

1 AN ACT concerning accountants.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Public Accounting Act is amended
5 by changing Sections 0.03, 1, 4, and 20.1 and adding Sections
6 16.1 and 20.02 as follows:

7 (225 ILCS 450/0.03) (from Ch. 111, par. 5500.03)
8 (Section scheduled to be repealed on January 1, 2014)
9 (Text of Section before amendment by P.A. 92-457)

10 Sec. 0.03. Definitions. As used in this Act, unless the
11 context otherwise requires:

12 (a) "Certified Public Accountant" means any person who
13 has been issued a certificate as a certified public
14 accountant from the University of Illinois.

15 (b) "Public Accountant" means any person licensed under
16 this Act.

17 (c) "Department" means the Department of Professional
18 Regulation.

19 (d) "Director" means the Director of Professional
20 Regulation.

21 (e) "Committee" means the Illinois Public Accountants
22 Registration Committee appointed by the Director.

23 (f) "License", "licensee" and "licensure" refers to the
24 authorization to practice under the provisions of this Act.

25 (g) "Peer review program" means a study, appraisal, or
26 review of one or more aspects of the professional work of a
27 person or firm certified or licensed under this Act,
28 including quality review, peer review, practice monitoring,
29 quality assurance, and similar programs undertaken
30 voluntarily or in response to membership requirements in a
31 professional organization, or as a prerequisite to the

1 providing of professional services under government
2 requirements, or any similar internal review or inspection
3 that is required by professional standards.

4 (h) "Review committee" means any person or persons
5 conducting, reviewing, administering, or supervising a peer
6 review program.

7 (i) "University" means the University of Illinois.

8 (j) "Board" means the Board of Examiners established
9 under Section 2.

10 (Source: P.A. 88-36.)

11 (Text of Section after amendment by P.A. 92-457)

12 Sec. 0.03. Definitions. As used in this Act, unless the
13 context otherwise requires:

14 (a) "Certified Public Accountant" means any person who
15 has been issued and holds a current, unrevoked certificate as
16 a certified public accountant from the Board of Examiners.

17 (b) "Licensed Certified Public Accountant" means any
18 person licensed under this Act.

19 (c) (Blank).

20 (d) (Blank).

21 (e) (Blank).

22 (f) "License", "licensee" and "licensure" refers to the
23 authorization to practice under the provisions of this Act.

24 (g) "Peer review program" means a study, appraisal, or
25 review of one or more aspects of the professional work of a
26 person or firm certified or licensed under this Act,
27 including quality review, peer review, practice monitoring,
28 quality assurance, and similar programs undertaken
29 voluntarily or in response to membership requirements in a
30 professional organization, or as a prerequisite to the
31 providing of professional services under government
32 requirements, or any similar internal review or inspection
33 that is required by professional standards.

34 (h) "Review committee" means any person or persons

1 conducting, reviewing, administering, or supervising a peer
2 review program.

3 (i) "University" means the University of Illinois.

4 (j) "Board" means the Board of Examiners established
5 under Section 2.

6 (Source: P.A. 92-457, eff. 7-1-04.)

7 (225 ILCS 450/1) (from Ch. 111, par. 5501)

8 (Section scheduled to be repealed on January 1, 2014)

9 (Text of Section before amendment by P.A. 92-457)

10 Sec. 1. Any person, eighteen years of age or older, who
11 has received from the University of Illinois, hereinafter
12 called the University, a certificate of his qualifications as
13 hereinafter provided, shall be styled and known as a
14 "Certified Public Accountant," and no other person shall
15 assume such title or use the abbreviation "C.P.A." or any
16 words or letters to indicate that the person using the same
17 is a certified public accountant.

18 (Source: P.A. 83-291.)

19 (Text of Section after amendment by P.A. 92-457)

20 Sec. 1. Any person, eighteen years of age or older, who
21 has received from the Board a certificate of his
22 qualifications as hereinafter provided and who holds a
23 current, registered, and unrevoked certificate, shall be
24 styled and known as a "Certified Public Accountant," and no
25 other person shall assume such title or use the abbreviation
26 "C.P.A." or any words or letters to indicate that the person
27 using the same is a certified public accountant.

28 (Source: P.A. 92-457, eff. 7-1-04.)

29 (225 ILCS 450/4) (from Ch. 111, par. 5505)

30 (Section scheduled to be repealed on January 1, 2014)

31 Sec. 4. The provisions of this Act shall not be
32 construed to invalidate any certificates as certified public

1 accountants issued by the University under "An Act to
 2 regulate the profession of public accountants", approved May
 3 15, 1903, as amended, or any certificates as Certified Public
 4 Accountants issued by the University under Section 4 of "An
 5 Act to regulate the practice of public accounting and to
 6 repeal certain acts therein named", approved July 22, 1943,
 7 as amended, which certificates shall be valid and in force as
 8 though issued under the provisions of this Act, unless
 9 suspended or revoked under the provisions of Section 20.02 of
 10 this Act.

11 (Source: P.A. 83-291.)

12 (225 ILCS 450/16.1 new)

13 (Section scheduled to be repealed on January 1, 2014)

14 Sec. 16.1. Expiration and renewal of certificates.

15 (a) Each holder of a CPA certificate issued under this
 16 Act or under "An Act to regulate the profession of public
 17 accountants", approved May 15, 1903, as amended, or under
 18 Section 4 of "An Act to regulate the practice of public
 19 accounting and to reveal certain acts therein named",
 20 approved July 22, 1943, as amended, shall register and
 21 reregister his or her name, address, and such other
 22 information with the Board at such times as the Board may by
 23 rule require.

24 (b) Every application for renewal of a certificate shall
 25 be accompanied by a nominal fee, as the Board may require.

26 (c) Failure by the holder of a CPA certificate to
 27 register or reregister as required by this Section shall
 28 constitute grounds for disciplinary action under Section
 29 20.02, unless the Board in its discretion shall determine the
 30 failure to have been due to reasonable cause.

31 (225 ILCS 450/20.02 new)

32 (Section scheduled to be repealed on January 1, 2014)

1 Sec. 20.02. Grounds for discipline of certificate
2 holder.

3 (a) The Board may refuse to issue a certificate, may
4 revoke or suspend any certificate, reprimand any certificate
5 holder, place a certificate holder on probation for a period
6 of time, or impose a fine not to exceed \$5,000 for each
7 violation for any one or more of the following:

8 (1) Attempting to procure a CPA certificate or
9 license to practice public accounting by bribery or
10 fraudulent misrepresentation.

11 (2) Having a CPA certificate or license to practice
12 public accounting revoked, suspended, or otherwise acted
13 against by the licensing authority of another state, or
14 the District of Columbia, or any United States territory.
15 No disciplinary action shall be taken in Illinois if the
16 action taken in another jurisdiction was based upon
17 failure to pay a license renewal fee or failure to meet
18 the experience or continuing professional education
19 requirements of that jurisdiction.

20 (3) Being convicted or found guilty, regardless of
21 adjudication, of a crime under the laws of the United
22 States or any state or territory of the United States,
23 that is a felony or misdemeanor and that directly relates
24 to the practice of accounting or the ability to practice
25 accounting, including but not limited to any felony or
26 misdemeanor that has dishonesty as an essential element.

27 (4) Making or filing a report or record that the
28 individual knows to be false, willfully failing to file a
29 report or record required by State or federal law,
30 willfully impeding or obstructing the filing, or inducing
31 another person to impede or obstruct the filing. The
32 reports or records shall include only those that are
33 signed in the CPA's professional capacity.

34 (5) Proof that the certificate holder or applicant

1 has, in his or her professional practice, engaged in
2 fraud, deceit, gross negligence, incompetence,
3 misconduct, or dishonorable, unethical, or unprofessional
4 conduct of a character likely to deceive, defraud, or
5 harm the public or violating the rules of professional
6 conduct adopted by the Board.

7 (6) Failing to register or reregister as required
8 by Section 16.1 of this Act.

9 (7) A finding by the Board that a certificate
10 holder has not complied with a provision of any lawful
11 order issued by the Board.

12 (8) Failing to make a substantive response to a
13 request for information by the Board within 60 days of
14 the request.

15 (b) In rendering an order, the Board shall take into
16 consideration the facts and circumstances involving acts or
17 omissions in subsection (a), including but not limited to:

18 (1) the extent to which public confidence in the
19 public accounting profession was, might have been, or may
20 be injured;

21 (2) the degree of trust and dependence among the
22 involved parties;

23 (3) the character and degree of financial or
24 economic harm that did or might have resulted; and

25 (4) the intent or mental state of the person
26 charged at the time of the acts or omissions.

27 (c) The Board shall reissue the certificate upon proof
28 that the disciplined certificate holder has complied with all
29 of the terms and conditions set forth in the final order.

30 (d) The determination by a court that a certificate
31 holder is subject to involuntary admission or judicial
32 admission as provided in the Mental Health and Developmental
33 Disabilities Code will result in the automatic suspension of
34 his or her certificate. The suspension will end upon a

1 finding by a court that the certificate holder is no longer
2 subject to involuntary admission or judicial admission, and
3 the issuance of an order so finding and discharging the
4 patient.

5 (225 ILCS 450/20.1) (from Ch. 111, par. 5522)

6 (Section scheduled to be repealed on January 1, 2014)

7 (Text of Section before amendment by P.A. 92-457)

8 Sec. 20.1. Investigations; notice; hearing. The
9 Department may, upon its own motion, and shall, upon the
10 verified complaint in writing of any person setting forth
11 facts which, if proved, would constitute grounds for
12 disciplinary action as set forth in Section 20.01,
13 investigate the actions of any person. The Department may
14 refer complaints and investigations to a disciplinary body of
15 the accounting profession for technical assistance. The
16 results of an investigation and recommendations of the
17 disciplinary body may be considered by the Department, but
18 shall not be considered determinative and the Department
19 shall not in any way be obligated to take any action or be
20 bound by the results of the accounting profession's
21 disciplinary proceedings. The Department before taking
22 disciplinary action, shall afford the concerned party or
23 parties an opportunity to request a hearing and if so
24 requested shall set a time and place for a hearing of the
25 complaint. The Department shall notify the applicant or the
26 licensed person or entity of any charges made and the date
27 and place of the hearing of those charges by mailing notice
28 thereof to that person or entity by registered or certified
29 mail to the place last specified by the accused person or
30 entity in the last notification to the Department, at least
31 30 days prior to the date set for the hearing or by serving a
32 written notice by delivery of the notice to the accused
33 person or entity at least 15 days prior to the date set for

1 the hearing, and shall direct the applicant or licensee to
2 file a written answer to the Board under oath within 20 days
3 after the service of the notice and inform the applicant or
4 licensee that failure to file an answer will result in
5 default being taken against the applicant or licensee and
6 that the license or certificate may be suspended, revoked,
7 placed on probationary status, or other disciplinary action
8 may be taken, including limiting the scope, nature or extent
9 of practice, as the Director may deem proper. In case the
10 person fails to file an answer after receiving notice, his or
11 her license or certificate may, in the discretion of the
12 Department, be suspended, revoked, or placed on probationary
13 status, or the Department may take whatever disciplinary
14 action deemed proper, including limiting the scope, nature,
15 or extent of the person's practice or the imposition of a
16 fine, without a hearing, if the act or acts charged
17 constitute sufficient grounds for such action under this Act.
18 The Department shall afford the accused person or entity an
19 opportunity to be heard in person or by counsel at the
20 hearing. At the conclusion of the hearing the Committee
21 shall present to the Director a written report of its finding
22 of facts, conclusions of law and recommendations. The report
23 shall contain a finding whether or not the accused person
24 violated this Act or failed to comply with the conditions
25 required in this Act. The Committee shall specify the nature
26 of the violation or failure to comply, and make its
27 recommendations to the Director.

28 The report of findings of fact, conclusions of law and
29 recommendations of the Committee shall be the basis for the
30 Department's disciplinary action. If the Director disagrees
31 in any regard with the report, he may issue an order in
32 contravention of the report. The Director shall provide a
33 written explanation to the Committee of any deviations from
34 their report, and shall specify with particularity the

1 reasons of that action in the final order. The finding is
2 not admissible in evidence against the person in a criminal
3 prosecution brought for the violation of this Act, but the
4 hearing and findings are not a bar to a criminal prosecution
5 brought for the violation of this Act.

6 (Source: P.A. 87-1031; 88-36.)

7 (Text of Section after amendment by P.A. 92-457)

8 Sec. 20.1. Investigations; notice; hearing. The Board
9 may, upon its own motion, and shall, upon the verified
10 complaint in writing of any person setting forth facts which,
11 if proved, would constitute grounds for disciplinary action
12 as set forth in Section 20.01 or 20.02, investigate the
13 actions of any person or entity. The Board may refer
14 complaints and investigations to a disciplinary body of the
15 accounting profession for technical assistance. The results
16 of an investigation and recommendations of the disciplinary
17 body may be considered by the Board, but shall not be
18 considered determinative and the Board shall not in any way
19 be obligated to take any action or be bound by the results of
20 the accounting profession's disciplinary proceedings. The
21 Board, before taking disciplinary action, shall afford the
22 concerned party or parties an opportunity to request a
23 hearing and if so requested shall set a time and place for a
24 hearing of the complaint. The Board shall notify the
25 applicant or the licensed person or entity of any charges
26 made and the date and place of the hearing of those charges
27 by mailing notice thereof to that person or entity by
28 registered or certified mail to the place last specified by
29 the accused person or entity in the last notification to the
30 Board, at least 30 days prior to the date set for the hearing
31 or by serving a written notice by delivery of the notice to
32 the accused person or entity at least 15 days prior to the
33 date set for the hearing, and shall direct the applicant or
34 licensee to file a written answer to the Board under oath

1 within 20 days after the service of the notice and inform the
2 applicant or licensee that failure to file an answer will
3 result in default being taken against the applicant or
4 licensee and that the license or certificate may be
5 suspended, revoked, placed on probationary status, or other
6 disciplinary action may be taken, including limiting the
7 scope, nature or extent of practice, as the Board may deem
8 proper. In case the person fails to file an answer after
9 receiving notice, his or her license or certificate may, in
10 the discretion of the Board, be suspended, revoked, or placed
11 on probationary status, or the Board may take whatever
12 disciplinary action deemed proper, including limiting the
13 scope, nature, or extent of the person's practice or the
14 imposition of a fine, without a hearing, if the act or acts
15 charged constitute sufficient grounds for such action under
16 this Act. The Board shall afford the accused person or entity
17 an opportunity to be heard in person or by counsel at the
18 hearing. Following the conclusion of the hearing the Board
19 shall issue a written order setting forth its finding of
20 facts, conclusions of law, and penalties to be imposed. The
21 order shall contain a finding whether or not the accused
22 person violated this Act or failed to comply with the
23 conditions required in this Act.

24 The finding is not admissible in evidence against the
25 person in a criminal prosecution brought for the violation of
26 this Act, but the hearing and findings are not a bar to a
27 criminal prosecution brought for the violation of this Act.

28 (Source: P.A. 92-457, eff. 7-1-04.)

29 Section 99. Effective date. This Act takes effect on
30 July 1, 2004.