



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1018

PRINTERS NO. 1936

PRIME SPONSOR: Browne

COST / (SAVINGS)

FUND	FY 2016/17	FY 2017/18
Professional Licensure Augmentation Account	\$0	\$0

SUMMARY: Amends the CPA Law to update various provisions. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends the CPA Law (Act 140 of 1947) to do the following:

- Amends the definitions of "Attest activity" and "Report" to ensure that any report which is prepared using the attestation standards developed by the American Institute of Certified Public Accountants (AICPA) or the Public Company Accounting Oversight Board (PCAOB) is considered an attest activity.
- Amends Section 5 qualifications for reciprocal licenses to eliminate the provision that the required 1-year of experience must be obtained within the 60 months preceding the license application.
- Adds language to Section 8.2 to clarify that licensees who provide forensic accounting services are regulated only under the CPA Law and not the Private Detective Act (Act 361 of 1953).
- Amends Section 8.8 to comport with the Section 5.4 provisions for CPA firms practicing under substantial equivalency. Eliminates the requirement that firm license applications include the name and home address of all owners of equity interest in the firm. Allows non-licensees to be the managing partner of a CPA firm.
- Amends Section 8.9 to correct a technical error in existing language.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: October 18, 2016

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.