

HOUSE BILL No. 2573

By Committee on Federal and State Affairs

Requested by Representative Bergkamp

1-28

1 AN ACT concerning the Kansas board of accountancy; relating to
2 licensure requirements for certified public accountants; amending
3 K.S.A. 1-202, 1-301, 1-302a, 1-302b, 1-307, 1-310, 1-321 and 1-322
4 and repealing the existing sections.

5

6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 1-202 is hereby amended to read as follows: 1-202.
8 (a) Each year the board shall meet and organize by electing a chairperson
9 and a ~~vice chairperson~~ *vice chairperson* from its membership. The board
10 shall appoint a secretary, who need not be a member of the board. The
11 board *shall have a seal and* shall meet at the call of the chairperson ~~but not~~ less than twice each year ~~and shall have a seal~~. The chairperson and the
12 secretary of the board shall have the power to administer oaths.

13 (b) The board shall keep records of all proceedings and actions by
14 and before it. In any proceedings in court, civil or criminal, arising out of
15 or founded upon any provisions of this act, copies of such records ~~which~~ *that* are certified as correct by the secretary of the board under the seal of
16 the board shall be admissible in evidence and shall be *prima facie* evidence
17 of the correctness of the contents thereof.

18 (c) The board may:

19 (1) Provide for certification, notification and registration and issue
20 permits to practice in accordance with the provisions of this act;

21 (2) adopt, amend and revoke rules and regulations governing its
22 administration and enforcement of this act, including, but not limited to:
23 (A) Educational qualifications required under K.S.A. 1-302a, and
24 amendments thereto; (B) experience qualifications required under K.S.A.
25 1-302b, and amendments thereto; (C) continuing professional education
26 qualifications required under K.S.A. 1-310, and amendments thereto; (D)
27 professional conduct directed to controlling the quality of services by
28 licensees; and dealing among other things with independence, integrity and
29 objectivity, competence and technical standards, responsibilities to the
30 public and clients, commissions and referral fees, contingent fees,
31 advertising, firm names, discreditable acts and communication with the
32 board; (E) professional standards applicable to licensees; (F) the manner
33 and circumstances of use of the titles "certified public accountant" and

1 "C.P.A."; (G) peer reviews required in K.S.A. 1-501, and amendments
2 thereto; and (H) the definition of substantial equivalency for purposes of
3 K.S.A. 1-322, and amendments thereto; and (I) such other rules and
4 regulations as the board may deem necessary to regulate the practice of
5 certified public accountancy.

6 (d) The board shall:

7 (1) Keep accounts of its receipts and disbursements;
8 (2) keep a register of Kansas certificates issued by the board;
9 (3) deny, revoke, suspend and reinstate certificates, notifications, firm
10 registrations and permits; and

11 (4) initiate proceedings, hold hearings and do all things necessary to
12 regulate the practice of certified public accountancy.

13 (e) Any statements on standards and guides imposed by the board
14 shall meet the standards or guides developed for general application either
15 by the American institute of certified public accountants or the division of
16 accounts and reports ~~which~~ that are in effect on July 1, 2001, or any later
17 version as adopted by the board in rules and regulations.

18 (f) A majority of the board shall constitute a quorum for the
19 transaction of any business at any meeting of the board.

20 Sec. 2. K.S.A. 1-301 is hereby amended to read as follows: 1-301. (a)
21 The board shall charge and collect a fee from each applicant for a Kansas
22 certificate or notification and shall charge and collect a fee for a Kansas
23 permit to practice as a certified public accountant in this state; and ~~shall~~
24 ~~charge and collect a fee for firm registrations in this state.~~ The board or the
25 board's designated examination service may charge an examination
26 application processing fee. Each fee payable to the board or the
27 examination service shall accompany the appropriate application.

28 (b) The board shall adopt rules and regulations fixing the fees
29 provided to be charged and collected under this section, which shall be as
30 follows:

31 (1) For issuance of a certificate (initial or duplicate), an amount not to
32 exceed \$50;

33 (2) for issuance of a reciprocal certificate, an amount not to exceed
34 \$350;

35 (3) for issuance or renewal of a permit to practice for the holder of a
36 Kansas certificate, an amount not to exceed \$350, subject to paragraphs (4)
37 and (6);

38 (4) for issuance or renewal of a permit to practice for the holder of a
39 Kansas certificate whose permit is issued or renewed for a period of 12
40 months or less, an amount equal to $\frac{1}{2}$ the amount of the fee fixed under
41 paragraph (3), subject to paragraph (6);

42 (5) for issuance of a duplicate permit to practice for the holder of a
43 Kansas certificate, an amount not to exceed \$50;

1 (6) for reinstatement of a permit to practice in the case of the holder
2 of a Kansas certificate who had in some prior year held a permit to
3 practice but ~~who~~ did not hold such a permit for the year immediately
4 preceding the period for which a permit to practice is requested, or who, if
5 holding a permit to practice for such period immediately preceding applies
6 for renewal subsequent to the expiration date of such permit, an amount
7 equal to 1½ times the amount of the fee then fixed under paragraph (3) or
8 paragraph (4), whichever is applicable; *and*

9 (7) ~~for notification or renewal of notification required pursuant to
10 K.S.A. 1-322, and amendments thereto, an amount not to exceed \$150;~~
11 ~~and~~

12 (8) for an initial or an annual firm registration, an amount not to
13 exceed \$300;

14 (9) for renewing a firm registration after the expiration, an amount
15 equal to 1½ times the amount of the fee then fixed under paragraph (8);

16 (10) for examination application processing by the board, an
17 amount not to exceed \$150.

18 (c) On or before May 30 each year, the board shall determine the
19 amount of funds that will be required during the ensuing year to carry out
20 and enforce the provisions of law administered by the board and may
21 adopt rules and regulations to change any fees fixed under this section as
22 may be necessary, subject to the limitations prescribed by this section.
23 Upon changing any renewal fees as provided by this section, the board
24 shall immediately notify all holders of permits to practice and of firm
25 registrations of the amount of such fees. The fees fixed by the board and in
26 effect under this section immediately prior to the effective date of this act
27 shall continue in effect until such fees are fixed by the board by rules and
28 regulations as provided by this section.

29 Sec. 3. K.S.A. 1-302a is hereby amended to read as follows: 1-302a.

30 (a) The education requirement prescribed by K.S.A. 1-302, and
31 amendments thereto, is satisfied if the applicant meets *all one* of the
32 following requirements:

33 (1) Is the holder of a baccalaureate or higher academic degree from a
34 college or university approved by the board, *the total education program*
35 *to include a concentration in accounting or equivalent as determined by*
36 *the board;*

37 (2) ~~has been awarded credit by a college or university approved by
38 the board for at least 150 semester hours, with a concentration in
39 accounting~~ *is the holder of a baccalaureate or higher academic degree*
40 *from a college or university approved by the board and has been awarded*
41 *credit for an additional 30 semester hours by a college or university*
42 *approved by the board, the total educational program to include a*
43 *concentration in accounting or equivalent as determined to be appropriate*

1 by the board; and or

2 (3) the credit for the concentration in accounting is accepted by the
3 board is the holder of a post-baccalaureate academic degree from a college
4 or university approved by the board, the total educational program to
5 include a concentration in accounting or equivalent as determined to be
6 appropriate by the board.

7 (b) An applicant for admission to take the initial examination in this
8 state as required in K.S.A. 1-302, and amendments thereto, must submit
9 evidence satisfactory to the board or to the examination service that the
10 applicant either:

11 (1) Meets any of the requirements of subsection (a); or

12 (2) reasonably expects to meet the requirements of subsection (a)
13 within 60 days from the date the applicant takes the first section of such
14 examination. The applicant shall submit final official transcripts and any
15 documents verifying completion of the education requirements of
16 subsection (a) to the board or the examination service within 120 days
17 after the applicant has taken the first section of the examination. If final
18 official transcripts and any documents verifying completion of such
19 education requirements are not received by the board or the examination
20 service within 120 days after the applicant has taken the first section of the
21 examination, the applicant's grades for all sections of the examination may
22 be voided, subject to notice and an opportunity for the applicant to be
23 heard pursuant to the Kansas administrative procedures act.

24 (c) The board may define, by rules and regulations, the term
25 "concentration in accounting." The board may also prescribe, by rules and
26 regulations, the type and amount of credit submitted pursuant to subsection
27 (a).

28 Sec. 4. K.S.A. 1-302b is hereby amended to read as follows: 1-302b.
29 (a) No applicant who holds a Kansas certificate issued by the board shall
30 receive a permit to practice in this state as a certified public accountant
31 until the applicant submits evidence, satisfactory to the board, of having
32 completed either one year of accounting experience for applicants
33 applying on the basis of K.S.A. 1-302a(a)(2) or (a)(3), and amendments
34 thereto, or two years of accounting experience for applicants applying on
35 the basis of K.S.A. 1-302(a)(1), and amendments thereto. This experience
36 shall include providing any type of service or advice involving the use of
37 attest or nonattest skills all of which was verified by a certified public
38 accountant holding an active license to practice, meeting requirements
39 prescribed by the board by rule. This experience would be acceptable if it
40 was gained through employment in government, industry, academia or
41 public practice.

42 (b) Any individual permit holder who is responsible for supervising
43 attest or compilation services and signs or authorizes someone to sign the

1 accountant's report on any attest or compilation service on behalf of the
2 firm; shall meet the experience or competency requirements; as adopted by
3 the board through rules and regulations.

4 (c) Any individual permit holder who signs or authorizes someone to
5 sign the accountant's report on any attest or compilation service on behalf
6 of the firm; shall meet the experience or competency requirement of
7 subsection (b).

8 (d) As an alternative to the requirements of subsection (a), an
9 individual with an active license issued by another state who establishes
10 such individual's principal place of business in this state shall request the
11 issuance of both a certificate and a permit to practice from the board prior
12 to establishing such principal place of business. The board may issue both
13 a certificate and a permit to such individual who ~~is eligible under the~~
14 ~~substantial equivalency standard set out in either paragraph (1) or~~
15 ~~paragraph (2) of subsection (a) of K.S.A. 1-322 meets the qualifications~~
16 ~~and requirements in either K.S.A. 1-322(a)(1) or (2), and amendments~~
17 ~~thereto. An application under this section may be made through an~~
18 ~~appraisal service or similar organization approved by the board. Any~~
19 ~~individual meeting the requirements set forth in this subsection who is~~
20 ~~denied a certificate and a permit to practice shall have the opportunity to~~
21 ~~be heard pursuant to the Kansas administrative procedures act.~~

22 Sec. 5. K.S.A. 1-307 is hereby amended to read as follows: 1-307. (a)
23 The board, in its discretion, may waive the examination of and may issue a
24 certificate to a holder of a certificate as a "certified public accountant"
25 issued under the laws of any state upon a showing that:

26 (1) The applicant passed the examination required for issuance of the
27 applicant's certificate with grades that would have been passing grades at
28 the time in this state; and the applicant: (A) Meets all current requirements
29 in this state for the issuance of a certificate at the time application is made;
30 (B) at the time of the issuance of the applicant's certificate in the other
31 state, met all such requirements then applicable in this state; or (C) had
32 four years of experience of the type described in K.S.A. 1-302b(a), and
33 amendments thereto, after passing the examination upon which the
34 applicant's certificate was based and within the 10 years immediately
35 preceding the application; or

36 (2) the applicant meets the ~~substantial equivalency standard~~
37 *qualifications and requirements* set out in either K.S.A. 1-322(a)(1) or (2),
38 and amendments thereto.

39 (b) The board shall issue a certificate to a holder of a foreign
40 designation, granted in a foreign country entitling the holder thereof to
41 engage in the practice of certified public accountancy, provided that:

42 (1) The foreign authority ~~which~~ that granted the designation makes
43 similar provision to allow a person who holds a valid certificate issued by

1 this state to obtain such foreign authority's comparable designation;
2 (2) the foreign designation: (A) Was duly issued by a foreign
3 authority that regulates the practice of certified public accountancy and the
4 foreign designation has not expired or been revoked or suspended; (B)
5 entitles the holder to issue reports upon financial statements; and (C) was
6 issued upon the basis of educational, examination and experience
7 requirements established by the foreign authority or by law;

8 (3) the applicant: (A) Received the designation, based on educational
9 and examination standards—*substantially equivalent similar* to those in
10 effect in this state at the time the foreign designation was granted; (B)
11 completed an experience requirement, *substantially equivalent similar* to
12 the requirement set out in K.S.A. 1-302b, and amendments thereto, in the
13 jurisdiction—*which that* granted the foreign designation; and (C) passed a
14 uniform qualifying examination in national standards and an examination
15 on the laws, regulations and code of ethical conduct in effect in this state
16 acceptable to the board; and

17 (4) the applicant shall in the application list all jurisdictions, foreign
18 and domestic, in which the applicant has applied for or holds a designation
19 to practice public accountancy.

20 Each holder of a certificate issued under this subsection shall notify the
21 board in writing, within 30 days after its occurrence, of any issuance,
22 denial, revocation or suspension of a designation or commencement of a
23 disciplinary or enforcement action by any jurisdiction. The board has the
24 sole authority to interpret the application of the provisions of this
25 subsection.

26 Sec. 6. K.S.A. 1-310 is hereby amended to read as follows: 1-310. (a)
27 Permits to engage in the practice of certified public accountancy in this
28 state shall be issued by the board to persons who have met the
29 requirements under K.S.A. 1-302b, and amendments thereto.

30 (b) Each holder of a Kansas certificate, *which is* numbered with an
31 odd number, who is qualified under K.S.A. 1-302b, and amendments
32 thereto, shall have a permit to practice issued or renewed on a biennial
33 basis, which shall expire on the next July 1—*which that* occurs after the date
34 *that* the permit was issued or renewed—and *which occurs* in an odd-
35 numbered year.

36 (c) Each holder of a Kansas certificate, *which is* numbered with an
37 even number, who is qualified under K.S.A. 1-302b, and amendments
38 thereto, shall have a permit to practice issued or renewed on a biennial
39 basis, which shall expire on the next July 1—*which that* occurs after the date
40 *that* the permit was issued or renewed—and *which occurs* in an even-
41 numbered year.

42 (d) A person may renew a permit within 12 months of its expiration
43 date if such person submits a complete and sufficient renewal application

1 together with the fee prescribed by K.S.A. 1-301, and amendments thereto.

2 (e) As a condition for renewal of a permit to practice, the board may
3 require all permit holders to furnish with such applicant's renewal
4 application; evidence of participation in continuing education in
5 accounting, auditing; or related areas of at least 80 hours during the two-
6 year period for renewal unless the board waives all or a portion of the
7 continuing education requirements.

8 (f) The board may exempt from the continuing education
9 requirements an individual who holds a permit from another state if:

10 (1) The permit holder has a principal place of business located
11 outside the state of Kansas;

12 (2) the permit holder verifies to the board's satisfaction that such
13 person has met the continuing education requirements of the state in which
14 the principal place of business is located; and

15 (3) the board considers the continuing education requirements of the
16 state in which the principal place of business is located to be ~~substantially~~
17 *equivalent similar* to those of Kansas.

18 (g) A person who fails to renew a permit within 12 months after its
19 expiration may apply for reinstatement by making application on a form
20 provided by the board, submitting a reinstatement fee as prescribed by
21 K.S.A. 1-301, and amendments thereto, and ~~submitting~~ proof that such
22 person has obtained 40 hours of qualifying continuing education within the
23 preceding 12 months prior to applying for reinstatement.

24 Sec. 7. K.S.A. 1-321 is hereby amended to read as follows: 1-321.
25 When used in chapter 1 of the Kansas Statutes Annotated, and
26 amendments thereto, ~~the following terms shall have the meanings~~
27 ~~indicated:~~

28 (a) "Actively participate" means participation that is continuous as
29 one's primary occupation.

30 (b) "Affiliated entity" means one that provides services to the CPA
31 firm or provides services to the public that are complementary to those
32 provided by the CPA firm.

33 (c) "AICPA" means the American institute of certified public
34 accountants.

35 (d) "Attest" means providing the following services:

36 (1) Any audit or other engagement to be performed in accordance
37 with the statements on auditing standards (SAS);

38 (2) any audit to be performed in accordance with the Kansas
39 municipal audit guide;

40 (3) any review of a financial statement to be performed in accordance
41 with the statements on standards for accounting and review services
42 (SSARS);

43 (4) any engagement, except a compilation, to be performed in

1 accordance with the statements on standards for attestation engagements
2 (SSAE); and

3 (5) any engagement to be performed in accordance with the standards
4 of the PCAOB.

5 (e) "Board" means the Kansas board of accountancy established
6 under K.S.A. 1-201, and amendments thereto.

7 (f) "Certificate" means a certificate as a certified public accountant
8 issued under K.S.A. 1-302, and amendments thereto, or a certificate as a
9 certified public accountant issued after examination under the law of any
10 other state.

11 (g) "Client" means a person or entity that agrees with a permit holder
12 or firm to receive any professional service.

13 (h) "Compilation" means providing a service to be performed in
14 accordance with the statements on standards for accounting and review
15 services (SSARS) or the statements on standards for attestation
16 engagements (SSAE) the objective of which is to present in the form of
17 financial statements, information that is the representation of management
18 or owners, or both, without undertaking to express any assurance on the
19 statements.

20 (i) "Directed" means the location to which the engagement letter is
21 sent.

22 (j) "Equity capital" means: (1) Capital stock, capital accounts, capital
23 contributions or undistributed earnings of a registered firm as referred to in
24 K.S.A. 1-308, and amendments thereto; and (2) loans and advances to a
25 registered firm made or held by its owners. "Equity capital" does not
26 include an interest in bonuses, profit sharing plans, defined benefit plans or
27 loans to a registered firm from banks, financial institutions or other third
28 parties that do not actively participate in such registered firm.

29 (k) "Firm" means:

30 (1) An individual who operates as a sole practitioner and ~~who~~ issues
31 reports subject to peer review; or

32 (2) any business organization, including, but not limited to, a general
33 partnership, limited liability partnership, general corporation, professional
34 corporation or limited liability company.

35 (l) "Good moral character" means lack of a history of dishonesty or a
36 felonious act.

37 (m) "Active license" means a certificate or a permit to practice issued
38 by another state that is currently in force and authorizes the holder to
39 practice certified public accountancy.

40 (n) "Licensee" means the holder of a certificate or a permit to practice
41 issued by this state or another state.

42 (o) "Manager" means a manager of a limited liability company.

43 (p) "Member" means a member of a limited liability company.

1 (q) "NASBA" means the national association of state boards of
2 accountancy.

3 (r) "Nonattest" means providing the following services:

4 (1) The preparation of tax returns and providing advice on tax
5 matters;

6 (2) the preparation of any compilation;

7 (3) management advisory, consulting, litigation support and assurance
8 services, except for attest services;

9 (4) financial planning;

10 (5) valuation services; and

11 (6) any other financial service not included in the statements on
12 auditing standards, the statements on standards for accounting and review
13 services, the standards for attestation engagements as developed by the
14 American institute of certified public accountants or as defined by the
15 board.

16 (s) "PCAOB" means the public company accounting oversight board
17 created by the Sarbanes-Oxley act of 2002.

18 (t) "Practice of certified public accountancy" means performing or
19 offering to perform attest or nonattest services for the public while using
20 the designation "certified public accountant" or CPA in conjunction with
21 such services.

22 (u) "Practice of public accountancy" means performing or offering to
23 perform attest or nonattest services for the public by a person not required
24 to have a permit to practice or a firm not required to register with the
25 board.

26 (v) "Principal place of business" means the *licensee's or applicant's*
27 ~~primary office location designated by the licensee for purposes of~~
28 ~~substantial equivalency and reciprocity where the licensee or applicant~~
29 ~~engages in the practice of certified public accountancy~~.

30 (w) "Professional" means arising out of or related to the specialized
31 knowledge or skills associated with CPAs.

32 (x) "Report," when used with reference to any attest or compilation
33 service, means an opinion, report or other form of language that states or
34 implies assurance as to the reliability of the attested information or
35 compiled financial statements and that also includes or is accompanied by
36 any statement or implication that the person or firm issuing it has special
37 knowledge or competence in accounting or auditing. Such a statement or
38 implication of special knowledge or competence may arise from use, by
39 the issuer of the report, of names or titles indicating that the person or firm
40 is an accountant or auditor or from the language of the report itself. The
41 term report includes any form of language ~~which~~ that disclaims an opinion
42 when such form of language is conventionally understood to imply any
43 positive assurance as to the reliability of the attested information or

1 compiled financial statements referred to or special competence on the part
2 of the person or firm issuing such language; and it. "Report" also includes
3 any other form of language that is conventionally understood to imply
4 such assurance or such special knowledge or competence.

5 (y) "Rule" means any rule or regulation adopted by the board.

6 (z) "State" means any state of the United States, the District of
7 Columbia, Puerto Rico, the U.S. Virgin Islands and Guam; except that
8 "this state" means the state of Kansas.

9 (aa) ~~"Substantial equivalency" is a determination by the board of
10 accountancy or its designee that the education, examination and
11 experience requirements contained in the statutes and administrative rules
12 of another jurisdiction are comparable to, or exceed the education,
13 examination and experience requirements contained in the uniform
14 accountancy act or that an individual CPA's education, examination and
15 experience qualifications are comparable to or exceed the education,
16 examination and experience requirements contained in the uniform
17 accountancy act. In ascertaining substantial equivalency as used in this act,
18 the board shall take into account the qualifications without regard to the
19 sequence in which experience, education or examination requirements
20 were attained.~~

21 (bb) "Uniform accountancy act" means model legislation issued by
22 the AICPA and NASBA in existence on July 1, 2007.

23 Sec. 8. K.S.A. 1-322 is hereby amended to read as follows: 1-322. (a)
24 (1) An individual whose principal place of business is not in this state
25 having an active license *in good standing* to practice certified public
26 accountancy from any state which the board or its designee has verified to
27 be in substantial equivalency with the CPA licensure requirements of the
28 uniform accountancy act shall be presumed to have qualifications
29 substantially equivalent to this state's requirements and may shall be
30 granted all the privileges of permit holders of this state without the need to
31 obtain a permit issued under K.S.A. 1-310, and amendments thereto; or
32 *otherwise register with the board or pay any fee provided that at the time
33 of initial licensure, the individual was required to show evidence of having
34 passed the uniform CPA examination and having met one of the following
35 three requirements:*

36 (A) *A baccalaureate or higher academic degree from a college or
37 university approved by the board, the total educational program to include
38 a concentration in accounting or equivalent as determined to be
39 appropriate by the board, and not less than two years of accounting
40 experience, as defined by board rule;*

41 (B) *a baccalaureate or higher academic degree from a college or
42 university approved by the board and an additional 30 semester hours
43 from a college or university approved by the board, the total educational*

1 program to include a concentration in accounting or equivalent as
2 determined to be appropriate by the board, and not less than one year of
3 accounting experience, as defined by board rule; or

4 (C) a post-baccalaureate or higher academic degree from a college
5 or university approved by the board, the total educational program to
6 include a concentration in accounting or equivalent as determined to be
7 appropriate by the board, and not less than one year of accounting
8 experience, as defined by board rule.

9 (2) An individual whose principal place of business is not in this state
10 having an active license *in good standing* to practice certified public
11 accountancy from any state which the board or its designee has not
12 verified to be in substantial equivalency with the CPA licensure
13 requirements of the uniform accountancy act shall be presumed to have
14 qualifications substantially equivalent to this state's requirements and may
15 be granted and who, as of such date, had practice privileges in this state
16 under this section shall continue to have all the privileges of permit
17 holders of this state without the need to obtain a permit to practice issued
18 under K.S.A. 1-310, and amendments thereto, if such individuals' certified
19 public accountancy qualifications are substantially equivalent to the
20 following requirements:

21 (A) Have at least 150 semester hours of college education, including
22 a baccalaureate or higher academic degree, with a concentration in
23 accounting as defined by the home licensing jurisdiction, from a college or
24 university;

25 (B) obtains credit for passing each of the four test sections of the
26 uniform certified public accountant examination; and

27 (C) possess at least one year of experience including service or advice
28 involving the use of accounting, attest, compilation, management advisory,
29 financial advisory, tax or consulting skills, all of which were verified by a
30 certified public accountant holding an active license to practice.

31 Any individual who has passed the uniform certified public accountant
32 examination and holds a valid license to practice certified public
33 accountancy issued by another state prior to January 1, 2012, may be
34 exempt from the education requirement in subsection (a)(2)(A) for the
35 purposes of this section or to otherwise register with the board or pay any
36 fee.

37 (b) Any licensee of another state exercising the privilege afforded
38 under subsection (a) *this section* and the firm ~~which~~ *that* employs ~~that~~
39 such licensee hereby simultaneously consent, as a condition of the grant of
40 this privilege:

41 (1) To the personal and subject matter jurisdiction of this board;

42 (2) to the appointment of the state regulatory body ~~which~~ *that* issued
43 their licenses as the agent upon whom process may be served in any action

1 or proceeding by the Kansas board against the licensee;

2 (3) to cease offering or rendering professional services in this state
3 individually and on behalf of the firm in the event that the license from the
4 state of the individual's principal place of business is no longer valid; and
5 (4) to comply with this act and the board's rules and regulations.

6 (c) An individual who has been granted practice privileges under this
7 section who, for any client in this state, performs any of the following
8 services: (1) Any audit or other engagement to be performed in accordance
9 with the statements on auditing standards (SAS); (2) any audit to be
10 performed in accordance with the Kansas municipal audit guide; (3) any
11 review of a financial statement to be performed in accordance with the
12 statements on standards for accounting and review services (SSARS); (4)
13 any engagement, except a compilation, to be performed in accordance with
14 the statements on standards for attestation engagements (SSAE); and (5)
15 any engagement to be performed in accordance with the standards of the
16 PCAOB; may only do so through a firm ~~which~~ that has registered pursuant
17 to K.S.A. 1-308, and amendments thereto.

18 (d) Any individual prohibited from practicing certified public
19 accountancy in this state, as a result of having a permit, certificate or
20 practice privilege revoked or suspended by the board, shall not be granted
21 practice privileges under this section without first obtaining the approval
22 of the board.

23 (e) A holder of a permit to practice issued by this state offering or
24 rendering services or using a CPA title in another state may be subject to
25 disciplinary action in this state for an act committed in another state for
26 which the permit holder would be subject to discipline for an act
27 committed in the other state. The board shall investigate any complaint
28 made by the board of accountancy of another state.

29 Sec. 9. K.S.A. 1-202, 1-301, 1-302a, 1-302b, 1-307, 1-310, 1-321 and
30 1-322 are hereby repealed.

31 Sec. 10. This act shall take effect and be in force from and after its
32 publication in the statute book.