

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE


April 4, 1978

D. C. Law 2-59

"District of Columbia Public Accountancy Act  
of 1977"

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act (PL 93-198), the Act, the Council of the District of Columbia adopted Bill No. 2-69 on first, amended first, and second readings July 26, 1977, October 25, 1977, and November 8, 1977, respectively. Following the signature of the Mayor on January 9, 1978, this legislation was assigned Act No. 2-130, published in the January 20, 1978, edition of the D. C. Register, and transmitted to both Houses of Congress for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired and, therefore, cites the following legislation as D. C. Law 2-59, effective March 16, 1978.

  
STERLING TUCKER  
Chairman of the Council

(Vol. 24, D. C. Register, 5975, January 20, 1978)

D.C. LAW

2-59

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

MARCH 16, 1978

To regulate the practice of public accounting in the District of Columbia; to authorize the creation of a board of accountancy and to prescribe its powers and duties; and for other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the "District of Columbia Public Accountancy Act of 1977".

Sec. 2. Purpose.

It is the policy of the District of Columbia and the purpose of this act to promote the dependability of information which is used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public or private. The public interest requires that persons attesting as experts in accountancy to the reliability or fairness of presentation of such information be qualified in fact to do so; that a public authority competent to prescribe and assess the qualifications of public accountants be established; and that the attestation of financial information by persons professing expertise in

AN ACT

2-130

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JANUARY 9, 1978

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accountancy be reserved to persons who demonstrate their ability and fitness to observe and apply the standards of the accounting profession.

Sec. 3. Definitions.

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As used in this act:

(a) The term "Board" means the District of Columbia Board of Accountancy established under section 4 of this act.

(b) The term "Council" means the Council of the District of Columbia as established under section 401(a) of the "District of Columbia Self-Government and Governmental Reorganization Act", approved December 24, 1973 (87 Stat. 785; D.C. Code, sec. 1-141(a)).

(c) The term "District" means the District of Columbia.

(d) The term "Mayor" means the Mayor of the District of Columbia, as established under section 421(a) of the "District of Columbia Self-Government and Governmental Reorganization Act", approved December 24, 1973 (87 Stat. 789; D.C. Code, sec. 1-161(a)).

(e) The term "state" includes any state, territory or insular possession of the United States and the District of Columbia.

(f) The term "valid permit" means an unexpired permit which has not been suspended or revoked.

Sec. 4. Board of Accountancy.

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(a) There is hereby established a board of accountancy in and for the District to be known as the District of Columbia Board of Accountancy and to consist of five (5) members appointed by the Mayor.

(b) The Board shall be appointed as follows:

(1) One (1) member of the Board shall be appointed from among those persons registered as public accountants under section 10 of this act, and one (1) member of the Board shall be appointed from among persons who are not accountants and who represent the consumer in accountancy.

(2) Three (3) members of the Board shall each hold a certificate as a Certified Public Accountant issued under section 8 of this act, hold a valid permit to practice issued under section 15 of this act and, at the time of the member's appointment, have been engaged in the practice of public accountancy as a Certified Public Accountant in the District for a period of not less than five (5) years.

(c) The members of the Board first appointed under this act shall be appointed for terms of office as follows: one (1) member for a term of one (1) year, two (2) members for a term of two (2) years each; and two (2) members for a term of three (3) years each. Their successors shall be appointed for a term of three (3) years. Vacancies occurring

during a term shall be filled by appointment for the unexpired term. Upon the expiration of a member's term of office, that member shall continue to serve until his or her successor has been appointed. No person who has served two (2) successive full terms shall be eligible for reappointment until after the lapse of one (1) year. An appointment to fill an unexpired term shall not be considered a full term.

(d) The Mayor may remove any member of the Board appointed under subsection (b)(2) of this section + whose permit to practice has become void or has been revoked or suspended. The Mayor may, after a hearing, remove any member of the Board for neglect of duty or other just cause.

(e) The Board shall promulgate regulations for the orderly conduct of its affairs and for the administration of this act.

(f) A majority of the Board shall constitute a quorum for the transaction of business.

(g) The Board is authorized to adopt a seal.

(h) The Board shall meet at least once a year.

(i) The Board is authorized to prescribe such rules and regulations not inconsistent with the provisions of this act as it deems consistent with or required by the public welfare and policy set forth in section 2 of this act. Such

rules and regulations shall include but are not limited to the following:

(1) rules of procedure;

(2) rules of professional conduct for establishing and maintaining high standards of competence and integrity in the profession of public accountancy;

(3) regulations governing educational requirements for the issuance of the certificate of certified public accountant and requirements of continuing education to be met from time to time by the holders of such certificates and permits as a condition of their continuing in the practice of public accountancy; and

(4) regulations governing corporations practicing public accounting including but not limited to:

(A) rules concerning their style, name, title and affiliation with any other organization;

(B) establishing reasonable standards with respect to professional liability insurance and unimpaired capital; and

(C) prescribing joint and several liability for torts relating to professional services for the shareholders of any corporation practicing public accounting, and failing to comply with the standards issued under this paragraph

(4).

Sec. 5. Fees.

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The Mayor is authorized to set fees, including such fees as may be necessary to cover the costs of administering this act, and the dates of issuance and expiration of certificates and permits to practice under this act.

Sec. 6. Acts Declared Unlawful.

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(a) Except as permitted by the Board pursuant to section 7 of this act, no person shall assume or use the title or designation "certified public accountant" or the abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that the person is a certified public accountant, unless the person has received a certificate as a certified public accountant under section 8 of this act, holds a valid permit issued under section 15 of this act and all of the person's offices in the District for the practice of public accounting are maintained and registered as required under section 14 of this act.

(b) No partnership or corporation shall assume or use the title or designation "certified public accountant" or the abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that the partnership or corporation is composed of certified public accountants unless the partnership or



corporation is registered as a partnership or corporation of certified public accountants under section 12 of this act, holds a valid permit issued under section 15 of this act and all offices of such partnership or corporation in the District for the practice of public accounting are maintained and registered as required under section 14 of this act.

(c) No person shall assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that such person is a public accountant unless that person is:

(1) registered as a public accountant under section 10 of this act, holds a valid permit issued under section 15 of this act and all of such person's offices in the District for the practice of public accounting are maintained and registered as required under section 14 of this act; or

(2) a certified public accountant under section 8 of this act.

(d) No partnership or corporation shall assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that the partnership or corporation is composed of public accountants unless it is a

partnership or corporation of public accountants as described in section 13 of this act or a partnership or corporation of certified public accountants under section 12 of this act, holds a valid permit issued under section 15 of this act and all offices of the partnership or corporation in the District for the practice of public accounting are maintained and registered as required under section 14 of this act.

(e) No person, partnership or corporation shall assume or use the title or designation "certified accountant", "chartered accountant", "enrolled accountant", "licensed accountant", "registered accountant", "accredited accountant" or any other title or designation likely to be confused with "certified public accountant" or "public accountant", or any of the abbreviations "CA", "PA", "RA", "LA", or "AA", or similar abbreviations likely to be confused with "CPA": PROVIDED, HOWEVER, That anyone who holds a valid permit issued under section 15 of this act and all of whose offices in the District for the practice of public accounting are maintained and registered as required under section 14 of this act may hold himself out to the public as an "accountant" or "auditor".

(f) No person shall sign or affix his or her name or any trade or assumed name used by the person in his or her

profession or business to any opinion or certificate attesting in any way to the reliability of any representation or estimate in regard to any person or organization embracing financial information or facts concerning compliance with conditions established by law or contract, including but not limited to statutes, ordinances, regulations, grants, loans and appropriations, together with any wording accompanying or contained in the opinion or certificate which indicates that the person is either an accountant or an auditor or has expert knowledge in accounting or auditing, unless the person holds a valid permit issued under section 15 of this act and all of the person's offices in the District for the practice of public accounting are maintained and registered under section 14 of this act: PROVIDED, HOWEVER, That the provisions of this subsection shall not prohibit any officer, employee, partner or principal of any organization from affixing his or her signature to any statement or report in reference to the affairs of the organization with any wording designating the position, title or office which he or she holds in the organization nor shall the provisions of this subsection prohibit any act of a public official or public employee in the performance of his or her official duties.

(g) No person shall sign or affix a partnership or corporate name to any opinion or certificate attesting in any way to the reliability of any representation or estimate in regard to any person or organization embracing financial information or facts respecting compliance with conditions established by law or contract, including but not limited to statutes, ordinances, regulations, grants, loans and appropriations, together with any wording accompanying or contained in the opinion or certificate which indicates that the partnership or corporation is composed of or employs accountants, auditors or other persons having expert knowledge in accounting or auditing, unless the partnership or corporation holds a valid permit issued under section 15 of this act and its offices in the District for the practice of public accounting are maintained and registered as required under section 14.

(h) No person shall assume or use the title or designation "certified public accountant" or "public accountant" in conjunction with names indicating or implying that there is a partnership or corporation or in conjunction with the designation "and Company" or "and Co." or a similar designation if there is in fact no bona fide partnership or corporation registered under section 12 or 13 of this act: PROVIDED, That a sole proprietor or partnership lawfully

using such title or designation in conjunction with such names or designation on the effective date of this act may continue to do so.

Sec. 7. Exceptions.

(a) Nothing contained in this act shall prohibit any person not a certified public accountant or public accountant from serving as an employee of or an assistant to a certified public accountant, a public accountant, a partnership or corporation composed of certified public accountants, public accountants holding a permit to practice issued under section 15 of this act or a foreign accountant registered under section 11 of this act: PROVIDED, That such employee or assistant shall not issue any accounting or financial statement over his or her name.

(b) Nothing contained in this act shall prohibit a certified public accountant, a registered public accountant of a state or any accountant who holds a certificate, degree or license in a foreign country, constituting a recognized qualification for the practice of public accounting in that country, from temporarily or periodically performing specific accounting work in the District if he or she is conducting a regular practice in the state or foreign country: PROVIDED, That the practice is incidental to his or her regular practice and is conducted in conformity with the

regulations and rules of professional conduct promulgated by the Board.

(c) Notwithstanding the prohibitions contained in section 6 of this act, a foreign accountant who has registered under the provisions of section 11 of this act and who holds a valid permit issued under section 15 of this act may use the title under which he or she is generally known in his or her country, followed by the name of the country from which the foreign accountant received his or her certificate, license or degree.

Sec. 8. Certified Public Accountants.

(a) The Board is authorized to issue a certificate of "certified public accountant" to any applicant who furnishes to the Board satisfactory proof that he or she meets the following qualifications:

- (1) is at least eighteen (18) years of age;
- (2) is of good moral character;
- (3) is a resident of the District or has been regularly employed in the District for the immediate six (6) months prior to the final date for accepting applications for the written examinations; or, in the case of an employee of a certified public accountant or a firm of certified public accountants registered to practice in the District, has been a bona fide resident of a foreign country for a

period of not less than the eighteen (18) months preceding the date of filing an application and is not qualified to be examined and to receive a certificate of certified public accountant in the state of last residence solely because of the aforesaid residence abroad;

(4) has passed a written examination in accounting and auditing and such related subjects as the Board shall determine to be appropriate; and

(5) (A) holds a baccalaureate degree with a concentration in accounting conferred by a college or university recognized by the Board or holds that which the Board determines to be substantially the equivalent thereof;

or

(B) holds a baccalaureate degree acceptable to the Board supplemented with the equivalent of an accounting concentration including related courses in other areas of business administration; and

(6) has paid all required fees.

(b) Waiver of the educational requirements specified in subsection (a)(5) of this section 8 shall be permitted only under the following circumstances:

(1) The Board shall waive all educational requirements specified in subsection (a)(5) of this section

for an applicant who is registered as a public accountant under section 10 of this act;

(2) The Board may waive the educational requirements specified in subsection (a)(5) of this section for an applicant who, on the effective date of this act, was employed as a staff accountant in the District by anyone practicing public accounting; PROVIDED, That the applicant can provide proof satisfactory to the Board of four (4) years of experience acceptable to the Board in the practice of public accounting or equivalent work experience; or

(3) The Board may waive the educational requirements in subsection (a)(5) for an applicant who, as a result of a written examination given or authorized by the board to test the applicant's educational qualifications demonstrates to the Board's satisfaction that he or she is as well equipped educationally as if he or she met the applicable educational requirements specified above.

(c) The examination described in subsection (a)(4) of this section shall be held at least once a year and at such other times as the Board may prescribe. The board may make use of all or any part of the Uniform Certified Public Accountant Examination and Advisory Grading Service which the Board deems appropriate.



(d) An applicant who provides proof satisfactory to the Board that he or she has a reasonable expectation of meeting the educational requirements within ninety (90) days following the examination prescribed in subsection (a)(4) of this section 8 shall be eligible to take said examination: PROVIDED, That the applicant has met all the other requirements of subsection (a) of this section 8 and: PROVIDED, FURTHER, That no certificate shall be issued nor shall credit for the examination or any part of it be given, unless the requirement is in fact completed within the ninety (90) days or within such time as the Board in its discretion may allow upon application.

(e) The Board may, by regulation, provide for granting credit to an applicant for the satisfactory completion of a written examination given by the licensing authority of any state in any one or more of the subjects included in the examination required pursuant to subsection (a)(4) of this section 8: PROVIDED, That any examination approved as a basis for any credit shall, in the judgment of the Board, be at least as thorough as the most recent examination given by the Board at the time of the granting of the credit.

(f) The Board may prescribe by regulation the terms and conditions under which an applicant who passes the examination in one (1) or more of the subjects indicated in

the examination prescribed under subsection (a)(4) of this section 8 may be re-examined. It may also provide by regulation for a reasonable waiting period before the applicant's re-examination in a subject he or she has failed. Subject to the foregoing and such other regulations as the Board may adopt governing re-examinations, an applicant shall be entitled to any number of re-examinations under subsection (a)(4) of this section 8.

(g) In general the applicable educational requirements under subsection (a)(5) of this section 8 shall be in effect on the date of the examination by which the applicant successfully completes his or her examination under subsection (a)(4) of this section 8. However the Board may provide by regulation for exceptions to the general rule in order to prevent what it determines to be undue hardship to applicants resulting from changes in the educational requirements in subsection (a)(5) of this section 8.

(h) Any person who has received from the Board a certificate as a certified public accountant and who holds a permit issued under section 15 of this act which is in full force and effect shall be styled and known as a "certified public accountant" and may also use the abbreviation "CPA".

(i) Nothing in this act shall be construed to prohibit any person holding a certificate issued pursuant to this

section 8, but not holding a valid permit issued under section 15 of this act, from assuming or using the title or designation "certified public accountant" or the abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that such person is a certified public accountant: PROVIDED, That:

(1) the Board has not revoked, suspended or refused to renew a permit previously issued to the person for any cause specified in section 15 of this act;

(2) such assumption or use is not incident to the practice of public accountancy; and

(3) such assumption or use is not in conjunction with or incident to any opinion or certificate within the purview of sections 6(f) and 6(g) of this act.

(j) Persons who, on the effective date of this act, hold a certified public accountant certificate or an endorsement of a certificate theretofore issued under the laws of the District shall not be required to obtain additional certificates under this act, but shall otherwise be subject to the provisions of this act and such certificate theretofore issued shall, for all purposes, be considered a certificate issued under and subject to the provisions of this act.

(k) The Board may, in its discretion, waive the examination under subsection (a)(4) of this section 3 and may issue an endorsement of a certificate as a "certified public accountant" to an applicant who:

(1) is a certified public accountant of a state or is the holder of a certificate of certified public accountant, or the equivalent thereof, issued in any foreign country: PROVIDED, That the requirements for such certificate are, in the opinion of the Board, equivalent to those herein required; and

(2) meets the qualifications specified in subsections (a)(1), (a)(2), (a)(5) and (a)(6) of this section 3: PROVIDED, That an applicant who is a certified public accountant in good standing of a state shall not be required to meet more extensive educational and experience qualifications than those required by the District at the time such applicant was granted his or her certificate of certified public accountant by such state; and

(3) declares his or her intention under oath of opening and maintaining or being employed in an office in the District for the purpose of engaging in the full-time public practice of his or her profession as a certified public accountant of the District.

(1) The holder of an endorsement of a certificate of certified public accountant, in full force and effect, shall have all of the privileges of the holder of a certificate of certified public accountant issued under this section and shall be subject to the provisions of this act.

(2) The Board shall maintain a record of certificates, endorsements and permits to practice issued under the authority of this act.

Sec. 9. Temporary Certificate and Permit as a Certified

Public Accountant.

If an applicant for a certificate and permit as a certified public accountant meets all of the requirements for the certificate and permit (other than the requirement of section 3(a)(3) of this act that the applicant be a resident of the District or have a place of business therein or, if an employee, be regularly employed therein) the Board may, in its discretion, issue to the applicant a temporary certificate and permit as a certified public accountant which shall be effective only until the Board notifies the applicant that his or her application has been either approved or rejected. In no event shall such a temporary certificate or permit be in effect for more than six (6) months after the date of its issuance.

Sec. 10. Public Accountants - Registration Thereof.

(a) Any person who (1) holds himself or herself out to the public as a public accountant and is engaged as a principal (as distinguished from an employee) within the District on the effective date of this act in the full-time practice of public accounting; and (2) is a resident of the District or has a place of business therein; and (3) is of good moral character may, within ninety (90) calendar days after the effective date of this act, register with the Board as a public accountant.

(b) The Board by regulation may provide for the registration of persons under subsection (a) of this section 10 who, prior to the effective date of this act, were in practice but due to extenuating circumstances were not in practice on the effective date of this act.

(c) Any individual registered under subsection (a) of this section 10 who holds a permit issued under section 15 of this act shall be styled and known as a "public accountant".

(d) Nothing in this act shall be construed to prohibit any person who has registered pursuant to this section 10, but who does not hold a valid permit issued under section 15, from assuming or using the title or designation "public accountant", or the abbreviation "PA", or any other title, designation, words, letters, abbreviation, sign, card or

device tending to indicate that the person is a public accountant: PROVIDED, That:

(1) the Board has not revoked, suspended or refused to renew a permit previously issued to the person for any cause specified in section 16 of this act;

(2) the assumption or use of the title or designation is not incident to the practice of public accountancy; and

(3) such assumption or use is not in conjunction with or incident to any opinion or certificate within the purview of sections 5(f) or 6(g) of this act.

Sec. 11. Foreign Accountants - Registration Thereof.

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The Board may, in its discretion, permit the registration of any person of good moral character who is the holder in good standing of a certificate, license or degree in a foreign country which constitutes a recognized qualification for the practice of public accounting in that country. A person so registered shall use only the title under which he or she is generally known in his or her own country, followed by the name of the country from which the certificate, license or degree was received.

Sec. 12. Partnerships and Corporations Composed of

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Certified Public Accountants - Registration Thereof.

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(a) A partnership engaged in the District in the practice of public accounting may register with the Board as a partnership of certified public accountants if it meets the following requirements:

(1) at least one (1) general partner thereof must be a certified public accountant of the District in good standing;

(2) each partner thereof must be a certified public accountant of a state in good standing; and

(3) at least one (1) partner or the resident manager in charge of an office of the partnership in the District and each partner thereof personally engaged within the District in the practice of public accounting as a member thereof must be a certified public accountant of the District in good standing.

(b) A corporation organized for the practice of public accounting may register with the Board as a corporation of certified public accountants if it is duly registered under the "District of Columbia Professional Corporation Act", approved December 10, 1971 (45 Stat. 576; D.C. Code, sec. 27-1101 et seq.) and is in compliance with such regulations as may be prescribed for such corporations.

(c) A partnership or corporation which is registered pursuant to this section 12 and which holds a permit issued



under section 15 of this act may use the words "certified public accountants" or the abbreviation "CPA" in connection with its partnership or corporate name. Notification shall be given the Board within one (1) month after the admission or withdrawal of a partner or shareholder in practice in the District from any partnership or corporation so registered.

Sec. 13. Partnerships and Corporations Composed of

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Public Accountants - Registration Thereof.

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(a) A partnership engaged in the District in the practice of public accounting may register with the Board as a partnership of public accountants if it meets the following requirements:

(1) at least one (1) general partner thereof is a certified public accountant or a public accountant of the District in good standing;

(2) each partner thereof personally engaged within the District in the practice of public accounting as a member of the partnership must be a certified public accountant or a public accountant of the District in good standing; and

(3) at least one (1) partner or the resident manager in charge of an office of a firm in the District must be a certified public accountant or a public accountant of the District in good standing.

(b) A corporation organized for the practice of public accounting may be formed under the "District of Columbia Professional Corporation Act", approved December 10, 1971 (45 Stat. 575; D.C. Code, sec. 29-1101 et seq.) and may register with the Board as a corporation of public accountants. The corporation must be in compliance with such other regulations pertaining to corporations practicing public accounting in the District as the Board may prescribe.

(c) The application for registration must be made upon the affidavit of a general partner or shareholder who holds a permit to practice in the District as a certified public accountant or as a public accountant. The Board shall in each case determine whether the applicant is eligible for registration. A partnership or corporation which is so registered and which holds a permit issued under section 15 of this act may use the words "public accountants" in connection with its partnership or corporate name. Notification shall be given the Board within one (1) month after the admission to or withdrawal of a partner or shareholder from any partnership or corporation so registered.

Sec. 14. Offices - Registration Thereof.

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(1) Each office established or maintained in the District for the practice of public accounting by a

certified public accountant, or partnership or corporation of certified public accountants; or by a public accountant or a partnership or corporation of public accountants; or by one registered under section 11 of this act shall be registered annually with the Board. Each such office shall be under the direct supervision of at least one (1) partner or the resident manager who may be either a principal, a shareholder or a staff employee holding a valid permit under section 15 of this act: PROVIDED, That the title or designation "certified public accountant" or the abbreviation "CPA" shall not be used in connection with such office unless the partner or resident manager is the holder of a certificate as a certified public accountant issued under section 8 of this act and a permit issued under section 15 of this act, both of which are in full force and effect. Such partner or resident manager may serve in such capacity at one (1) office only.

(b) The Board shall by regulation prescribe the procedure to be followed in effecting such registrations.

**Sec. 15. Annual Permits to Practice.**

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(a) Permits to engage in the practice of public accounting in the District shall be issued by the Board to holders of the certificates of certified public accountant issued under section 8 of this act who have furnished

evidence satisfactory to the Board of compliance with the requirements of subsection (b) of this section 15 and to persons, partnerships and corporations registered under sections 10, 11, 12 and 13 of this act: PROVIDED, That all offices in the District of the certificate holder or registrant are maintained and registered as required under section 14 of this act and: PROVIDED, FURTHER, That holders of certificates issued pursuant to section 8 of this act may be required as a condition of the issuance of a permit pursuant to this section 15 to demonstrate, in accordance with the regulations issued by the Board, experience of not fewer than two (2) years in either:

(1) auditing books and accounts of other persons in accordance with generally accepted auditing standards;

(2) reviewing financial statements and supporting material covering the financial conditions and operations of private business entities to determine the reliability and fairness of the financial reporting and compliance with generally accepted accounting principles;

(3) such other experience including auditing and accounting experience in a governmental agency as the Board in its discretion regards as qualifying experience under the facts and circumstances of individual cases; or

(4) any combination of the foregoing.

(b) All permits to practice shall expire on the day of the year set by the Mayor and may be renewed annually for a period of one (1) year by certificate holders and registrants in good standing. The failure of a certificate holder or registrant to apply for an annual permit to practice within three (3) years from either the expiration date of the permit to practice last obtained or renewed or the date upon which the certificate holder or registrant was granted his or her certificate or registration (if no permit was ever issued to him or her) shall deprive the person of the right to renew or have issued such permit, unless the Board in its discretion determines the failure to have been due to reasonable cause or excusable neglect. A permit to practice shall be issued, however, if the applicant satisfied the requirements for the initial issuance of the permit.

(c) After the Board promulgates regulations establishing continuing education requirements, as authorized pursuant to section 4(i)(3) of this act, applications for renewal shall be accompanied by such evidence of compliance therewith as the Board shall prescribe. The failure of an applicant for the renewal of an annual permit to furnish such evidence shall constitute cause under section 15 of this act for the revocation, suspension or refusal to renew the permit in a

proceeding under section 13 of this act, unless the Board in its discretion determines that the failure was a result of a reasonable cause or an excusable neglect. The Board in its discretion may renew an annual permit to practice, despite the failure to furnish evidence of the satisfaction of the requirements of continuing education, upon the condition that the applicant will follow a satisfactory program or schedule of continuing education. In issuing rules, regulations, and individual orders with respect to the requirements of continuing education, the Board in its discretion may, among other things, use and rely upon guidelines and pronouncements of recognized educational and professional associations; prescribe for content, duration, and organization of courses; take into account the accessibility to applicants of such continuing education as the Board may require and any impediments to the interstate practice of public accountancy which may result from differences in such requirements in the states; and provide for the relaxation or suspension of such requirements in instances of individual hardship.

Sec. 16. Revocation or Suspension of Certificate or

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Registration or Permit.

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After a notice and hearing as provided for in section 13 of this act, the Board may:

(1) revoke or suspend, for a period not to exceed three (3) years, any certificate issued under section 3 of this act or any registration granted under section 10 of this act;

(2) revoke, suspend or refuse to renew any permit issued under section 15 of this act; or

(3) censure the holder of any such permit for any one (1) or any combination of the following causes:

(A) fraud or deceit in obtaining a certificate, registration permit or other benefit under this act;

(B) dishonesty, fraud or gross negligence in the practice of public accounting;

(C) the violation of any of the provisions of section 6 of this act;

(D) the violation of a rule of professional conduct promulgated by the Board under the authority granted by this act;

(E) the conviction of a felony under the laws of any state or of the United States;

(F) the conviction of any crime, an element of which is dishonesty or fraud, under the laws of any state or of the United States;

(G) the cancellation, revocation, suspension or refusal to renew the holder's authority to practice as a certified public accountant or a public accountant by any state for any cause other than the failure to pay an annual registration fee in such state;

(H) the suspension or revocation of the holder's right to practice before any state or federal agency;

(I) with regard to the annual permit to practice, the failure of:

(i) a certificate holder or registrant to obtain an annual permit under section 15 of this act within the time specified in section 15(b); or

(ii) a holder of a valid permit to furnish evidence of satisfaction of the requirements of continuing education as required by the Board under section 15 of this act or to meet any conditions with respect to continuing education which the Board may have ordered concerning the certificate holder under that section; or

(J) conduct discreditable to the public accounting profession.

Sec. 17. Revocation or Suspension of Partnership's or

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Corporation's Registration or Permit.  
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(a) After a notice and hearing as provided in section 18 of this act, the Board shall revoke the registration and permit to practice of a partnership or corporation if at any time it does not meet all the qualifications prescribed by the section of this act under which it qualified for registration.

(b) After a notice and hearing as provided in section 18 of this act, the Board may:

(1) revoke or suspend the registration of a partnership or corporation;

(2) revoke, suspend or refuse to renew the permit of a partnership or corporation to practice under section 15; or

(3) censure the holder of any such permit for any of the causes enumerated in section 16 or for any of the following additional causes:

(A) the revocation or suspension of the certificate of registration or the revocation or suspension or refusal to renew the permit to practice of any partner or shareholder; or

(B) the cancellation, revocation, suspension or refusal to renew the authority of the partnership or corporation, or any partner or shareholder thereof, to practice public accounting in any state for any cause other

with the failure to pay an annual registration fee in such state.

Sec. 18. Hearings Before the Board - Periodic Review.

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(a) The Board shall adopt and prescribe administrative procedures governing the denial, suspension or revocation of any certificate, permit, endorsement or registration. Such procedures shall be consistent with the contested case provisions of the "District of Columbia Administrative Procedure Act", approved October 21, 1963 (32 Stat. 1208; D.C. Code, sec. 1-1508), including reasonable notice and an opportunity for a hearing.

(b) The Board is authorized and empowered in connection with any hearing pursuant to its authority under this section 18 to administer oaths and to subpoena any necessary witnesses, books, papers, records and documents.

Sec. 19. Reinstatement.

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(a) Upon an application in writing and after a hearing pursuant to a notice, the Board may:

- (1) issue a new certificate to a certified public accountant whose certificate has been revoked; or
- (2) permit the re-registration of anyone whose registration has been revoked; or

(3) reissue or modify the suspension of any permit to practice public accounting which has been revoked or suspended.

(b) The burden shall be upon the applicant to show that he or she qualifies for reinstatement.

Sec. 20. Injunction Against Unlawful Acts.

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Whenever, in the judgment of the Board, any person has engaged or is about to engage in acts or practices which constitute or will constitute a violation of section 6 of this act, the Board may make application to the appropriate court for an order enjoining such acts or practices and upon a showing by the Board that such person has engaged or is about to engage in any such acts or practices, an injunction, restraining order or such other order as may be appropriate shall be granted by such court.

Sec. 21. Penalty.

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Any person who violates any provision of section 6 of this act shall be guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than five hundred dollars (\$500) or to imprisonment for not more than one (1) year, or to both such fine and imprisonment. Whenever the Board has reason to believe that any person is liable to punishment under this section, it may certify the facts to the Corporation Counsel of the

District of Columbia who may, in his or her discretion, cause appropriate proceedings to be brought.

Sec. 22. Single Act Evidence of Practice.

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The display or uttering by a person of a card, sign, advertisement or other printed, engraved or written instrument or device bearing a person's name in conjunction with the words "certified public accountant" or any abbreviation thereof, or "public accountant" or any abbreviation thereof shall be prima facie evidence in any action brought under this act that the person whose name is so displayed caused or procured the display or uttering of such card, sign, advertisement or other printed, engraved or written instrument or device and that such person is holding himself or herself out to be a certified public accountant or a public accountant. In any such case, evidence of the commission of a single act prohibited by this act shall be sufficient to justify an injunction or a conviction without evidence of a general course of conduct.

Sec. 23. Ownership of an Accountant's Working Papers.

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All statements, records, schedules, working papers and memoranda made by a certified public accountant or public accountant incidental to or in the course of professional service to a client shall be and remain the property of such accountant, in the absence of an express agreement between

2-911) shall continue to exercise the powers, functions and duties vested in it under such act until five (5) members of the Board are duly appointed and officially take office.

(b) Title 5-H of the D.C. Rules and Regulations, regarding the Licensing of Certified Public Accountants, is hereby repealed.

Sec. 25. Effective Date.

(1) This act shall apply on and after the ninety-first day after its effective date.

(2) This act shall take effect as provided for acts of the Council of the District of Columbia in section 602(c)(1) of the "District of Columbia Self-Government and Governmental Reorganization Act", approved December 24, 1973 (87 Stat. 814; D.C. Code, sec. 1-147(c)(1)).

# RECORD OF OFFICIAL COUNCIL ACTION

Docket No: 2-69

First Reading Action: July 26, 1977

VOICE VOTE: Adopted Unanimously (All Present)

Robert Williams  
Secretary to the Council

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
TUCKER					MASON					SPAULDING				
HARDY					MOORE, D.					WILSON				
BARRY					MOORE, J.					WINTER				
CLARKE					ROLARK									
DIXON					SHACKLETON									

X—Indicates Vote    A. B.—Absent    N. V.—Not Voting

\_\_\_\_\_  
Secretary to the Council

Amended First Reading Action: October 25, 1977

VOICE VOTE: Adopted Unanimously (3abs.) Barry, Clarke, Hardy

Robert Williams  
Secretary to the Council

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
TUCKER					MASON					SPAULDING				
HARDY					MOORE, D.					WILSON				
BARRY					MOORE, J.					WINTER				
CLARKE					ROLARK									
DIXON					SHACKLETON									

X—Indicates Vote    A. B.—Absent    N. V.—Not Voting

\_\_\_\_\_  
Secretary to the Council

Final Reading or Emergency Action: November 8, 1977

VOICE VOTE: Adopted Unanimously (2 abs.) D Moore, Clarke

Robert Williams  
Secretary to the Council

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
TUCKER					MASON					SPAULDING				
HARDY					MOORE, D.					WILSON				
BARRY					MOORE, J.					WINTER				
CLARKE					ROLARK									
DIXON					SHACKLETON									

X—Indicates Vote    A. B.—Absent    N. V.—Not Voting

RECORD OF OFFICIAL COUNCIL ACTION (Page 2)

Docket No: 2-69

Presented to the Mayor: DEC 22 1977

Robert Williams  
Secretary to the Council

Action of the Mayor: \_\_\_\_\_

- Approved:  Disapproved;  
 Disapproved in part --\*Reference Document: \_\_\_\_\_  
 \*Budget Actions.

Metto Williams  
Mayor of the District of Columbia

JAN 9 1978

Returned Without Action

..... Executive Secretary, D. C.

Enacted without Mayor's Signature \_\_\_\_\_

..... Secretary to the Council

Council Reenactment: \_\_\_\_\_

VOICE VOTE: \_\_\_\_\_

..... Secretary to the Council

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.Y.	A.S.	COUNCIL MEMBER	AYE	NAY	N.Y.	A.S.	COUNCIL MEMBER	AYE	NAY	N.Y.	A.S.
TUCKER					MASON					SPAULDING				
HARDY					MOORE, D.					WILSON				
BARRY					MOORE, L.					WINTER				
CLARKE					ROLARK									
DIXON					SHACKLETON									

Y—Yeas    N—Nays    N.Y.—Not Voting    A.S.—Absent

..... Secretary to the Council

Presented to the President: \_\_\_\_\_

..... Secretary to the Council

Action of the President: \_\_\_\_\_

- Reenactment Approved  
 Mayor's Veto Sustained

..... President of the U. S.

Submitted to the Congress: JAN 18 1978

..... Secretary to the Council

Senate Action: \_\_\_\_\_  
 Resolution Number: \_\_\_\_\_

House Action: \_\_\_\_\_  
 Resolution Number: \_\_\_\_\_

..... Secretary of the Senate

..... Clerk of the House