

1 AN ACT concerning public 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 2, 16, and 20.1 as follows:

6 (225 ILCS 450/2) (from Ch. 111, par. 5502)

7 (Section scheduled to be repealed on January 1, 2014)

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

9 Sec. 2. Examinations. The University shall appoint a
10 Board of Examiners that shall determine the qualifications of
11 persons applying for certificates and shall make rules for
12 and conduct examinations for determining the qualifications.

13 The Board shall consist of 9 examiners, at least 7 of
14 whom shall be certified public accountants in this State who
15 have been residents of this State for at least 5 years
16 immediately preceding their appointment. One shall be either
17 an accountant of the grade herein described or an attorney
18 licensed and residing in this State and one shall be a
19 certified public accountant who is an active or retired
20 educator residing in this State. The term of office of each
21 examiner shall be 3 years, except that upon the enactment of
22 this amendatory Act of 1993, those members currently serving
23 on the Board shall continue to serve the duration of their
24 terms, one additional examiner shall be appointed for a term
25 of one year and, one additional examiner for a term of 2
26 ~~years, and 2 additional examiners for a term of 3 years.~~ As
27 the term of each examiner expires, the appointment shall be
28 filled for a term of 3 years from the date of expiration.
29 Any Board member who has served as a member for 6 consecutive
30 years shall not be eligible for reappointment until 2 years
31 after the end of the term in which the sixth consecutive year

1 of service occurred.

2 The Board shall report annually to the General Assembly,
3 the Governor, and the public on its activities, including the
4 number of complaints received, the number of investigations
5 undertaken, and the number of cases in which discipline was
6 imposed.

7 The time and place of holding the examinations shall be
8 determined by the Board and shall be duly advertised by the
9 Board.

10 The examination shall test the applicant's knowledge of
11 accounting, auditing, and other related subjects, if any, as
12 the Board may deem advisable. A candidate must be examined
13 in all subjects except that a candidate who has passed in 2
14 or more subjects and who attained a minimum grade in each
15 subject failed as may be established by Board regulations
16 shall have the right to be re-examined in the remaining
17 subjects at one or more of the next 6 succeeding
18 examinations.

19 The Board may in certain cases waive or defer any of the
20 requirements of this Section regarding the circumstances in
21 which the various Sections of the examination must be passed
22 upon a showing that, by reasons of circumstances beyond the
23 applicant's control, the applicant was unable to meet the
24 requirement.

25 Applicants may also be required to pass an examination on
26 the rules of professional conduct, as determined by Board
27 rule to be appropriate.

28 The examinations shall be given at least twice a year.

29 Any application, document or other information filed by
30 or concerning an applicant and any examination grades of an
31 applicant shall be deemed confidential and shall not be
32 disclosed to anyone without the prior written permission of
33 the applicant, except that it is hereby deemed in the public
34 interest that the names and addresses only of all applicants

1 shall be a public record and be released as public
2 information. Nothing herein shall prevent the Board from
3 making public announcement of the names of persons receiving
4 certificates under this Act.

5 The Board shall adopt all necessary and reasonable rules
6 and regulations for the effective administration of the
7 Sections of this Act for which it is charged with
8 administering. Without limiting the foregoing, the Board
9 shall adopt and prescribe rules and regulations for a fair
10 and wholly and impartial method of determining the
11 qualifications of applicants for examination and for a fair
12 and wholly and impartial method of examination of persons
13 under Section 2 and may establish rules for subjects
14 conditioned and for the transfer of credits from other
15 jurisdictions with respect to subjects passed.

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

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

18 Sec. 2. Examinations. The Governor shall appoint a Board
19 of Examiners that shall determine the qualifications of
20 persons applying for certificates and shall make rules for
21 and conduct examinations for determining the qualifications.
22 The Board shall consist of not less than 9 nor more than 11
23 examiners, as determined by Board rule, including 2 public
24 members. The remainder shall be certified public accountants
25 in this State who have been residents of this State for at
26 least 5 years immediately preceding their appointment, except
27 that one shall be either a certified public accountant of the
28 grade herein described or an attorney licensed and residing
29 in this State and one shall be a certified public accountant
30 who is an active or retired educator residing in this State.
31 The term of office of each examiner shall be 3 years, except
32 that upon the enactment of this amendatory Act of the 92nd
33 General Assembly, those members currently serving on the
34 Board shall continue to serve the duration of their terms,

1 one additional examiner shall be appointed for a term of one
2 year and, one additional examiner for a term of 2 years, ~~and~~
3 ~~any additional examiners for terms of 3 years~~. As the term
4 of each examiner expires, the appointment shall be filled for
5 a term of 3 years from the date of expiration. Any Board
6 member who has served as a member for 6 consecutive years
7 shall not be eligible for reappointment until 2 years after
8 the end of the term in which the sixth consecutive year of
9 service occurred, except that members of the Board serving on
10 the effective date of this Section shall be eligible for
11 appointment to one additional 3-year term. Where the
12 expiration of any member's term shall result in less than 9
13 ~~11~~ members then serving on the Board, the member shall
14 continue to serve until his or her successor is appointed and
15 has qualified. The Governor may terminate the term of any
16 member of the Board at any time for cause.

17 The Board shall report annually to the General Assembly,
18 the Governor, and the public on its activities, including the
19 number of complaints received, the number of investigations
20 undertaken, and the number of cases in which discipline was
21 imposed.

22 The time and place of holding the examinations shall be
23 determined by the Board and shall be duly advertised by the
24 Board.

25 The examination shall test the applicant's knowledge of
26 accounting, auditing, and other related subjects, if any, as
27 the Board may deem advisable. A candidate must be examined
28 in all subjects except that a candidate who has passed in 2
29 or more subjects and who attained a minimum grade in each
30 subject failed as may be established by Board regulations
31 shall have the right to be re-examined in the remaining
32 subjects at one or more of the next 6 succeeding
33 examinations.

34 The Board may in certain cases waive or defer any of the

1 requirements of this Section regarding the circumstances in
2 which the various Sections of the examination must be passed
3 upon a showing that, by reasons of circumstances beyond the
4 applicant's control, the applicant was unable to meet the
5 requirement.

6 On and after July 1, 2004, applicants shall may also be
7 required to pass an examination on the rules of professional
8 conduct, as determined by Board rule to be appropriate,
9 before they may be awarded a certificate as a certified
10 public accountant.

11 The examinations shall be given at least twice a year.

12 Any application, document or other information filed by
13 or concerning an applicant and any examination grades of an
14 applicant shall be deemed confidential and shall not be
15 disclosed to anyone without the prior written permission of
16 the applicant, except that it is hereby deemed in the public
17 interest that the names and addresses only of all applicants
18 shall be a public record and be released as public
19 information. Nothing herein shall prevent the Board from
20 making public announcement of the names of persons receiving
21 certificates under this Act.

22 The Board shall adopt all necessary and reasonable rules
23 and regulations for the effective administration of this Act.
24 Without limiting the foregoing, the Board shall adopt and
25 prescribe rules and regulations for a fair and wholly and
26 impartial method of determining the qualifications of
27 applicants for examination and for a fair and wholly and
28 impartial method of examination of persons under Section 2
29 and may establish rules for subjects conditioned and for the
30 transfer of credits from other jurisdictions with respect to
31 subjects passed.

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

33 (225 ILCS 450/16) (from Ch. 111, par. 5517)

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

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

3 Sec. 16. Expiration and renewal of licenses; renewal of
4 registration; continuing education.

5 (a) The expiration date and renewal period for each
6 license issued under this Act shall be set by rule.

7 (b) Every application for renewal of a license by any
8 person who has been licensed under this Act for 3 years or
9 more shall be accompanied or supported by any evidence the
10 Department shall prescribe, in satisfaction of completing,
11 each 3 years, not less than 120 hours of continuing
12 professional education programs in subjects given by
13 continuing education sponsors registered by the Department
14 upon recommendation of the Committee. Of the 120 hours, not
15 less than 4 hours shall be courses covering the subject of
16 professional ethics. All continuing education sponsors
17 applying to the Department for registration shall be required
18 to submit an initial nonrefundable application fee set by
19 Department rule. Each registered continuing education sponsor
20 shall be required to pay an annual renewal fee set by
21 Department rule. Publicly supported colleges, universities,
22 and governmental agencies located in Illinois are exempt from
23 payment of any fees required for continuing education sponsor
24 registration. Failure by a continuing education sponsor to
25 be licensed or pay the fees prescribed in this Act, or to
26 comply with the rules and regulations established by the
27 Department under this Section regarding requirements for
28 continuing education courses or sponsors, shall constitute
29 grounds for revocation or denial of renewal of the sponsor's
30 registration.

31 Notwithstanding the preceding paragraph, the Department
32 may accept courses and sponsors approved by other states, by
33 the American Institute of Certified Public Accountants, by
34 other state CPA societies, or by national accrediting

1 organizations such as the National Association of State
2 Boards of Accountancy; provided, however, that the sponsor
3 must register with the Department and pay the required fee if
4 its courses are presented in the State of Illinois.

5 Failure by an applicant for renewal of a license as a
6 public accountant to furnish the evidence shall constitute
7 grounds for disciplinary action, unless the Department in its
8 discretion shall determine the failure to have been due to
9 reasonable cause. The Department, in its discretion, may
10 renew a license despite failure to furnish evidence of
11 satisfaction of requirements of continuing education upon
12 condition that the applicant follow a particular program or
13 schedule of continuing education. In issuing rules,
14 regulations, and individual orders in respect of requirements
15 of continuing education, the Department in its discretion
16 may, among other things, use and rely upon guidelines and
17 pronouncements of recognized educational and professional
18 associations; may prescribe for content, duration, and
19 organization of courses; shall take into account the
20 accessibility to applicants of continuing education as it may
21 require, and any impediments to interstate practice of public
22 accounting that may result from differences in requirements
23 in other states; and may provide for relaxation or suspension
24 of requirements in regard to applicants who certify that they
25 do not intend to engage in the practice of public accounting,
26 and for instances of individual hardship.

27 The Department shall establish by rule a means for the
28 verification of completion of the continuing education
29 required by this Section. This verification may be
30 accomplished through audits of records maintained by
31 registrants; by requiring the filing of continuing education
32 certificates with the Department; or by other means
33 established by the Department.

34 The Department may establish, by rule, guidelines for

1 acceptance of continuing education on behalf of licensed
2 certified public accountants taking continuing education
3 courses in other jurisdictions.

4 (Source: P.A. 87-435; 87-546; 88-36.)

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

6 Sec. 16. Expiration and renewal of licenses; renewal of
7 registration; continuing education.

8 (a) The expiration date and renewal period for each
9 license issued under this Act shall be set by rule.

10 (b) Every application for renewal of a license by any
11 person who has been licensed under this Act for 3 years or
12 more shall be accompanied or supported by any evidence the
13 Board shall prescribe, in satisfaction of completing, each 3
14 years, not less than 120 hours of qualifying continuing
15 professional education programs. Of the 120 hours, not less
16 than 4 hours shall be courses covering the subject of
17 professional ethics. Applications for renewal by any person
18 who has been licensed less than 3 years shall be accompanied
19 or supported by evidence of completion of 20 hours of
20 qualifying continuing professional education programs for
21 each full 6 months since the date of licensure or last
22 renewal. Qualifying continuing education programs include
23 those given by continuing education sponsors registered with
24 the Board, those given by the American Institute of CPAs, the
25 Illinois CPA Foundation, and programs given by sponsors
26 approved by national accrediting organizations approved by
27 the Board. All continuing education sponsors applying to the
28 Board for registration shall be required to submit an initial
29 nonrefundable application fee set by Board rule. Each
30 registered continuing education sponsor shall be required to
31 pay an annual renewal fee set by Board rule. Publicly
32 supported colleges, universities, and governmental agencies
33 located in Illinois are exempt from payment of any fees
34 required for continuing education sponsor registration.

1 Failure by a continuing education sponsor to pay the fees
2 prescribed in this Act, or to comply with the rules and
3 regulations established by the Board under this Section
4 regarding requirements for continuing education courses or
5 sponsors, shall constitute grounds for revocation or denial
6 of renewal of the sponsor's registration. All other courses
7 or programs may qualify upon presentation by the licensee of
8 evidence satisfactory to the Board that the course or program
9 meets all Board rules for qualifying education programs.

10 Failure by an applicant for renewal of a license to
11 furnish the evidence shall constitute grounds for
12 disciplinary action, unless the Board in its discretion shall
13 determine the failure to have been due to reasonable cause.
14 The Board, in its discretion, may renew a license despite
15 failure to furnish evidence of satisfaction of requirements
16 of continuing education upon condition that the applicant
17 follow a particular program or schedule of continuing
18 education. In issuing rules, regulations, and individual
19 orders in respect of requirements of continuing education,
20 the Board in its discretion may, among other things, use and
21 rely upon guidelines and pronouncements of recognized
22 educational and professional associations; may prescribe
23 rules for content, duration, and organization of courses;
24 shall take into account the accessibility to applicants of
25 continuing education as it may require, and any impediments
26 to interstate practice of public accounting that may result
27 from differences in requirements in other states; and may
28 provide for relaxation or suspension of requirements in
29 regard to applicants who certify that they do not intend to
30 engage in the practice of public accounting, and for
31 instances of individual hardship.

32 The Board shall establish by rule a means for the
33 verification of completion of the continuing education
34 required by this Section. This verification may be

1 accomplished through audits of records maintained by
2 registrants; by requiring the filing of continuing education
3 certificates with the Board; or by other means established by
4 the Board.

5 The Board may establish, by rule, guidelines for
6 acceptance of continuing education on behalf of licensed
7 certified public accountants taking continuing education
8 courses in other jurisdictions.

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

10 (225 ILCS 450/20.1) (from Ch. 111, par. 5522)

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

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

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

1 mail to the place last specified by the accused person or
2 entity in the last notification to the Department, at least
3 30 days prior to the date set for the hearing or by serving a
4 written notice by delivery of the notice to the accused
5 person or entity at least 15 days prior to the date set for
6 the hearing, and shall direct the applicant or licensee to
7 file a written answer to the Board under oath within 20 days
8 after the service of the notice and inform the applicant or
9 licensee that failure to file an answer will result in
10 default being taken against the applicant or licensee and
11 that the license or certificate may be suspended, revoked,
12 placed on probationary status, or other disciplinary action
13 may be taken, including limiting the scope, nature or extent
14 of practice, as the Director may deem proper. In case the
15 person fails to file an answer after receiving notice, his or
16 her license or certificate may, in the discretion of the
17 Department, be suspended, revoked, or placed on probationary
18 status, or the Department may take whatever disciplinary
19 action deemed proper, including limiting the scope, nature,
20 or extent of the person's practice or the imposition of a
21 fine, without a hearing, if the act or acts charged
22 constitute sufficient grounds for such action under this Act.
23 The Department shall afford the accused person or entity an
24 opportunity to be heard in person or by counsel at the
25 hearing. The files of the Department relating to the
26 investigation of possible instances of professional
27 misconduct or any other ground for discipline shall be
28 confidential and shall not be subject to disclosure at the
29 request of any person, except upon the order of a court in a
30 pending action or proceeding. At the conclusion of the
31 hearing the Committee shall present to the Director a written
32 report of its finding of facts, conclusions of law and
33 recommendations. The report shall contain a finding whether
34 or not the accused person violated this Act or failed to

1 comply with the conditions required in this Act. The
2 Committee shall specify the nature of the violation or
3 failure to comply, and make its recommendations to the
4 Director.

5 The report of findings of fact, conclusions of law and
6 recommendations of the Committee shall be the basis for the
7 Department's disciplinary action. If the Director disagrees
8 in any regard with the report, he may issue an order in
9 contravention of the report. The Director shall provide a
10 written explanation to the Committee of any deviations from
11 their report, and shall specify with particularity the
12 reasons of that action in the final order. The finding is
13 not admissible in evidence against the person in a criminal
14 prosecution brought for the violation of this Act, but the
15 hearing and findings are not a bar to a criminal prosecution
16 brought for the violation of this Act.

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

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

19 Sec. 20.1. Investigations; notice; hearing. The Board
20 may, upon its own motion, and shall, upon the verified
21 complaint in writing of any person setting forth facts which,
22 if proved, would constitute grounds for disciplinary action
23 as set forth in Section 20.01, investigate the actions of any
24 person or entity. The Board may refer complaints and
25 investigations to a disciplinary body of the accounting
26 profession for technical assistance. The results of an
27 investigation and recommendations of the disciplinary body
28 may be considered by the Board, but shall not be considered
29 determinative and the Board shall not in any way be obligated
30 to take any action or be bound by the results of the
31 accounting profession's disciplinary proceedings. The Board,
32 before taking disciplinary action, shall afford the concerned
33 party or parties an opportunity to request a hearing and if
34 so requested shall set a time and place for a hearing of the

1 complaint. The Board shall notify the applicant or the
2 licensed person or entity of any charges made and the date
3 and place of the hearing of those charges by mailing notice
4 thereof to that person or entity by registered or certified
5 mail to the place last specified by the accused person or
6 entity in the last notification to the Board, at least 30
7 days prior to the date set for the hearing or by serving a
8 written notice by delivery of the notice to the accused
9 person or entity at least 15 days prior to the date set for
10 the hearing, and shall direct the applicant or licensee to
11 file a written answer to the Board under oath within 20 days
12 after the service of the notice and inform the applicant or
13 licensee that failure to file an answer will result in
14 default being taken against the applicant or licensee and
15 that the license or certificate may be suspended, revoked,
16 placed on probationary status, or other disciplinary action
17 may be taken, including limiting the scope, nature or extent
18 of practice, as the Board may deem proper. In case the person
19 fails to file an answer after receiving notice, his or her
20 license or certificate may, in the discretion of the Board,
21 be suspended, revoked, or placed on probationary status, or
22 the Board may take whatever disciplinary action deemed
23 proper, including limiting the scope, nature, or extent of
24 the person's practice or the imposition of a fine, without a
25 hearing, if the act or acts charged constitute sufficient
26 grounds for such action under this Act. The Board shall
27 afford the accused person or entity an opportunity to be
28 heard in person or by counsel at the hearing. The files of
29 the Department relating to the investigation of possible
30 instances of professional misconduct or any other ground for
31 discipline shall be confidential and shall not be subject to
32 disclosure at the request of any person, except upon the
33 order of a court in a pending action or proceeding. Following
34 the conclusion of the hearing the Board shall issue a written

1 order setting forth its finding of facts, conclusions of law,
2 and penalties to be imposed. The order shall contain a
3 finding whether or not the accused person violated this Act
4 or failed to comply with the conditions required in this Act.

5 The finding is not admissible in evidence against the
6 person in a criminal prosecution brought for the violation of
7 this Act, but the hearing and findings are not a bar to a
8 criminal prosecution brought for the violation of this Act.

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

10 Section 95. No acceleration or delay. Where this Act
11 makes changes in a statute that is represented in this Act by
12 text that is not yet or no longer in effect (for example, a
13 Section represented by multiple versions), the use of that
14 text does not accelerate or delay the taking effect of (i)
15 the changes made by this Act or (ii) provisions derived from
16 any other Public Act.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.