which is dishonesty or fraud under the laws of the United States, of this state, or of any other state if the acts involved would have constituted a crime under the laws of this state."

Renumber accordingly

Harlow, Mandy L.

From: Patrick Kautzman <pkautzman@eidebailly.com>
Sent: Monday, January 30, 2023 11:18 AM
To: Wobbema, Michael
Cc: Harlow, Mandy L.
Subject: SB 2061 Proposed Amendment
Attachments: Proposed Amendment to SB 2061.rtf; MARK UP OF PROPOSED AMENDMENT TO SB 2061.docx

***** **CAUTION:** This email originated from an outside source. Do not click links or open attachments unless you know they are safe. *****

Good Morning Chairman Wobbema,

I am writing in response and as a follow-up to our testimony on SB 2061. The State Board of Accountancy reviewed the testimony provided and some of the concerns the Committee voiced during our testimony. The State Board of Accountancy is fine with the bill as is, but again, in lieu of some concerns voiced by the Committee we offer the attached amendment to address those potential concerns.

As we testified, the current law Section 43-02.2-09 (see insert below) gives the Board the authority to revoke, suspend, reprimand, censure, limit the scope of practice, or place on probation a licensee for acts of "**Dishonesty, fraud**, or gross negligence" in the performance of services as well as "Conviction of a felony, or ***any*** crime an element of which is **dishonesty or fraud**." Under the current law that we are asking to be changed, good moral character means "the lack of a history of dishonest or felonious acts". The Board believes that the enforcement actions identified in the current law under Section 43-02.2-09 allow us to regulate licensees for acts identified in the definition of "good moral character."

That said, if the Committee believes that language is also needed to allow the Board to "not grant" a CPA certificate up front to a person who has a history of dishonesty or fraud, then we would offer the attached amendment to address those concerns. This would provide for the same authority for the board in both the initial granting as well as the ongoing annual renewal of a licensee to prohibit licensees from having a history of fraud or dishonesty.

Thank you for your consideration and please reach out to me or the Board if you have further questions.

43-02.2-09. Enforcement against licensees.

1. The board may revoke any certificate, license, practice privilege, or permit issued under this chapter or corresponding provisions of prior law; suspend any such certificate, license, practice privilege, or permit or refuse to renew any such certificate, license, practice privilege, or permit for a period of not more than five years; reprimand, censure, or limit the scope of practice of any licensee or holder of a practice privilege; impose an administrative fine not exceeding one thousand dollars; or place any licensee or holder of a practice privilege on probation, all with or without terms, conditions, and limitations, for any one or more of the following reasons:
   a. Fraud or deceit in obtaining a certificate, license, practice privilege, or permit;
   b. Cancellation, revocation, suspension, or refusal to renew a certificate, license, practice privilege, or permit in any other state or jurisdiction for any cause;
   c. Failure, on the part of a holder of a certificate, license, practice privilege, or permit, to maintain compliance with the requirements for issuance or renewal of such certificate, license, practice privilege, or permit or to report changes to the board under section 43-02.2-04, 43-02.2-06, or 43-02.2-07;
   d. Revocation or suspension of the right to practice before any state or federal agency;
   e. Dishonesty, fraud, or gross negligence in the performance of services as a licensee or in the filing or failure to file the licensee's own income tax returns;
   f. Violation of any provision of this chapter or rule adopted by the board under this chapter;
   g. Violation of any rule of conduct adopted by the board under section 43-02.2-03;
   h. Conviction of a felony, or of any crime an element of which is dishonesty or fraud, under the laws of the United States, of this state, or of any other state if the acts involved would have constituted a crime under the laws of this state;
   i. Performance of any fraudulent act while holding a certificate, license, practice privilege, or permit issued under this chapter or prior law;
   j. Any conduct reflecting adversely upon the licensee's fitness to perform services while a licensee; and
   k. Making any false or misleading statement or verification, in support of an application for a certificate, license, or permit filed by another.
2. In lieu of or in addition to any remedy specifically provided in subsection 1, the board may require of a licensee either or both of the following:
   a. A practice review conducted as the board specifies.
   b. Satisfactory completion of continuing education programs the board specifies.
3. In any proceeding in which a remedy provided by subsection 1 or 2 is imposed, the board may require the respondent licensee to pay the costs of the proceeding.

Sincerely,

Patrick Kautzman
Tax Practice Leader – Midwest Region
Eide Bailly LLP
4310 17th Ave. S.
Fargo, ND 58108-2545

T 701.239.8501
C 701.306.6371
F 701.239.8600

Access your documents at ***My Eide Bailly***

eidebailly

MARK UP OF PROPOSED AMENDMENT TO SENATE BILL NO. 2061

SECTION 3. AMENDMENT. Section 43-02.2-04 of the North Dakota Century Code is amended and reenacted as follows:

43-02.2-04. Certified public accountants.

1. The board shall grant the certificate of "certified public accountant" to any person ~~of good moral character~~ who meets the requirements of this section.
2. ~~For the purposes of this chapter, good moral character means the lack of a history of dishonest or felonious acts. The board may refuse to grant a certificate on the grounds of failure to satisfy this requirement only if there is a substantial connection between the lack of good moral character of the applicant and the professional responsibilities of a licensee and if the finding by the board of lack of good moral character is supported by clear and convincing evidence. When an applicant is found to be unqualified for a certificate because of a lack of good moral character, the board shall furnish the applicant a statement containing the findings of the board, a complete record of the evidence upon which the determination was based, and a notice of the applicant's right of appeal.~~ The Board may not grant a certificate if the applicant has been convicted of a felony, or of any crime an element of which is dishonesty or fraud under the laws of the United States, of this state, or of any other state if the acts involved would have constituted a crime under the laws of this state.

. . .

23.8098.02001
Title.03000

Adopted by the Industry, Business and Labor Committee

March 13, 2023

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2061

Page 1, line 19, remove the overstrike over "~~good moral character~~"

Page 1, line 20, remove the overstrike over "~~For the purposes of this chapter, good moral character means the lack of a history of~~"

Page 1, remove the overstrike over lines 21 through 24

Page 2, remove the overstrike over lines 1 through 4

Page 2, line 5, remove the overstrike over "~~applicant's right of appeal.~~"

Page 2, line 5, remove "The board may not grant a certificate if the applicant has"

Page 2, remove lines 6 through 8

Page 3, line 7, remove the overstrike over "~~Meets the good moral character requirement of subsection 2;~~"

Page 3, line 8, remove the overstrike over "~~b.~~"

Page 3, line 13, remove the overstrike over "~~c.~~"

Page 3, line 13, remove "b."

Page 3, line 15, remove the overstrike over "~~d.~~"

Page 3, line 15, remove "c."

Page 3, line 17, remove the overstrike over "~~e.~~"

Page 3, line 17, remove "d."

Page 6, line 4, remove "at least sixty years of age,"

Page 6, line 8, remove ", at least sixty years of age,"

Renumber accordingly