



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB2726

Introduced 2/21/2013, by Rep. Robert Rita

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Public Accounting Act. Makes changes in provisions concerning definitions, the Board of Examiners, the Public Accountant Registration Committee, the Administrative Procedure Act, licensure, practice, unlicensed practice, accountancy activities, powers and duties of the Department of Financial and Professional Regulation, sharing of information, exemption from the Act, application for licensure, qualifications, foreign accountants, expiration and renewal of licenses, fees, inactive status, discipline, investigations, hearings, summary suspension, administrative review, criminal penalties, injunctions, contributory fault, prohibited practice, home rule, and the Registered Certified Public Accountants' Administration and Disciplinary Fund. Changes references throughout the Act from "certified public accountant" to "CPA". Changes references throughout the Act from "Director" to "Secretary". Creates new provisions concerning accountancy activities, qualifications for licensure as a CPA firm, restoration of license from discipline, findings, and recommendations, summary suspension, and confidentiality. Amends the Regulatory Sunset Act. Extends the repeal of the Illinois Public Accounting Act from January 1, 2014 to January 1, 2024. Effective immediately.

LRB098 10780 MGM 41198 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

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

4 Section 5. The Regulatory Sunset Act is amended by changing  
5 Section 4.24, and by adding Section 4.34 as follows:

6 (5 ILCS 80/4.24)

7 Sec. 4.24. Acts and Section repealed on January 1, 2014.

8 The following Acts and Section of an Act are repealed on  
9 January 1, 2014:

10 The Electrologist Licensing Act.

11 The Illinois Certified Shorthand Reporters Act of 1984.

12 The Illinois Occupational Therapy Practice Act.

13 ~~The Illinois Public Accounting Act.~~

14 The Private Detective, Private Alarm, Private Security,  
15 Fingerprint Vendor, and Locksmith Act of 2004.

16 The Registered Surgical Assistant and Registered Surgical  
17 Technologist Title Protection Act.

18 Section 2.5 of the Illinois Plumbing License Law.

19 The Veterinary Medicine and Surgery Practice Act of 2004.

20 (Source: P.A. 97-1139, eff. 12-28-12.)

21 (5 ILCS 80/4.34 new)

22 Sec. 4.34. Act repealed on January 1, 2024. The following

1 Act is repealed on January 1, 2024:

2 The Illinois Public Accounting Act.

3 Section 10. The Illinois Public Accounting Act is amended  
4 by changing Sections 0.02, 0.03, 1, 2, 2.05, 2.1, 4, 5.2, 7, 8,  
5 9, 9.2, 9.3, 13, 14, 14.1, 14.2, 16, 17, 17.1, 17.2, 20.01,  
6 20.1, 20.2, 20.3, 20.4, 20.5, 20.6, 21, 27, 28, 30, 30.1, 30.2,  
7 30.3, 30.4, 30.5, 30.6, 31, and 32 and by adding Sections 8.05,  
8 14.4, 17.3, 20.7, 20.8, and 30.8 as follows:

9 (225 ILCS 450/0.02) (from Ch. 111, par. 5500.02)

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

11 Sec. 0.02. Declaration of public policy. It is the policy  
12 of this State and the purpose of this Act:

13 (a) To promote the dependability of information which is  
14 used for guidance in financial transactions or for accounting  
15 for or assessing the status or performance of commercial and  
16 noncommercial enterprises, whether public, private, or  
17 governmental; and

18 (b) To protect the public interest by requiring that  
19 persons engaged in the practice of public accounting be  
20 qualified; that a public authority competent to prescribe and  
21 assess the qualifications of public accountants be  
22 established; and that

23 (c) Preparing, auditing or examining financial statements  
24 and issuing a report expressing or disclaiming an opinion on

1 such statements or expressing assurance on such statements be  
2 reserved to persons who demonstrate their ability and fitness  
3 to observe and apply the standards of the accounting  
4 profession; and that the use of accounting titles likely to  
5 confuse the public be prohibited.

6 (Source: P.A. 85-1209.)

7 (225 ILCS 450/0.03) (from Ch. 111, par. 5500.03)

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

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

11 "Accountancy activities" means the services as set forth in  
12 Section 8.05 of the Act.

13 "Address of record" means the designated address recorded  
14 by the Department in the applicant's, licensee's, or  
15 registrant's application file or license file maintained by the  
16 Department's licensure maintenance unit. It is the duty of the  
17 applicant, licensee, or registrant to inform the Department of  
18 any change of address, and those changes must be made either  
19 through the Department's website or by directly contacting the  
20 Department.

21 "Certificate" means a certificate issued by the Board or  
22 University or similar jurisdictions specifying an individual  
23 has successfully passed all sections and requirements of the  
24 Uniform Certified Public Accountant Examination. A certificate  
25 issued by the Board or University or similar jurisdiction does

1 not confer the ability to use the CPA title and is not  
2 equivalent to a registration or license under this Act.

3 "Compilation" means providing a service to be performed in  
4 accordance with Statements on Standards for Accounting and  
5 Review Services that is presented in the form of financial  
6 statements or information that is the representation of  
7 management or owners without undertaking to express any  
8 assurance on the statements.

9 "CPA" or "C.P.A." means a certified public accountant who  
10 holds a license or registration issued by the Department or an  
11 individual authorized to use the CPA title under Section 5.2 of  
12 this Act.

13 "CPA firm" means a sole proprietorship, a corporation,  
14 registered limited liability partnership, limited liability  
15 company, partnership, professional service corporation, or any  
16 other form of organization issued a license in accordance with  
17 this Act.

18 "CPA (inactive)" means a licensed certified public  
19 accountant who elects to have the Department place his or her  
20 license on inactive status pursuant to Section 17.2 of this  
21 Act.

22 "Financial statement" means a structured presentation of  
23 historical financial information, including, but not limited  
24 to, related notes intended to communicate an entity's economic  
25 resources and obligations at a point in time or the changes  
26 therein for a period of time in accordance with generally

1 accepted accounting principles (GAAP) or other comprehensive  
2 basis of accounting (OCBOA).

3 "Other attestation engagements" means an engagement  
4 performed in accordance with the Statements on Standards for  
5 Attestation Engagements.

6 ~~(a)~~ "Registered Certified Public Accountant" or  
7 "registered CPA" means any person who has been issued a  
8 registration under this Act as a Registered Certified Public  
9 Accountant.

10 "Report", when used with reference to financial  
11 statements, means an opinion, report, or other form of language  
12 that states or implies assurance as to the reliability of any  
13 financial statements and that also includes or is accompanied  
14 by any statement or implication that the person or firm issuing  
15 it has special knowledge or competence in accounting or  
16 auditing. Such a statement or implication of special knowledge  
17 or competence may arise from use by the issuer of the report of  
18 names or titles indicating that the person or firm is an  
19 accountant or auditor, or from the language of the report  
20 itself. "Report" includes any form of language that disclaims  
21 an opinion when the form of language is conventionally  
22 understood to imply any positive assurance as to the  
23 reliability of the financial statements referred to or special  
24 competence on the part of the person or firm issuing such  
25 language; it includes any other form of language that is  
26 conventionally understood to imply such assurance or such

1 special knowledge or competence.

2 ~~(b)~~ "Licensed Certified Public Accountant" or "licensed  
3 CPA" means any person licensed under this Act as a Licensed  
4 Certified Public Accountant.

5 ~~(c)~~ "Committee" means the Public Accountant Registration  
6 and Licensure Committee appointed by the Secretary ~~Director~~.

7 ~~(d)~~ "Department" means the Department of Financial and  
8 Professional Regulation.

9 ~~(e)~~ ~~"Director"~~ means ~~the Director of Professional~~  
10 ~~Regulation.~~

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

13 ~~(g)~~ "Peer review ~~program~~" means a study, appraisal, or  
14 review of one or more aspects of a CPA firm's or sole  
15 practitioner's compliance with applicable accounting,  
16 auditing, and other attestation standards adopted by generally  
17 recognized standard-setting bodies ~~the professional work of a~~  
18 ~~firm or sole practitioner in the practice of public accounting~~  
19 ~~to determine the degree of compliance by the firm or sole~~  
20 ~~practitioner with professional standards and practices,~~  
21 ~~conducted by persons who hold current licenses to practice~~  
22 ~~public accounting under the laws of this or another state and~~  
23 ~~who are not affiliated with the firm or sole practitioner being~~  
24 ~~reviewed.~~

25 "Principal place of business" means the office location  
26 designated by the licensee from which the person directs,

1 controls, and coordinates his or her professional services.

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

5 "Secretary" means the Secretary of the Department of  
6 Financial and Professional Regulation.

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

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

10 ~~(k)~~ "Registration", "registrant", and "registered" refer  
11 to the authorization to hold oneself out as or use the title  
12 "Registered Certified Public Accountant" or "Certified Public  
13 Accountant", unless the context otherwise requires.

14 ~~(l)~~ "Peer Review Administrator" means an organization  
15 designated by the Department that meets the requirements of  
16 subsection (f) of Section 16 of this Act and other rules that  
17 the Department may adopt.

18 (Source: P.A. 93-683, eff. 7-2-04; 94-779, eff. 5-19-06.)

19 (225 ILCS 450/1) (from Ch. 111, par. 5501)

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

21 Sec. 1. No person shall hold himself or herself out to the  
22 public in this State in any manner by using the title  
23 "Certified Public Accountant", "Licensed Certified Public  
24 Accountant", "Registered Certified Public Accountant", "Public  
25 Accountant", or use the abbreviation "C.P.A." ~~or~~ "CPA" ~~or~~



1 "LCPA", "RCPA", "PA", or any words or letters to indicate that  
2 the person using the same is a licensed CPA or registered CPA  
3 ~~certified public accountant,~~ unless he or she has been issued a  
4 license or registration by the Department under this Act or is  
5 exercising the practice privilege afforded under Section 5.2 of  
6 this Act.

7 (Source: P.A. 95-386, eff. 1-1-08.)

8 (225 ILCS 450/2) (from Ch. 111, par. 5502)

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

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

14 The Board shall consist of 11 examiners, including 2 public  
15 members. The remainder shall be certified public accountants in  
16 this State who have been residents of this State for at least 5  
17 years immediately preceding their appointment, except that one  
18 shall be either a certified public accountant of the grade  
19 herein described or an attorney licensed and residing in this  
20 State and one shall be a certified public accountant who is an  
21 active or retired educator residing in this State. The term of  
22 office of each examiner shall be 3 years, ~~except that upon the~~  
23 ~~enactment of this amendatory Act of the 93rd General Assembly,~~  
24 ~~those members currently serving on the Board shall continue to~~  
25 ~~serve the duration of their terms, one additional examiner~~

1 ~~shall be appointed for a term of one year, and one additional~~  
2 ~~examiner for a term of 2 years.~~ As the term of each examiner  
3 expires, the appointment shall be filled for a term of 3 years  
4 from the date of expiration. Any Board member who has served as  
5 a member for 6 consecutive years shall not be eligible for  
6 reappointment until 2 years after the end of the term in which  
7 the sixth consecutive year of service occurred, except that  
8 members of the Board serving on the effective date of this  
9 Section shall be eligible for appointment to one additional  
10 3-year term. Where the expiration of any member's term shall  
11 result in less than 11 members then serving on the Board, the  
12 member shall continue to serve until his or her successor is  
13 appointed and has qualified. Except as otherwise provided in  
14 this Section, no ~~No~~ Board member shall serve more than 2 full  
15 consecutive terms. Anyone appointed to the Board shall be  
16 ineligible to be appointed to the Illinois Public Accountants  
17 Registration and Licensure Committee appointed by the  
18 Secretary ~~Director~~. Appointments to fill vacancies shall be  
19 made in the same manner as original appointments for the  
20 unexpired portion of the vacated term. The membership of the  
21 Board shall reasonably reflect representation from the  
22 geographic areas in this State. The members of the Board  
23 appointed by the Governor shall receive reasonable  
24 compensation for their necessary, legitimate, and authorized  
25 expenses in accordance with the Governor's Travel Control Board  
26 rules and the Travel Regulation Rules. The Governor may

1 terminate the term of any member of the Board at any time for  
2 cause.

3 Information regarding educational requirements, the  
4 application process, the examination, and fees shall be  
5 available on the Board's Internet web site as well as in  
6 printed documents available from the Board's office.

7 The Board shall adopt all necessary and reasonable rules  
8 and regulations for the effective administration of this Act.  
9 Without limiting the foregoing, the Board shall adopt and  
10 prescribe rules and regulations for a fair and impartial method  
11 of determining the qualifications of applicants for  
12 examination and for a fair and impartial method of examination  
13 of persons 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 The Board shall make an annual report of its activities to  
17 the Governor and the Secretary ~~Director~~. This report shall  
18 include a complete operating and financial statement covering  
19 its operations during the year, the number of examinations  
20 given, the pass/fail ratio for examinations, and any other  
21 information deemed appropriate. The Board shall have an audit  
22 of its books and accounts every 2 years by the Auditor General.  
23 (Source: P.A. 92-457, eff. 7-1-04; 93-629, eff. 12-23-03;  
24 93-683, eff. 7-2-04.)

25 (225 ILCS 450/2.05)

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

2 Sec. 2.05. Public Accountant Registration and Licensure  
3 Committee. The Secretary ~~Director~~ shall appoint a Public  
4 Accountant Registration and Licensure Committee consisting of  
5 7 persons, who shall be appointed by and shall serve in an  
6 advisory capacity to the Secretary ~~Director~~. A majority of the  
7 ~~Six~~ members must be licensed CPAs ~~public accountants or~~  
8 ~~Licensed Certified Public Accountants~~ in good standing and must  
9 be actively engaged in the practice of public accounting in  
10 this State. The remaining members must include registered CPAs  
11 in good standing in this State and one ~~member must be~~ a member  
12 of the public who is not licensed or registered under this Act  
13 or a similar Act of another jurisdiction and who has no  
14 connection with the accounting or public accounting  
15 profession. Four members of the Committee shall constitute a  
16 quorum. A quorum is required for all Committee decisions.  
17 Members shall serve 4-year terms and until their successors are  
18 appointed and qualified. No member shall be reappointed to the  
19 Committee for more than 2 full consecutive terms. Appointments  
20 to fill vacancies shall be made in the same manner as original  
21 appointments for the unexpired portion of the vacated term. ~~The~~  
22 ~~membership of the Committee shall reasonably reflect~~  
23 ~~representation from the geographic areas in this State.~~ The  
24 members of the Committee appointed by the Secretary ~~Director~~  
25 shall receive reasonable compensation, as determined by the  
26 Department, for the necessary, legitimate, and authorized

1 expenses approved by the Department. All expenses shall be paid  
2 from the Registered Certified Public Accountants'  
3 Administration and Disciplinary Fund. The Secretary ~~Director~~  
4 may terminate the appointment of any member for cause. The  
5 Secretary ~~Director~~ shall consider the advice and  
6 recommendations of the Committee on questions involving  
7 standards of professional conduct, discipline, and  
8 qualifications of applicants ~~candidates~~ and licensees under  
9 this Act.

10 (Source: P.A. 93-683, eff. 7-2-04.)

11 (225 ILCS 450/2.1) (from Ch. 111, par. 5503)

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

13 Sec. 2.1. Administrative Procedure Act. The Illinois  
14 Administrative Procedure Act is hereby expressly adopted and  
15 incorporated herein as if all of the provisions of that Act  
16 were included in this Act, except that the provision of  
17 subsection (d) of Section 10-65 of the Illinois Administrative  
18 Procedure Act that provides that at hearings the licensee has  
19 the right to show compliance with all lawful requirements for  
20 retention, continuation or renewal of the license is  
21 specifically excluded. For the purposes of this Act the notice  
22 required under Section 10-25 of the Administrative Procedure  
23 Act is deemed sufficient when mailed to the licensee's address  
24 of record ~~last known address of a party~~.

25 (Source: P.A. 88-45.)

1 (225 ILCS 450/4) (from Ch. 111, par. 5505)

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

3 Sec. 4. Transitional language.

4 (a) The provisions of this Act shall not be construed to  
5 invalidate any certificates as certified public accountants  
6 issued by the University under "An Act to regulate the  
7 profession of public accountants", approved May 15, 1903, as  
8 amended, or any certificates as Certified Public Accountants  
9 issued by the University or the Board under Section 4 of "An  
10 Act to regulate the practice of public accounting and to repeal  
11 certain acts therein named", approved July 22, 1943, as  
12 amended, which certificates shall be valid and in force as  
13 though issued under the provisions of this Act.

14 (b) Before July 1, 2012, persons who have received a  
15 Certified Public Accountant (CPA) Certificate issued by the  
16 Board or University ~~of Examiners~~ or holding similar  
17 certifications from other jurisdictions with equivalent  
18 educational requirements and examination standards may apply  
19 to the Department on forms supplied by the Department for and  
20 may be granted a registration as a registered CPA ~~Registered~~  
21 ~~Certified Public Accountant~~ from the Department upon payment of  
22 the required fee.

23 (c) Beginning with the 2006 renewal, the Department shall  
24 cease to issue a license as a Public Accountant. Any person  
25 holding a valid license as a Public Accountant prior to

1 September 30, 2006 who meets the conditions for renewal of a  
2 license under this Act, shall be issued a license as a licensed  
3 CPA ~~Licensed Certified Public Accountant~~ under this Act and  
4 shall be subject to continued regulation by the Department  
5 under this Act. The Department may adopt rules to implement  
6 this Section.

7 (d) The Department shall not issue any new registrations as  
8 a registered CPA on or ~~Registered Certified Public Accountant~~  
9 after July 1, 2012. After that date, any applicant for  
10 licensure under this Act shall apply for a license as a  
11 licensed CPA ~~Licensed Certified Public Accountant~~ and shall  
12 meet the requirements set forth in this Act. Any person ~~issued~~  
13 ~~a Certified Public Accountant certificate~~ who has been issued a  
14 registration as a registered CPA ~~Registered Certified Public~~  
15 ~~Accountant~~ may renew the registration under the provisions of  
16 this Act and that person may continue to renew or restore the  
17 registration during his or her lifetime, subject only to the  
18 renewal or restoration requirements for the registration under  
19 this Act. Such registration shall be subject to the  
20 disciplinary provisions of this Act.

21 (e) (Blank). ~~On and after October 1, 2006, no person shall~~  
22 ~~hold himself or herself out to the public in this State in any~~  
23 ~~manner by using the title "certified public accountant" or use~~  
24 ~~the abbreviation "C.P.A." or "CPA" or any words or letters to~~  
25 ~~indicate that the person using the same is a certified public~~  
26 ~~accountant unless he or she maintains a current registration or~~

1 ~~license issued by the Department or is exercising the practice~~  
2 ~~privilege afforded under Section 5.2 of this Act. It shall be a~~  
3 ~~violation of this Act for an individual to assume or use the~~  
4 ~~title "certified public accountant" or use the abbreviation~~  
5 ~~"C.P.A." or "CPA" or any words or letters to indicate that the~~  
6 ~~person using the same is a certified public accountant in this~~  
7 ~~State unless he or she maintains a current registration or~~  
8 ~~license issued by the Department or is exercising the practice~~  
9 ~~privilege afforded under Section 5.2 of this Act.~~

10 (Source: P.A. 95-386, eff. 1-1-08; 96-945, eff. 6-25-10.)

11 (225 ILCS 450/5.2)

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

13 Sec. 5.2. Substantial equivalency.

14 (a) An individual whose principal place of business is not  
15 in this State shall have all the privileges of a person  
16 licensed under this Act as a licensed CPA ~~certified public~~  
17 ~~accountant~~ without the need to obtain a license ~~or registration~~  
18 from the Department or to file notice with the Department, if  
19 the individual:

20 (1) holds a valid license as a certified public  
21 accountant issued by another state that the National  
22 Qualification Appraisal Service of the National  
23 Association of State Boards of Accountancy has verified to  
24 be in substantial equivalence with the CPA licensure  
25 requirements of the Uniform Accountancy Act of the American



1 Institute of Certified Public Accountants and the National  
2 Association of State Boards of Accountancy; or

3 (2) holds a valid license as a certified public  
4 accountant issued by another state and obtains from the  
5 National Qualification Appraisal Service of the National  
6 Association of State Boards of Accountancy verification  
7 that the individual's CPA qualifications are substantially  
8 equivalent to the CPA licensure requirements of the Uniform  
9 Accountancy Act of the American Institute of Certified  
10 Public Accountants and the National Association of State  
11 Boards of Accountancy; however, any individual who has  
12 passed the Uniform CPA Examination and holds a valid  
13 license issued by any other state prior to January 1, 2012  
14 shall be exempt from the education requirements of Section  
15 3 of this Act for the purposes of this item (2).

16 (b) Notwithstanding any other provision of law, an  
17 individual who offers or renders professional services under  
18 this Section, whether in person or by mail, telephone, or  
19 electronic means, shall be granted practice privileges in this  
20 State and no notice or other submission must be provided by any  
21 such individual.

22 (c) An individual licensee of another state who is  
23 exercising the privilege afforded under this Section and the  
24 CPA firm that employs such individual, if any, as a condition  
25 of the grant of this privilege, hereby simultaneously consents:

26 (1) to the personal and subject matter jurisdiction and

1 disciplinary authority of the Department;

2 (2) to comply with this Act and the Department's rules  
3 adopted under this Act;

4 (3) that in the event that the license from the state  
5 of the individual's principal place of business is no  
6 longer valid, the individual shall cease offering or  
7 rendering accountancy activities as outlined in paragraphs  
8 (1) and (2) of Section 8.05 ~~professional services~~ in this  
9 State individually or on behalf of a CPA firm; and

10 (4) to the appointment of the state board that issued  
11 the individual's or the CPA firm's license as the agent  
12 upon which process may be served in any action or  
13 proceeding by the Department against the individual.

14 (d) An individual licensee who qualifies for practice  
15 privileges under this Section who, for any entity headquartered  
16 in this State, performs (i) a financial statement audit or  
17 other engagement in accordance with Statements on Auditing  
18 Standards; (ii) an examination of prospective financial  
19 information in accordance with Statements on Standards for  
20 Attestation Engagements; or (iii) an engagement in accordance  
21 with Public Company Accounting Oversight Board Auditing  
22 Standards may only do so through a CPA firm licensed under this  
23 Act.

24 (Source: P.A. 95-386, eff. 1-1-08.)

25 (225 ILCS 450/7) (from Ch. 111, par. 5508)

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

2 Sec. 7. Licensure. A holder of a certificate or  
3 registration as a certified public accountant issued by the  
4 Board or Department shall not be entitled to practice public  
5 accounting, as defined in Section 8, in this State until the  
6 person has been licensed as a licensed CPA ~~certified public~~  
7 ~~accountant~~ by the Department.

8 ~~The Department may refuse to issue or may suspend the~~  
9 ~~license of any person who fails to file a return, or to pay the~~  
10 ~~tax, penalty or interest shown in a filed return, or to pay any~~  
11 ~~final assessment of tax, penalty or interest, as required by~~  
12 ~~any tax Act administered by the Illinois Department of Revenue,~~  
13 ~~until such time as the requirements of any such tax Act are~~  
14 ~~satisfied.~~

15 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

16 (225 ILCS 450/8) (from Ch. 111, par. 5509)

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

18 Sec. 8. Practicing as a licensed CPA ~~public accountant or~~  
19 ~~licensed certified public accountant~~. Persons, either  
20 individually, as members of a partnership or limited liability  
21 company, or as officers of a corporation, who sign, affix or  
22 associate their names or any trade or assumed names used by  
23 them in a profession or business to any report expressing or  
24 disclaiming an opinion on a financial statement based on an  
25 audit or examination of that statement, or expressing assurance

1 on a financial statement, shall be deemed to be in practice as  
2 licensed CPAs and are performing accountancy activities as  
3 outlined in paragraph (1) of subsection (a) of Section 8.05  
4 ~~licensed public accountants or licensed certified public~~  
5 ~~accountants within the meaning and intent of this Act.~~

6 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

7 (225 ILCS 450/8.05 new)

8 Sec. 8.05. Accountancy activities.

9 (a) Accountancy activities are services performed by a CPA,  
10 including:

11 (1) signing, affixing, or associating the names used by  
12 a person or CPA firm to any report expressing an assurance  
13 on a financial statement or disclaiming an opinion on a  
14 financial statement based on an audit or examination of  
15 that statement or to express assurance on a financial  
16 statement;

17 (2) other attestation engagements not otherwise  
18 defined in paragraph (1); or

19 (3) offering to perform or performing one or more types  
20 of the following services involving the use of professional  
21 skills or competencies: accounting, management, financial  
22 or consulting services, compilations, internal audit,  
23 preparation of tax returns, furnishing advice on tax  
24 matters, bookkeeping, or representations of taxpayers;  
25 this includes the teaching of any of these areas at the

1 college or university level.

2 (b) If offering or performing accountancy activities using  
3 the CPA title set forth in paragraphs (1), (2), and (3) of  
4 subsection (a) of this Section, then:

5 (1) the activities identified in paragraph (1) of  
6 subsection (a) may only be performed by licensed CPAs;

7 (2) the activities identified in paragraph (2) of  
8 subsection (a) may only be performed by licensed or  
9 registered CPAs; and

10 (3) the activities identified in paragraph (3) of  
11 subsection (a) are not restricted to licensed or registered  
12 CPAs, subject to the provisions of Section 9.02 of this  
13 Act.

14 (225 ILCS 450/9) (from Ch. 111, par. 5510)

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

16 Sec. 9. Unlicensed practice; violation; civil penalty.

17 (a) Offering, attempting, or holding oneself out to  
18 practice as a licensed CPA or a registered CPA in this State  
19 without being licensed or registered under this Act or  
20 qualifying for the practice privilege set forth in Section 5.2  
21 of this Act is prohibited. ~~No person shall practice in this~~  
22 ~~State or hold himself or herself out as being able to practice~~  
23 ~~in this State as a licensed certified public accountant, unless~~  
24 ~~he or she is licensed in accordance with the provisions of this~~  
25 ~~Act or is exercising the practice privilege afforded under~~

1 ~~Section 5.2 of this Act. Any person who is the holder of a~~  
2 ~~license as a public accountant heretofore issued, under any~~  
3 ~~prior Act licensing or registering public accountants in this~~  
4 ~~State, valid on the effective date of this amendatory Act shall~~  
5 ~~be deemed to be licensed under this Act shall be subject to the~~  
6 ~~same rights and obligations as persons originally licensed~~  
7 ~~under this Act.~~

8 (b) The use of the title "certified public accountant",  
9 "Licensed Certified Public Accountant", "Registered Certified  
10 Public Accountant", "public accountant", or abbreviation  
11 "C.P.A." or any similar terms that may be misleading to the  
12 public indicating that an individual or the members of a firm  
13 are licensed or registered CPAs is prohibited unless (1) the  
14 individual or members are holders of an effective unrevoked  
15 license or registration or qualify for the practice privilege  
16 under Section 5.2 of this Act and (2) the firm is licensed as a  
17 CPA firm by the Department and is performing accounting  
18 activities as outlined in Section 8.05.

19 (c) In addition to any other penalty provided by law, any  
20 individual or person violating subsection (a) or (b) of this  
21 Section shall pay a civil penalty to the Department in an  
22 amount not to exceed \$10,000 for each offense as determined by  
23 the Department. The civil penalty shall be assessed by the  
24 Department after a hearing is held in accordance with the  
25 provisions set forth in this Act regarding the provision of a  
26 hearing for the discipline of a licensee.

1       (d) The Department has the authority and power to  
2 investigate any and all alleged improper use of the certified  
3 public accountant title or CPA designation and any unlicensed  
4 activity.

5       (e) The civil penalty shall be paid within 60 days after  
6 the effective date of the order imposing the civil penalty. The  
7 order shall constitute a judgment and may be filed and  
8 execution had thereon in the same manner as any judgment from  
9 any court of record.

10       (Source: P.A. 95-386, eff. 1-1-08.)

11               (225 ILCS 450/9.2) (from Ch. 111, par. 5510.2)

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

13               Sec. 9.2. Powers and duties of the Department.

14               (a) The Department shall exercise the powers and duties  
15 prescribed by "The Civil Administrative Code of Illinois" for  
16 the administration of licensing acts and shall exercise such  
17 other powers and duties invested by this Act.

18               (b) The Secretary ~~Director~~ may promulgate rules consistent  
19 with the provisions of this Act for the administration and  
20 enforcement of the provisions of this Act for which the  
21 Department is responsible and for the payment of fees connected  
22 therewith and may prescribe forms which shall be issued in  
23 connection therewith. The rules shall include standards and  
24 criteria for licensure and professional conduct and  
25 discipline.

1 (c) The Department may solicit the advice and expert  
2 knowledge of the Committee or the Board on any matter relating  
3 to the administration and enforcement of this Act.

4 The Department may, in its discretion, employ or use the  
5 legal services of outside counsel and the investigative  
6 services of outside personnel to assist the Department, and the  
7 Department is authorized to pay for such services from the  
8 Registered Certified Public Accountants' Administration and  
9 Disciplinary Fund.

10 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

11 (225 ILCS 450/9.3)

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

13 Sec. 9.3. Sharing of information. Notwithstanding any  
14 other provision of this Act, for the purpose of carrying out  
15 their respective duties and responsibilities under this Act and  
16 to effectuate the purpose of this Act, both the Board ~~of~~  
17 ~~Examiners~~ and the Department ~~of Financial and Professional~~  
18 ~~Regulation~~ are authorized and directed to share information  
19 with each other regarding those individuals and entities  
20 licensed or certified or applying for licensure or  
21 certification under this Act.

22 (Source: P.A. 94-779, eff. 5-19-06.)

23 (225 ILCS 450/13) (from Ch. 111, par. 5514)

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



1           Sec. 13. Application for licensure.

2           (a) A person or CPA firm that wishes to perform accountancy  
3 activities ~~, partnership, limited liability company, or~~  
4 ~~corporation desiring to practice public accounting~~ in this  
5 State, as defined in paragraph (1) of subsection (a) of Section  
6 8.05 of this Act, or use the CPA title shall make application  
7 to the Department ~~for licensure as a licensed certified public~~  
8 ~~accountant~~ and shall pay the fee required by rule.

9           Applicants have 3 years from the date of application to  
10 complete the application process. If the process has not been  
11 completed in 3 years, the application shall be denied, the fee  
12 forfeited and the applicant must reapply and meet the  
13 requirements in effect at the time of reapplication.

14           (b) Any CPA firm, ~~whether organized as a partnership,~~  
15 ~~limited liability company, corporation, or other entity,~~ that  
16 (i) has an office in this State that uses the title "CPA" or  
17 "CPA firm"; (ii) has an office in this State that performs  
18 accountancy activities ~~public accounting services~~, as defined  
19 in paragraph (1) of subsection (a) of Section 8.05 ~~of~~ of this  
20 Act; or (iii) does not have an office in this State, but  
21 performs ~~attest~~ services, as set forth in subsection (d) of  
22 Section 5.2 of this Act, for a client that is headquartered ~~has~~  
23 ~~its home office~~ in this State must hold a license as a CPA firm  
24 issued under this Act.

25           (c) A CPA firm that does not have an office in this State  
26 may perform a review of a financial statement in accordance

1 with the Statements on Standards for Accounting and Review  
2 Services for a client with its headquarters ~~home office~~ in this  
3 State and may use the title "CPA" or "CPA firm" without  
4 obtaining a license as a CPA firm under this Act, only if the  
5 firm (i) performs such services through individuals with  
6 practice privileges under Section 5.2 of this Act; (ii)  
7 satisfies any peer review requirements in those states in which  
8 the individuals with practice privileges under Section 5.2 have  
9 their principal place of business; and (iii) meets the  
10 qualifications set forth in item (2) of subsection (b) of  
11 Section 14 of this Act.

12 (d) A CPA firm that is not subject to the requirements of  
13 subsection (b) or (c) of this Section may perform professional  
14 services that are not regulated under subsection (b) or (c) of  
15 this Section while using the title "CPA" or "CPA firm" in this  
16 State without obtaining a license as a CPA firm under this Act  
17 if the firm (i) performs such services through individuals with  
18 practice privileges under Section 5.2 of this Act and (ii) may  
19 lawfully perform such services in the state where those  
20 individuals with practice privileges under Section 5.2 of this  
21 Act have their principal place of business.

22 (Source: P.A. 95-386, eff. 1-1-08.)

23 (225 ILCS 450/14) (from Ch. 111, par. 5515)

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

25 Sec. 14. Qualifications for licensure as a licensed CPA.

1 The Department may license as licensed CPAs individuals meeting  
2 the following requirements ~~licensed certified public~~  
3 ~~accountants the following:~~

4 (a) All persons who have received certificates as certified  
5 public accountants from the Board or who hereafter received  
6 ~~receive~~ registrations as registered CPAs ~~certified public~~  
7 ~~accountants~~ from the Department who have had at least one year  
8 of full-time experience, or its equivalent, providing any type  
9 of service or advice involving the use of accounting, audit  
10 ~~attest~~, management advisory, financial advisory, tax, ~~or~~  
11 consulting skills, or other attestation engagements which may  
12 be gained through employment in government, industry,  
13 academia, or public practice.

14 (a-5) If the applicant's certificate as a certified public  
15 accountant from the Board or the applicant's registration as a  
16 registered CPA ~~certified public accountant~~ from the Department  
17 was issued more than 4 years prior to the application for a  
18 license as a licensed CPA under this Section, the applicant  
19 shall submit any evidence the Department may require showing  
20 the applicant has completed not less than 90 hours of  
21 continuing professional education acceptable to the Department  
22 within the 3 years immediately preceding the date of  
23 application.

24 (b) (Blank). ~~All partnerships, limited liability~~  
25 ~~companies, or corporations, or other entities engaged in the~~  
26 ~~practice of public accounting in this State and meeting the~~

1 ~~following requirements:~~

2 ~~(1) (Blank).~~

3 ~~(2) A majority of the ownership of the firm, in terms~~  
4 ~~of financial interests and voting rights of all partners,~~  
5 ~~officers, shareholders, members, or managers, belongs to~~  
6 ~~persons licensed in some state, and the partners, officers,~~  
7 ~~shareholders, members, or managers whose principal place~~  
8 ~~of business is in this State and who practice public~~  
9 ~~accounting in this State, as defined in Section 8 of this~~  
10 ~~Act, hold a valid license issued by this State. An~~  
11 ~~individual exercising the practice privilege afforded~~  
12 ~~under Section 5.2 who performs services for which a firm~~  
13 ~~license is required under subsection (d) of Section 5.2~~  
14 ~~shall not be required to obtain an individual license under~~  
15 ~~this Act.~~

16 ~~(3) It shall be lawful for a nonprofit cooperative~~  
17 ~~association engaged in rendering an auditing and~~  
18 ~~accounting service to its members only, to continue to~~  
19 ~~render that service provided that the rendering of auditing~~  
20 ~~and accounting service by the cooperative association~~  
21 ~~shall at all times be under the control and supervision of~~  
22 ~~licensed certified public accountants.~~

23 ~~(4) The Department may adopt rules and regulations as~~  
24 ~~necessary to provide for the practice of public accounting~~  
25 ~~by business entities that may be otherwise authorized by~~  
26 ~~law to conduct business in Illinois.~~

1 (Source: P.A. 95-386, eff. 1-1-08.)

2 (225 ILCS 450/14.1)

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

4 Sec. 14.1. Foreign accountants. The Department may ~~shall~~  
5 issue a license as a licensed CPA to a holder of a foreign  
6 designation, granted in a foreign country ~~entitling the holder~~  
7 ~~thereof to engage in the practice of public accounting,~~  
8 provided that:

9 (a) the applicant is the holder of a certificate as a  
10 certified public accountant from the Board or a  
11 registration as a registered CPA ~~certified public~~  
12 ~~accountant~~ from the Department issued under this Act;

13 (b) (Blank) ~~the foreign authority that granted the~~  
14 ~~designation makes similar provision to allow a person who~~  
15 ~~holds a valid license issued by this State to obtain a~~  
16 ~~foreign authority's comparable designation;~~

17 (c) the foreign designation (i) was duly issued by a  
18 foreign authority that regulates the practice of public  
19 accounting and the foreign designation has not expired or  
20 been revoked or suspended; (ii) entitles the holder to  
21 issue reports upon financial statements; and (iii) was  
22 issued upon the basis of educational, examination, and  
23 experience requirements established by the foreign  
24 authority or by law; and

25 (d) the applicant (i) received the designation based on

1 standards substantially equivalent to those in effect in  
2 this State at the time the foreign designation was granted;  
3 and (ii) completed an experience requirement,  
4 substantially equivalent to the requirement set out in  
5 Section 14, in the jurisdiction that granted the foreign  
6 designation ~~or has completed 5 years of experience in the~~  
7 ~~practice of public accounting in this State,~~ or meets  
8 equivalent requirements prescribed by the Department by  
9 rule, within the 10 years immediately preceding the  
10 application.

11 Applicants have 3 years from the date of application to  
12 complete the application process. If the process has not been  
13 completed in 3 years, the application shall be denied, the fee  
14 shall be forfeited, and the applicant must reapply and meet the  
15 requirements in effect at the time of reapplication.

16 (Source: P.A. 95-331, eff. 8-21-07.)

17 (225 ILCS 450/14.2)

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

19 Sec. 14.2. Licensure by endorsement.

20 (a) The Department shall issue a license as a licensed CPA  
21 ~~certified public accountant~~ to any applicant who holds a  
22 current, valid, and unrevoked license ~~certificate~~ as a  
23 certified public accountant issued from another state ~~by the~~  
24 ~~Board of Examiners or similar certification from another~~  
25 ~~jurisdiction~~ with equivalent educational requirements and

1 examination standards, applies to the Department on forms  
2 supplied by the Department, and pays the required fee,  
3 provided:

4 (1) the individual applicant is determined by the  
5 Department to possess qualifications substantially  
6 equivalent to this State's current licensing requirements;

7 (2) at the time the applicant received his or her  
8 ~~current valid and unrevoked license or permit~~, the  
9 applicant possessed qualifications substantially  
10 equivalent to the qualifications for licensure then in  
11 effect in this State; or

12 (3) the applicant has, after passing the examination  
13 upon which his or her license ~~or other permit~~ to practice  
14 was based, not less than 4 years of experience as outlined  
15 in Section 14 of this Act ~~in the practice of public~~  
16 ~~accounting~~ within the 10 years immediately before the  
17 application.

18 (b) In determining the substantial equivalency of any  
19 state's requirements to Illinois' requirements, the Department  
20 may rely on the determinations of the National Qualification  
21 Appraisal Service of the National Association of State Boards  
22 of Accountancy or such other qualification appraisal service as  
23 it deems appropriate.

24 (c) Applicants have 3 years from the date of application to  
25 complete the application process. If the process has not been  
26 completed in 3 years, the application shall be denied, the fee

1 shall be forfeited, and the applicant must reapply and meet the  
2 requirements in effect at the time of reapplication.

3 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

4 (225 ILCS 450/14.4 new)

5 Sec. 14.4. Qualifications for licensure as a CPA firm. The  
6 Department may license as licensed CPA firms individuals or  
7 entities meeting the following requirements:

8 (1) A majority of the ownership of the firm, in terms  
9 of financial interests and voting rights of all partners,  
10 officers, shareholders, members, or belongs to persons  
11 licensed or registered in some state. All partners,  
12 officers, shareholders, or members, whose principal place  
13 of business is in this State and who have overall  
14 responsibility for accountancy activities in this State,  
15 as defined in paragraph (1) of subsection (a) of Section  
16 8.05 of this Act, must hold a valid license as a licensed  
17 CPA issued by this State. An individual exercising the  
18 practice privilege afforded under Section 5.2 who performs  
19 services for which a firm license is required under  
20 subsection (d) of Section 5.2 shall not be required to  
21 obtain an individual license under this Act.

22 (2) All owners of the CPA firm, whether licensed as a  
23 licensed CPA or not, shall be active participants in the  
24 CPA firm or its affiliated entities and shall comply with  
25 the rules adopted under this Act.



1           (3) It shall be lawful for a nonprofit cooperative  
2           association engaged in rendering an auditing and  
3           accounting service to its members only to continue to  
4           render that service provided that the rendering of auditing  
5           and accounting service by the cooperative association  
6           shall at all times be under the control and supervision of  
7           licensed CPAs.

8           (4) An individual who supervises services for which a  
9           license is required under paragraph (1) of subsection (a)  
10          of Section 8.05 of this Act, who signs or authorizes  
11          another to sign any report for which a license is required  
12          under paragraph (1) of subsection (a) of Section 8.05 of  
13          this Act, or who supervises services for which a CPA firm  
14          license is required under subsection (d) of Section 5.2 of  
15          this Act shall hold a valid, active licensed CPA license  
16          from this State or another state considered to be  
17          substantially equivalent under paragraph (1) of subsection  
18          (a) of Section 5.2.

19          (5) The CPA firm shall designate to the Department in  
20          writing an individual licensed as a licensed CPA under this  
21          Act or, in the case of a firm that must have a CPA firm  
22          license pursuant to subsection (b) of Section 13 of this  
23          Act, a licensee of another state who meets the requirements  
24          set out in paragraph (1) or (2) of subsection (a) of  
25          Section 5.2 of this Act, who shall be responsible for the  
26          proper licensure of the CPA firm.

1 (225 ILCS 450/16) (from Ch. 111, par. 5517)

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

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

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

7 (b) Every holder of a license or registration under this  
8 Act may renew such license or registration before the  
9 expiration date upon payment of the required renewal fee as set  
10 by rule.

11 (c) Every application for renewal of a license by a  
12 licensed CPA ~~certified public accountant~~ who has been licensed  
13 under this Act for 3 years or more shall be accompanied or  
14 supported by any evidence the Department shall prescribe, in  
15 satisfaction of completing, each 3 years, not less than 120  
16 hours of continuing professional education as prescribed by  
17 Department rules ~~programs in subjects given by continuing~~  
18 ~~education sponsors registered by the Department upon~~  
19 ~~recommendation of the Committee~~. Of the 120 hours, not less  
20 than 4 hours shall be courses covering the subject of  
21 professional ethics. All continuing education sponsors  
22 applying to the Department for registration shall be required  
23 to submit an initial nonrefundable application fee set by  
24 Department rule. Each registered continuing education sponsor  
25 shall be required to pay an annual renewal fee set by

1 Department rule. Publicly supported colleges, universities,  
2 and governmental agencies located in Illinois are exempt from  
3 payment of any fees required for continuing education sponsor  
4 registration. Failure by a continuing education sponsor to be  
5 licensed or pay the fees prescribed in this Act, or to comply  
6 with the rules and regulations established by the Department  
7 under this Section regarding requirements for continuing  
8 education courses or sponsors, shall constitute grounds for  
9 revocation or denial of renewal of the sponsor's registration.

10 (d) Licensed CPAs ~~Certified Public Accountants~~ are exempt  
11 from the continuing professional education requirement for the  
12 first renewal period following the original issuance of the  
13 license.

14 ~~Notwithstanding the provisions of subsection (c), the~~  
15 ~~Department may accept courses and sponsors approved by other~~  
16 ~~states, by the American Institute of Certified Public~~  
17 ~~Accountants, by other state CPA societies, or by national~~  
18 ~~accrediting organizations such as the National Association of~~  
19 ~~State Boards of Accountancy.~~

20 Failure by an applicant for renewal of a license as a  
21 licensed CPA ~~certified public accountant~~ to furnish the  
22 evidence shall constitute grounds for disciplinary action,  
23 unless the Department in its discretion shall determine the  
24 failure to have been due to reasonable cause. The Department,  
25 in its discretion, may renew a license despite failure to  
26 furnish evidence of satisfaction of requirements of continuing

1 education upon condition that the applicant follow a particular  
2 program or schedule of continuing education. In issuing rules  
3 and individual orders in respect of requirements of continuing  
4 education, the Department in its discretion may, among other  
5 things, use and rely upon guidelines and pronouncements of  
6 recognized educational and professional associations; may  
7 prescribe rules for the content, duration, and organization of  
8 courses; shall take into account the accessibility to  
9 applicants of such continuing education as it may require, and  
10 any impediments to interstate practice of public accounting  
11 that may result from differences in requirements in other  
12 states; and may provide for relaxation or suspension of  
13 requirements in regard to applicants who certify that they do  
14 not intend to engage in the performance of accountancy  
15 activities ~~practice of public accounting~~, and for instances of  
16 individual hardship.

17 The Department shall establish by rule a means for the  
18 verification of completion of the continuing education  
19 required by this Section. This verification may be accomplished  
20 through audits of records maintained by licensees; by requiring  
21 the filing of continuing education certificates with the  
22 Department; or by other means established by the Department.

23 The Department may establish, by rule, guidelines for  
24 acceptance of continuing education on behalf of licensed CPAs  
25 ~~certified public accountants~~ taking continuing education  
26 courses in other jurisdictions.

1           (e) For renewals on and after July 1, 2012, as a condition  
2 for granting a renewal license to CPA firms and sole  
3 practitioners who perform accountancy activities outlined in  
4 paragraph (1) of subsection (a) of Section 8.05 ~~provide~~  
5 ~~services requiring a license~~ under this Act, the Department  
6 shall require that the CPA firm or sole practitioner  
7 satisfactorily complete a peer review during the immediately  
8 preceding 3-year period, accepted by a Peer Review  
9 Administrator in accordance with established standards for  
10 performing and reporting on peer reviews, unless the CPA firm  
11 or sole practitioner is exempted under the provisions of  
12 subsection (i) of this Section. A CPA firm or sole practitioner  
13 shall, at the request of the Department, submit to the  
14 Department a letter from the Peer Review Administrator stating  
15 the date on which the peer review was satisfactorily completed.

16           A new CPA firm or sole practitioner ~~not subject to~~  
17 ~~subsection (1) of this Section~~ shall not be required to comply  
18 with the peer review requirements for the first license  
19 renewal. A CPA firm or sole practitioner shall undergo its  
20 first peer review during the first full renewal cycle after it  
21 is granted its initial license.

22           The requirements of this subsection (e) shall not apply to  
23 any person providing services requiring a license under this  
24 Act to the extent that such services are provided in the  
25 capacity of an employee of the Office of the Auditor General or  
26 to a nonprofit cooperative association engaged in the rendering

1 of licensed service to its members only under paragraph (3) of  
2 subsection (b) of Section 14 of this Act or any of its  
3 employees to the extent that such services are provided in the  
4 capacity of an employee of the association.

5 (f) The Department shall approve only Peer Review  
6 Administrators that the Department finds comply with  
7 established standards for performing and reporting on peer  
8 reviews. The Department may adopt rules establishing  
9 guidelines for peer reviews, which shall do all of the  
10 following:

11 (1) Require that a peer review be conducted by a  
12 reviewer that is independent of the CPA firm reviewed and  
13 approved by the Peer Review Administrator under  
14 established standards.

15 (2) Other than in the peer review process, prohibit the  
16 use or public disclosure of information obtained by the  
17 reviewer, the Peer Review Administrator, or the Department  
18 during or in connection with the peer review process. The  
19 requirement that information not be publicly disclosed  
20 shall not apply to a hearing before the Department that the  
21 CPA firm or sole practitioner requests be public or to the  
22 information described in paragraph (3) of subsection (i) of  
23 this Section.

24 (g) If a CPA firm or sole practitioner fails to  
25 satisfactorily complete a peer review as required by subsection  
26 (e) of this Section or does not comply with any remedial

1 actions determined necessary by the Peer Review Administrator,  
2 the Peer Review Administrator shall notify the Department of  
3 the failure and shall submit a record with specific references  
4 to the rule, statutory provision, professional standards, or  
5 other applicable authority upon which the Peer Review  
6 Administrator made its determination and the specific actions  
7 taken or failed to be taken by the licensee that in the opinion  
8 of the Peer Review Administrator constitutes a failure to  
9 comply. The Department may at its discretion or shall upon  
10 submission of a written application by the CPA firm or sole  
11 practitioner hold a hearing under Section 20.1 of this Act to  
12 determine whether the CPA firm or sole practitioner has  
13 complied with subsection (e) of this Section. The hearing shall  
14 be confidential and shall not be open to the public unless  
15 requested by the CPA firm or sole practitioner.

16 (h) The CPA firm or sole practitioner reviewed shall pay  
17 for any peer review performed. The Peer Review Administrator  
18 may charge a fee to each firm and sole practitioner sufficient  
19 to cover costs of administering the peer review program.

20 (i) A CPA firm or sole practitioner shall not be required  
21 to comply with the peer review requirements ~~be exempt from the~~  
22 ~~requirement to undergo a peer review~~ if:

23 (1) Within 3 years before the date of application for  
24 renewal licensure, the sole practitioner or CPA firm has  
25 undergone a peer review conducted in another state or  
26 foreign jurisdiction that meets the requirements of

1 paragraphs (1) and (2) of subsection (f) of this Section.  
2 The sole practitioner or CPA firm shall, at the request of  
3 the Department, submit to the Department a letter from the  
4 organization administering the most recent peer review  
5 stating the date on which the peer review was completed; or

6 (2) Within 2 years before the date of application for  
7 renewal licensure, the ~~The~~ sole practitioner or CPA firm  
8 satisfies all of the following conditions:

9 (A) has not accepted or performed any accountancy  
10 activities outlined in paragraph (1) of subsection (a)  
11 of Section 8.05 of this Act; and ~~during the preceding 2~~  
12 ~~years, the firm or sole practitioner has not accepted~~  
13 ~~or performed any services requiring a license under~~  
14 ~~this Act;~~

15 (B) the firm or sole practitioner agrees to notify  
16 the Peer Review Administrator ~~Department~~ within 30  
17 days of accepting an engagement for services requiring  
18 a license under this Act and to undergo a peer review  
19 within 18 months after the end of the period covered by  
20 the engagement; or

21 (3) For reasons of personal health, military service,  
22 or other good cause, the Department determines that the  
23 sole practitioner or firm is entitled to an exemption,  
24 which may be granted for a period of time not to exceed 12  
25 months.

26 (j) If a peer review report indicates that a CPA firm or



1 sole practitioner complies with the appropriate professional  
2 standards and practices set forth in the rules of the  
3 Department and no further remedial action is required, the Peer  
4 Review Administrator shall, after issuance of the final letter  
5 of acceptance, destroy all working papers and documents related  
6 to the peer review, other than report-related documents and  
7 documents evidencing completion of remedial actions, if any, in  
8 accordance with rules established by the Department.

9 (k) (Blank).

10 (Source: P.A. 96-945, eff. 6-25-10.)

11 (225 ILCS 450/17) (from Ch. 111, par. 5518)

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

13 Sec. 17. Fees; returned checks; fines. The fees for the  
14 administration and enforcement of this Act, including, but not  
15 limited to, original licensure, registration, renewal, and  
16 restoration fees, shall be set by the Department by rule. The  
17 fees shall be nonrefundable. Each person, partnership, limited  
18 liability company, and corporation, to which a license or  
19 registration is issued, shall pay a fee to be established by  
20 the Department which allows the Department to pay all costs and  
21 expenses incident to the administration of this Act. Interim  
22 licenses shall be at full rates.

23 ~~The Department, by rule, shall establish fees to be paid~~  
24 ~~for certification of records, and copies of this Act and the~~  
25 ~~rules issued for administration of this Act.~~

1 Any person who delivers a check or other payment to the  
2 Department that is returned to the Department unpaid by the  
3 financial institution upon which it is drawn shall pay to the  
4 Department, in addition to the amount already owed to the  
5 Department, a fine of \$50. The fines imposed by this Section  
6 are in addition to any other discipline provided under this Act  
7 for unlicensed practice or practice on a nonrenewed license or  
8 registration. The Department shall notify the person that  
9 payment of fees and fines shall be paid to the Department by  
10 certified check or money order within 30 calendar days of the  
11 notification. If, after the expiration of 30 days from the date  
12 of the notification, the person has failed to submit the  
13 necessary remittance, the Department shall automatically  
14 terminate the license or registration or deny the application,  
15 without hearing. If, after termination or denial, the person  
16 seeks a license or registration, he or she shall apply to the  
17 Department for restoration or issuance of the license or  
18 registration and pay all fees and fines due to the Department.  
19 The Department may establish a fee for the processing of an  
20 application for restoration of a license or registration to pay  
21 all expenses of processing this application. The Department may  
22 waive the fines due under this Section in individual cases  
23 where the Department finds that the fines would be unreasonable  
24 or unnecessarily burdensome.

25 (Source: P.A. 92-146, eff. 1-1-02; 92-457, eff. 7-1-04; 92-651,  
26 eff. 7-11-02; 93-683, eff. 7-2-04.)

1 (225 ILCS 450/17.1) (from Ch. 111, par. 5518.1)

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

3 Sec. 17.1. Restoration.

4 (a) Any registered CPA ~~certified public accountant~~ who has  
5 permitted his or her registration to expire or who has had his  
6 or her registration on inactive status may have his or her  
7 registration restored by making application to the Department  
8 and filing proof acceptable to the Department as defined by  
9 rule of his or her fitness to have his or her registration  
10 restored, which may include sworn evidence certifying to active  
11 practice in another jurisdiction satisfactory to the  
12 Department and by paying the required restoration fee.

13 (b) Any licensed CPA ~~certified public accountant~~ who has  
14 permitted his or her license to expire or who has had his or  
15 her license on inactive status may have his or her license  
16 restored by making application to the Department and filing  
17 proof acceptable to the Department as defined by rule of his or  
18 her fitness to have his or her license restored, including  
19 sworn evidence certifying to active practice in another  
20 jurisdiction satisfactory to the Department and by paying the  
21 required restoration fee and by submitting proof of the  
22 required continuing education.

23 (c) If the licensed CPA ~~certified public accountant~~ or  
24 registered CPA ~~certified public accountant~~ has not maintained  
25 an active practice in another jurisdiction satisfactory to the

1 Department, the Department shall determine, by an evaluation  
2 program established by rule, fitness to resume active status  
3 and may require the applicant to complete a period of  
4 supervised experience.

5 Any licensed CPA ~~However, any licensed certified public~~  
6 ~~accountant~~ or registered CPA ~~certified public accountant~~ whose  
7 license or registration expired while he or she was (1) in  
8 Federal Service on active duty with the Armed Forces of the  
9 United States, or the State Militia called into service or  
10 training, or (2) in training or education under the supervision  
11 of the United States preliminary to induction into the military  
12 service, may have his or her license or registration renewed  
13 reinstated or restored without paying any lapsed renewal and  
14 restoration fees if within 2 years after honorable termination  
15 of such service, training or education except under conditions  
16 other than honorable, he or she furnished the Department with  
17 satisfactory evidence to the effect that he or she has been so  
18 engaged and that his or her service, training, or education has  
19 been so terminated.

20 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

21 (225 ILCS 450/17.2) (from Ch. 111, par. 5518.2)

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

23 Sec. 17.2. Inactive status.

24 (a) Any licensed or registered CPA with an active,  
25 unencumbered license or registration ~~licensed certified public~~

1 ~~accountant or Registered Certified Public Accountant~~ who  
2 notifies the Department in writing on forms prescribed by the  
3 Department, may elect to place his or her license or  
4 registration on an inactive status and shall, subject to rules  
5 of the Department, be excused from payment of renewal fees and  
6 completion of continuing education hours until he or she  
7 notifies the Department in writing of his or her desire to  
8 resume active status.

9 (b) Any licensed CPA ~~licensed certified public accountant~~  
10 requesting restoration from inactive status shall be required  
11 to pay the current renewal fee, shall be required to submit  
12 proof of the required continuing education, and shall be  
13 required to comply with any requirements established by rule  
14 ~~restore his license, as provided in this Act.~~

15 (c) Any registered CPA ~~Registered Certified Public~~  
16 ~~Accountant~~ requesting restoration from inactive status shall  
17 be required to pay the current renewal fee and shall be  
18 required to comply with any requirements established by rule.

19 (d) Any licensed CPA or registered CPA ~~licensed certified~~  
20 ~~public accountant~~ whose license is in an inactive status shall  
21 not perform accountancy activities outlined in of Section 8.05  
22 of this Act ~~practice public accounting in this State of~~  
23 ~~Illinois.~~

24 (e) Any licensed CPA or registered CPA ~~Registered Certified~~  
25 ~~Public Accountant~~ whose license or registration is in an  
26 inactive status shall not in any manner hold himself or herself

1 out to the public as a CPA, except in accordance with  
2 subsection (f) of this Section C.P.A. or R.C.P.A.

3 (f) Any licensed CPA with an active, unencumbered license,  
4 who notifies the Department in writing on forms prescribed by  
5 the Department, may elect to place his or her license on  
6 inactive status and may continue to use the CPA title if he or  
7 she meets the following requirements:

8 (1) he or she shall pay an application fee and renewal  
9 fee required by rule;

10 (2) he or she shall not perform accountancy activities  
11 outlined in Section 8.05 of this Act;

12 (3) he or she must place the word "inactive" directly  
13 before or after the CPA title;

14 (4) any licensee requesting restoration from inactive  
15 status shall be required to submit proof of the required  
16 continuing education, and shall be required to comply with  
17 any requirements established by rule; and

18 (5) he or she may perform governance functions on a  
19 non-profit volunteer board using his or her accountancy  
20 skills and competencies if:

21 (A) he or she discloses to the non-profit volunteer  
22 board and respective committees that he or she is a CPA  
23 (inactive); and

24 (B) he or she is not serving as an audit committee  
25 financial expert as defined in Section 407 of the  
26 federal Sarbanes-Oxley Act of 2002.

1       ~~The Department may, in its discretion, license as a~~  
2 ~~licensed certified public accountant, on payment of the~~  
3 ~~required fee, an applicant who is a licensed certified public~~  
4 ~~accountant licensed under the laws of another jurisdiction if~~  
5 ~~the requirements for licensure of licensed certified public~~  
6 ~~accountants in the jurisdiction in which the applicant was~~  
7 ~~licensed were, at the date of his licensure, substantially~~  
8 ~~equivalent to the requirements in force in this State on that~~  
9 ~~date.~~

10       ~~Applicants have 3 years from the date of application to~~  
11 ~~complete the application process. If the process has not been~~  
12 ~~completed in 3 years, the application shall be denied, the fee~~  
13 ~~forfeited and the applicant must reapply and meet the~~  
14 ~~requirements in effect at the time of reapplication.~~

15       (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

16       (225 ILCS 450/17.3 new)

17       Sec. 17.3. Restoration of license from discipline. At any  
18 time after the successful completion of a term of indefinite  
19 probation, suspension, or revocation of a license or  
20 registration, the Department may restore the license or  
21 registration to active status, unless, after an investigation  
22 and a hearing, the Secretary determines that restoration is not  
23 in the public interest. No person or entity whose license,  
24 certificate, or authority has been revoked as authorized in  
25 this Act may apply for restoration of that license,

1 certification, or authority until such time as provided for in  
2 the Civil Administrative Code of Illinois.

3 (225 ILCS 450/20.01) (from Ch. 111, par. 5521.01)

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

5 Sec. 20.01. Grounds for discipline; license or  
6 registration.

7 (a) The Department may refuse to issue or renew, or may  
8 revoke, suspend, or reprimand any registration or registrant,  
9 any license or licensee, place a licensee or registrant on  
10 probation for a period of time subject to any conditions the  
11 Department may specify including requiring the licensee or  
12 registrant to attend continuing education courses or to work  
13 under the supervision of another licensee or registrant, impose  
14 a fine not to exceed \$10,000 ~~\$5,000~~ for each violation,  
15 restrict the authorized scope of practice, ~~or~~ require a  
16 licensee or registrant to undergo a peer review program, assess  
17 costs as provided for under Section 20.4, or take other  
18 disciplinary or non-disciplinary action for any one or more of  
19 the following:

20 (1) Violation of any provision of this Act or rule  
21 adopted by the Department under this Act or violation of  
22 professional standards.

23 (2) Dishonesty, fraud, or deceit in obtaining,  
24 reinstating, or restoring a license or registration  
25 ~~Attempting to procure a license or registration to practice~~



1       ~~under this Act by bribery or fraudulent~~  
2       ~~misrepresentations.~~

3           (3) Cancellation, revocation, suspension, denial of  
4       licensure or registration, or refusal to renew a license or  
5       privileges under Section 5.2 for disciplinary reasons in  
6       any other U.S. jurisdiction, unit of government, or  
7       government agency for any cause ~~Having a license to~~  
8       ~~practice public accounting or registration revoked,~~  
9       ~~suspended, or otherwise acted against, including the~~  
10       ~~denial of licensure or registration, by the licensing or~~  
11       ~~registering authority of another state, territory, or~~  
12       ~~country, including but not limited to the District of~~  
13       ~~Columbia, or any United States territory. No disciplinary~~  
14       ~~action shall be taken in Illinois if the action taken in~~  
15       ~~another jurisdiction was based upon failure to meet the~~  
16       ~~continuing professional education requirements of that~~  
17       ~~jurisdiction and the applicable Illinois continuing~~  
18       ~~professional education requirements are met.~~

19           (4) Failure, on the part of a licensee under Section 13  
20       or registrant under Section 16, to maintain compliance with  
21       the requirements for issuance or renewal of a license or  
22       registration or to report changes to the Department ~~Being~~  
23       ~~convicted or found guilty, regardless of adjudication, of a~~  
24       ~~crime in any jurisdiction which directly relates to the~~  
25       ~~practice of public accounting or the ability to practice~~  
26       ~~public accounting or as a Registered Certified Public~~

1        ~~Accountant.~~

2            (5) Revocation or suspension of the right to practice  
3 by or before any state or federal regulatory authority or  
4 by the Public Company Accounting Oversight Board ~~Making or~~  
5 ~~filing a report or record which the registrant or licensee~~  
6 ~~knows to be false, willfully failing to file a report or~~  
7 ~~record required by state or federal law, willfully impeding~~  
8 ~~or obstructing the filing, or inducing another person to~~  
9 ~~impede or obstruct the filing. The reports or records shall~~  
10 ~~include only those that are signed in the capacity of a~~  
11 ~~licensed certified public accountant or a registered~~  
12 ~~certified public accountant.~~

13            (6) Dishonesty, fraud, deceit, or gross negligence in  
14 the performance of services as a licensee or registrant or  
15 individual granted privileges under Section 5.2 ~~Conviction~~  
16 ~~in this or another State or the District of Columbia, or~~  
17 ~~any United States Territory, of any crime that is~~  
18 ~~punishable by one year or more in prison or conviction of a~~  
19 ~~crime in a federal court that is punishable by one year or~~  
20 ~~more in prison.~~

21            (7) Conviction by plea of guilty or nolo contendere,  
22 finding of guilt, jury verdict, or entry of judgment or  
23 sentencing, including, but not limited to, convictions,  
24 preceding sentences of supervision, conditional discharge,  
25 or first offender probation, under the laws of any  
26 jurisdiction of the United States that is (i) a felony or

1        (ii) a misdemeanor, an essential element of which is  
2        dishonesty, or that is directly related to the practice of  
3        public accounting ~~Proof that the licensee or registrant is~~  
4        ~~guilty of fraud or deceit, or of gross negligence,~~  
5        ~~incompetency, or misconduct, in the practice of public~~  
6        ~~accounting.~~

7        (8) Performance of any fraudulent act while holding a  
8        license or privilege issued under this Act or prior law  
9        ~~Violation of any rule adopted under this Act.~~

10        (9) Practicing on a revoked, suspended, or inactive  
11        license or registration.

12        (10) Making or filing a report or record that the  
13        registrant or licensee knows to be false, willfully failing  
14        to file a report or record required by State or federal  
15        law, willfully impeding or obstructing the filing or  
16        inducing another person to impede or obstruct only those  
17        that are signed in the capacity of a licensed CPA or a  
18        registered CPA ~~Suspension or revocation of the right to~~  
19        ~~practice before any state or federal agency.~~

20        ~~(11) Conviction of any crime under the laws of the~~  
21        ~~United States or any state or territory of the United~~  
22        ~~States that is a felony or misdemeanor and has dishonesty~~  
23        ~~as an essential element, or of any crime that is directly~~  
24        ~~related to the practice of the profession.~~

25        ~~(12) Making any misrepresentation for the purpose of~~  
26        ~~obtaining a license, or registration or material~~

1 ~~misstatement in furnishing information to the Department.~~

2 (11) ~~(13)~~ Aiding or assisting another person in  
3 violating any provision of this Act or rules promulgated  
4 hereunder.

5 (12) ~~(14)~~ Engaging in dishonorable, unethical, or  
6 unprofessional conduct of a character likely to deceive,  
7 defraud, or harm the public.

8 (13) ~~(15)~~ Habitual or excessive use or abuse of drugs,  
9 ~~addiction to~~ alcohol, narcotics, stimulants, or any other  
10 substance ~~chemical agent or drug~~ that results in the  
11 inability to practice with reasonable skill, judgment, or  
12 safety.

13 (14) ~~(16)~~ Directly or indirectly giving to or receiving  
14 from any person, firm, corporation, partnership, or  
15 association any fee, commission, rebate, or other form of  
16 compensation for any professional service not actually  
17 rendered.

18 (15) ~~(17)~~ Physical illness ~~or mental disability,~~  
19 including, but not limited to, deterioration through the  
20 aging process or loss of motor skill ~~abilities and skills~~  
21 that results in the licensee or registrant's inability to  
22 practice under this Act ~~the profession~~ with reasonable  
23 judgment, skill, or safety.

24 (16) ~~(18)~~ Solicitation of professional services by  
25 using false or misleading advertising.

26 (17) Any conduct reflecting adversely upon the

1 licensee's fitness to perform services while a licensee or  
2 individual granted privileges under Section 5.2 ~~(19)~~  
3 ~~Failure to file a return, or pay the tax, penalty or~~  
4 ~~interest shown in a filed return, or to pay any final~~  
5 ~~assessment of tax, penalty or interest, as required by any~~  
6 ~~tax Act administered by the Illinois Department of Revenue~~  
7 ~~or any successor agency or the Internal Revenue Service or~~  
8 ~~any successor agency.~~

9 (18) ~~(20)~~ Practicing or attempting to practice under a  
10 name other than the full name as shown on the license or  
11 registration or any other legally authorized name.

12 (19) ~~(21)~~ A finding by the Department that a licensee  
13 or registrant has not complied with a provision of any  
14 lawful order issued by the Department.

15 (20) ~~(22)~~ Making a false statement to the Department  
16 regarding compliance with continuing professional  
17 education or peer review requirements.

18 (21) ~~(23)~~ Failing to make a substantive response to a  
19 request for information by the Department within 30 days of  
20 the request.

21 (b) (Blank).

22 (b-5) All fines or costs imposed under this Section shall  
23 be paid within 60 days after the effective date of the order  
24 imposing the fine or costs or in accordance with the terms set  
25 forth in the order imposing the fine or cost

26 (c) In cases where the Department of Healthcare and Family

1 Services has previously determined a licensee or a potential  
2 licensee is more than 30 days delinquent in the payment of  
3 child support and has subsequently certified the delinquency to  
4 the Department, the Department may refuse to issue or renew or  
5 may revoke or suspend that person's license or may take other  
6 disciplinary or non-disciplinary action against that person  
7 based solely upon the certification of delinquency made by the  
8 Department of Healthcare and Family Services in accordance with  
9 item (5) of subsection (a) of Section 2105-15 of the Department  
10 of Professional Regulation Law of the Civil Administrative Code  
11 of Illinois. In rendering an order, the Department shall take  
12 into consideration the facts and circumstances involving the  
13 type of acts or omissions in subsection (a) including, but not  
14 limited to:

15 ~~(1) the extent to which public confidence in the public~~  
16 ~~accounting profession was, might have been, or may be~~  
17 ~~injured;~~

18 ~~(2) the degree of trust and dependence among the~~  
19 ~~involved parties;~~

20 ~~(3) the character and degree of financial or economic~~  
21 ~~harm which did or might have resulted; and~~

22 ~~(4) the intent or mental state of the person charged at~~  
23 ~~the time of the acts or omissions.~~

24 (d) The Department may refuse to issue or may suspend  
25 without hearing, as provided for in the Code of Civil  
26 Procedure, the license or registration of any person who fails

1 to file a return, to pay a tax, penalty, or interest shown in a  
2 filed return, or to pay any final assessment of tax, penalty,  
3 or interest, as required by any tax Act administered by the  
4 Illinois Department of Revenue, until such time as the  
5 requirements of any such tax Act are satisfied in accordance  
6 with subsection (g) of Section 2105-15 of the Department of  
7 Professional Regulation Law of the Civil Administrative Code of  
8 Illinois ~~The Department shall reissue the license or~~  
9 ~~registration upon a showing that the disciplined licensee or~~  
10 ~~registrant has complied with all of the terms and conditions~~  
11 ~~set forth in the final order.~~

12 (e) The Department shall deny any application for a  
13 license, registration, or renewal, without hearing, to any  
14 person who has defaulted on an educational loan guaranteed by  
15 the Illinois Student Assistance Commission; however, the  
16 Department may issue a license, registration, or renewal if the  
17 person in default has established a satisfactory repayment  
18 record as determined by the Illinois Student Assistance  
19 Commission.

20 (f) The determination by a court that a licensee or  
21 registrant is subject to involuntary admission or judicial  
22 admission as provided in the Mental Health and Developmental  
23 Disabilities Code will result in the automatic suspension of  
24 his or her license or registration. The licensee or registrant  
25 shall be responsible for notifying the Department of the  
26 determination by the court that the licensee or registrant is

1 subject to involuntary admission or judicial admission as  
2 provided in the Mental Health and Developmental Disabilities  
3 Code. The suspension shall end only upon a finding by a court  
4 that the patient is no longer subject to involuntary admission  
5 or judicial admission, the issuance of an order so finding and  
6 discharging the patient, and the filing of a petition for  
7 restoration demonstrating fitness to practice ~~The licensee or~~  
8 ~~registrant shall also notify the Department upon discharge so~~  
9 ~~that a determination may be made under item (17) of subsection~~  
10 ~~(a) whether the licensee or registrant may resume practice.~~

11 (g) In enforcing this Section, the Department, upon a  
12 showing of a possible violation, may compel, any licensee or  
13 registrant or any individual who has applied for licensure  
14 under this Act, to submit to a mental or physical examination  
15 and evaluation, or both, which may include a substance abuse or  
16 sexual offender evaluation, at the expense of the Department.  
17 The Department shall specifically designate the examining  
18 physician licensed to practice medicine in all of its branches  
19 or, if applicable, the multidisciplinary team involved in  
20 providing the mental or physical examination and evaluation, or  
21 both. The multidisciplinary team shall be led by a physician  
22 licensed to practice medicine in all of its branches and may  
23 consist of one or more or a combination of physicians licensed  
24 to practice medicine in all of its branches, licensed  
25 chiropractic physicians, licensed clinical psychologists,  
26 licensed clinical social workers, licensed clinical



1 professional counselors, and other professional and  
2 administrative staff. Any examining physician or member of the  
3 multidisciplinary team may require any person ordered to submit  
4 to an examination and evaluation under this Section to submit  
5 to any additional supplemental testing deemed necessary to  
6 complete any examination or evaluation process, including, but  
7 not limited to, blood testing, urinalysis, psychological  
8 testing, or neuropsychological testing. The Department may  
9 order the examining physician or any member of the  
10 multidisciplinary team to provide to the Department any and all  
11 records, including business records, that relate to the  
12 examination and evaluation, including any supplemental testing  
13 performed. The Department may order the examining physician or  
14 any member of the multidisciplinary team to present testimony  
15 concerning this examination and evaluation of the licensee,  
16 registrant, or applicant, including testimony concerning any  
17 supplemental testing or documents relating to the examination  
18 and evaluation. No information, report, record, or other  
19 documents in any way related to the examination and evaluation  
20 shall be excluded by reason of any common law or statutory  
21 privilege relating to communication between the licensee,  
22 registrant, or applicant and the examining physician or any  
23 member of the multidisciplinary team. No authorization is  
24 necessary from the individual ordered to undergo an evaluation  
25 and examination for the examining physician or any member of  
26 the multidisciplinary team to provide information, reports,

1 records, or other documents or to provide any testimony  
2 regarding the examination and evaluation.

3 The individual to be examined may have, at his or her own  
4 expense, another physician of his or her choice present during  
5 all aspects of the examination. Failure of any individual to  
6 submit to mental or physical examination and evaluation, or  
7 both, when directed, shall result in an automatic suspension,  
8 without hearing, until such time as the individual submits to  
9 the examination. If the Department finds a licensee,  
10 registrant, or applicant unable to practice because of the  
11 reasons set forth in this Section, the Department shall require  
12 such licensee, registrant, or applicant to submit to care,  
13 counseling, or treatment by physicians approved or designated  
14 by the Department, as a condition for continued, reinstated, or  
15 renewed licensure to practice.

16 When the Secretary immediately suspends a license or  
17 registration under this Section, a hearing upon such person's  
18 license or registration must be convened by the Department  
19 within 15 days after such suspension and completed without  
20 appreciable delay. The Department shall have the authority to  
21 review the subject's record of treatment and counseling  
22 regarding the impairment, to the extent permitted by applicable  
23 federal statutes and regulations safeguarding the  
24 confidentiality of medical records.

25 Individuals licensed or registered under this Act,  
26 affected under this Section, shall be afforded an opportunity

1 to demonstrate to the Department that they can resume practice  
2 in compliance with acceptable and prevailing standards under  
3 the provisions of their license or registration.

4 (Source: P.A. 93-629, eff. 12-23-03; 93-683, eff. 7-2-04;  
5 94-779, eff. 5-19-06.)

6 (225 ILCS 450/20.1) (from Ch. 111, par. 5522)

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

8 Sec. 20.1. Investigations; notice; hearing.

9 (a) The Department may, upon its own motion, and shall,  
10 upon the verified complaint in writing of any person setting  
11 forth facts which, if proved, would constitute grounds for  
12 disciplinary action as set forth in Section 20.01, investigate  
13 the actions of an applicant, any person, or entity holding or  
14 claiming to hold a license.

15 (b) The Department shall, before revoking, suspending,  
16 placing on probation, reprimanding, or taking any other  
17 disciplinary or non-disciplinary action under Section 20.01 of  
18 this Act, at least 30 days before the date set for the hearing,  
19 (i) notify the accused in writing of the charges made and the  
20 time and place for the hearing on the charges, (ii) direct him  
21 or her to file a written answer to the charges with the  
22 Department under oath within 20 days after the service on him  
23 or her of the notice, and (iii) inform the accused that, if he  
24 or she fails to answer, default shall be taken against him or  
25 her or that his or her license or registration may be

1 suspended, revoked, placed on probationary status, or other  
2 disciplinary action taken with regard to the licensee,  
3 including limiting the scope, nature, or extent of his or her  
4 practice, as the Department may consider proper. ~~The Department~~  
5 ~~may refer complaints and investigations to a disciplinary body~~  
6 ~~of the accounting profession for technical assistance. The~~  
7 ~~results of an investigation and recommendations of the~~  
8 ~~disciplinary body may be considered by the Department, but~~  
9 ~~shall not be considered determinative and the Department shall~~  
10 ~~not in any way be obligated to take any action or be bound by~~  
11 ~~the results of the accounting profession's disciplinary~~  
12 ~~proceedings. The Department, before taking disciplinary~~  
13 ~~action, shall afford the concerned party or parties an~~  
14 ~~opportunity to request a hearing and if so requested shall set~~  
15 ~~a time and place for a hearing of the complaint.~~

16 (c) With respect to determinations by a Peer Review  
17 Administrator duly appointed by the Department under  
18 subsection (f) of Section 16 of this Act that a licensee has  
19 failed to satisfactorily complete a peer review as required  
20 under subsection (e) of Section 16, the Department may consider  
21 the Peer Review Administrator's findings of fact as prima facie  
22 evidence, and upon request by a licensee for a hearing the  
23 Department shall review the record presented and hear arguments  
24 by the licensee or the licensee's counsel but need not conduct  
25 a trial or hearing de novo or accept additional evidence.

26 (d) At the time and place fixed in the notice, the

1 Department shall proceed to hear the charges and the parties or  
2 their counsel shall be accorded ample opportunity to present  
3 any pertinent statements, testimony, evidence, and arguments.  
4 The Department may continue the hearing from time to time.

5 (e) In case the person, after receiving the notice, fails  
6 to file an answer, his or her license or registration may, in  
7 the discretion of the Department, be suspended, revoked, placed  
8 on probationary status, or the Department may take whatever  
9 disciplinary action considered proper, including limiting the  
10 scope, nature, or extent of the person's practice or the  
11 imposition of a fine, without a hearing, if the act or acts  
12 charged constitute sufficient grounds for that action under  
13 this Act. The written notice may be served by registered or  
14 certified mail to the licensee or registrant's address of  
15 record. ~~The Department shall notify the applicant or the~~  
16 ~~licensed or registered person or entity of any charges made and~~  
17 ~~the date and place of the hearing of those charges by mailing~~  
18 ~~notice thereof to that person or entity by registered or~~  
19 ~~certified mail to the place last specified by the accused~~  
20 ~~person or entity in the last notification to the Department, at~~  
21 ~~least 30 days prior to the date set for the hearing or by~~  
22 ~~-serving a written notice by delivery of the notice to the~~  
23 ~~accused person or entity at least 15 days prior to the date set~~  
24 ~~for the hearing, and shall direct the applicant or licensee or~~  
25 ~~registrant to file a written answer to the Department under~~  
26 ~~oath within 20 days after the service of the notice and inform~~

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

1 ~~deviations.~~

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

6 (Source: P.A. 93-683, eff. 7-2-04; 94-779, eff. 5-19-06.)

7 (225 ILCS 450/20.2) (from Ch. 111, par. 5523)

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

9 Sec. 20.2. Subpoenas; depositions; oaths.

10 (a) The Department may subpoena and bring before it at any  
11 hearing any person to in this State and take the oral or  
12 written testimony or compel the production of any books,  
13 papers, records, or any other documents that the Secretary or  
14 his or her designee deems relevant or material to any  
15 investigation or hearing conducted by the Department either  
16 orally or by deposition, or both, with the same fees and  
17 mileage and in the same manner as prescribed by law in judicial  
18 proceedings in civil cases in circuit courts of this State and  
19 in the same manner as prescribed by this Act and its rules.

20 (b) The Secretary Director, any member of the Committee  
21 designated by the Secretary Director, a certified shorthand  
22 reporter, or any hearing officer appointed may administer oaths  
23 to witnesses at any hearing which the Department conducts.  
24 Notwithstanding any statute or Department rule to the contrary,  
25 all requests for testimony, production of documents, or records

1 ~~shall be in accordance with this Act is authorized by law to~~  
2 ~~conduct or any other oaths required or authorized in any Act~~  
3 ~~administered by the Department.~~

4 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

5 (225 ILCS 450/20.3) (from Ch. 111, par. 5524)

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

7 Sec. 20.3. Required testimony. Any circuit court in the  
8 State of Illinois, upon the application of the licensee,  
9 registrant ~~accused person, partnership or corporation, of the~~  
10 ~~complainant~~ or of the Department, may, by order duly entered,  
11 require the attendance and testimony of witnesses and the  
12 production of relevant documents, books, files, records, and  
13 papers before the Department at any hearing relative to a  
14 disciplinary action and the court may compel obedience to the  
15 order by proceedings for contempt.

16 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

17 (225 ILCS 450/20.4) (from Ch. 111, par. 5525)

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

19 Sec. 20.4. Record of proceedings.

20 (a) The Department, at its expense, shall provide a  
21 stenographer to take down the testimony and preserve a record  
22 of all proceedings at formal ~~disciplinary~~ hearings. The  
23 Department shall furnish a transcript of that record to any  
24 person interested in that hearing upon payment of the



1 reasonable cost established by the Department.

2 (b) Any registrant or licensee who is found to have  
3 violated this Act or who fails to appear for a hearing to  
4 refuse to issue, restore, or renew a license or to discipline a  
5 license may be required by the Department to pay for the costs  
6 of the proceeding. These costs are limited to costs for court  
7 reporters, transcripts, and witness attendance and mileage  
8 fees. All costs imposed under this Section shall be paid within  
9 60 days after the effective date of the order imposing the  
10 fine.

11 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

12 (225 ILCS 450/20.5) (from Ch. 111, par. 5526)

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

14 Sec. 20.5. Rehearing; surrender of license.

15 (a) In any hearing to refuse to issue, restore, or renew a  
16 license or to discipline a licensee or registrant disciplinary  
17 proceeding, a copy of the Committee's report shall be served  
18 upon the respondent by the Department, either personally or as  
19 provided in this Act for the service of the notice of hearing.  
20 Within 20 days after such service, the respondent may present  
21 to the Department a motion in writing for a rehearing, which  
22 motion shall specify the particular grounds therefor. If no  
23 motion for rehearing is filed, then upon the expiration of the  
24 time specified for filing such a motion, or if a motion or  
25 rehearing is denied, then upon such denial the Secretary

1 ~~Director~~ may enter an order in accordance with recommendations  
2 of the Committee except as provided in Section 20.7 ~~20.6~~. If  
3 the respondent shall order from the reporting service, and pay  
4 for a transcript of the record within the time for filing a  
5 motion for rehearing, the 20 day period within which such a  
6 motion may be filed shall commence upon the delivery of the  
7 transcript to the respondent.

8 (b) Whenever the Secretary believes ~~Director is satisfied~~  
9 that substantial justice has not been done in the disciplinary  
10 proceeding, the Secretary ~~Director~~ may order a rehearing by the  
11 same or different ~~Committee or designated~~ hearing officer. ~~The~~  
12 ~~Director shall provide a written explanation to the Committee~~  
13 ~~of any deviation from the recommendations of the Committee and~~  
14 ~~shall specify with particularity the reasons for the deviation.~~

15 (c) Upon the suspension or revocation of a registration or  
16 license ~~of a registrant or licensee~~, the registrant or licensee  
17 shall be required to surrender to the Department the  
18 registration or license issued by the Department, and upon  
19 failure or refusal so to do, the Department may seize it.

20 ~~The Department may exchange information relating to~~  
21 ~~proceedings resulting in disciplinary action against licensees~~  
22 ~~or registrants with the regulatory bodies of other states, or~~  
23 ~~with other public authorities or private organizations or with~~  
24 ~~federal authorities having regulatory interest in such matter.~~

25 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

1 (225 ILCS 450/20.6) (from Ch. 111, par. 5526.6)

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

3 Sec. 20.6. Hearing officer. Notwithstanding the provisions  
4 of Section 20.2 of this Act, the Secretary ~~Director~~ shall have  
5 the authority to appoint any attorney duly licensed to practice  
6 law in the State of Illinois to serve as the hearing officer in  
7 any disciplinary action. ~~The Director shall notify the~~  
8 ~~Committee of such appointment.~~

9 The hearing officer shall have full authority to conduct  
10 the hearing. The hearing officer shall report his findings of  
11 fact, conclusions of law and recommendations to the Committee  
12 and the Secretary. ~~Director. The Committee shall have 60 days~~  
13 ~~after receiving the report to review the report of the hearing~~  
14 ~~officer and present its findings of fact, conclusions of law,~~  
15 ~~and recommendations to the Director. If the Committee fails to~~  
16 ~~present its report within the 60 day period, the Director shall~~  
17 ~~issue an order based on the report of the hearing officer. If~~  
18 ~~the Director disagrees in any regard with the report of the~~  
19 ~~Committee or hearing officer, he or she may issue an order in~~  
20 ~~contravention thereof. The Director shall provide a written~~  
21 ~~explanation to the Committee of any such deviations and shall~~  
22 ~~specify with particularity the reasons for said action in the~~  
23 ~~final order.~~

24 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

25 (225 ILCS 450/20.7 new)

1       Sec. 20.7. Findings and recommendations.

2       (a) The Committee shall have 60 days after receiving the  
3 report to review the report of the hearing officer and present  
4 its findings of fact, conclusions of law, and recommendations  
5 to the Secretary. The report of the findings and  
6 recommendations of the Committee shall be the basis for the  
7 Secretary's order for refusing to issue, restore, or renew a  
8 license or registration, or otherwise discipline a licensee or  
9 registrant.

10       (b) If the Secretary disagrees in any regard with the  
11 report of the Committee or hearing officer, he or she may issue  
12 an order contrary to the report.

13       (c) The findings are not admissible in evidence against the  
14 person in a criminal prosecution brought for the violation of  
15 this Act, but the hearing and findings are not a bar to a  
16 criminal prosecution brought for the violation of this Act.

17       (225 ILCS 450/20.8 new)

18       Sec. 20.8. Summary suspension. The Secretary may summarily  
19 suspend the license or registration without a hearing,  
20 simultaneously with the institution of proceedings for a  
21 hearing under Section 20.1 of this Act, if the Secretary finds  
22 the evidence indicates that continuation in practice would  
23 constitute an imminent danger to the public. In the event that  
24 the Secretary summarily suspends a license without a hearing, a  
25 hearing by the Department shall be held within 30 days after

1 the suspension has occurred and shall be concluded as  
2 expeditiously as possible.

3 (225 ILCS 450/21) (from Ch. 111, par. 5527)

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

5 Sec. 21. Administrative ~~Judicial~~ review; certification  
6 ~~cost~~ of record; order as prima facie proof.

7 (a) All final administrative decisions of the Department  
8 hereunder shall be subject to judicial review pursuant to the  
9 provisions of the Administrative Review Law, and all amendments  
10 and modifications thereof, and the rules adopted pursuant  
11 thereto. The term "administrative decision" is defined as in  
12 Section 3-101 of the Code of Civil Procedure.

13 Proceedings for judicial review shall be commenced in the  
14 Circuit Court of the county in which the party applying for  
15 review resides; provided, that if such party is not a resident  
16 of this State, the venue shall be in Sangamon, Champaign, or  
17 Cook County.

18 (b) The Department shall not be required to certify any  
19 record to the court or file any answer in court or otherwise  
20 appear in any court in a judicial review proceeding, unless and  
21 until the Department has received from the plaintiff ~~there is~~  
22 ~~filed in the court with the complaint a receipt from the~~  
23 ~~Department acknowledging~~ payment of the costs of furnishing and  
24 certifying the record, which costs shall be established by the  
25 Department. Exhibits shall be certified without cost. Failure

1 on the part of the plaintiff to file such receipt in court  
2 shall be grounds for dismissal of the action.

3 (c) An order of disciplinary action or a certified copy  
4 thereof, over the seal of the Department and purporting to be  
5 signed by the Secretary ~~Director~~ or authorized agent of the  
6 Secretary ~~Director~~, shall be prima facie proof, subject to  
7 being rebutted, that:

8 (1) the signature is the genuine signature of the  
9 Secretary ~~Director~~ or authorized agent of the Secretary  
10 ~~Director~~;

11 (2) the Secretary ~~Director~~ or authorized agent of the  
12 Secretary ~~Director~~ is duly appointed and qualified; and

13 (3) the Committee and the members thereof are qualified  
14 to act.

15 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

16 (225 ILCS 450/27) (from Ch. 111, par. 5533)

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

18 Sec. 27. Confidentiality of licensee's and registrant's  
19 records. A licensed or registered CPA ~~certified public~~  
20 ~~accountant~~ shall not be required by any court to divulge  
21 information or evidence which has been obtained by him in his  
22 confidential capacity as a licensed or registered CPA ~~certified~~  
23 ~~public accountant~~. This Section shall not apply to any  
24 investigation or hearing undertaken pursuant to this Act.

25 (Source: P.A. 94-779, eff. 5-19-06.)

1 (225 ILCS 450/28) (from Ch. 111, par. 5534)

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

3 Sec. 28. Criminal penalties ~~Penalties~~. Each of the  
4 following acts perpetrated in the State of Illinois is a Class  
5 A ~~B~~ misdemeanor.

6 (a) The practice of accountancy activities as defined  
7 in paragraph (1) of subsection (a) of Section 8.05 without  
8 an active CPA license ~~public accounting insofar as it~~  
9 ~~consists in rendering service as described in Section 8,~~  
10 ~~without licensure,~~ in violation of the provisions of this  
11 Act;

12 (b) The obtaining or attempting to obtain licensure as  
13 a licensed CPA ~~certified public accountant~~ or registration  
14 as a registered CPA ~~certified public accountant~~ by fraud;

15 (c) The use of the title "Certified Public Accountant",  
16 "public accountant", or the abbreviation "C.P.A.", "RCPA",  
17 "LCPA", "PA" or use of any similar words or letters  
18 indicating the user is a certified public accountant, or  
19 the title "Registered Certified Public Accountant", ~~the~~  
20 ~~abbreviation "R.C.P.A.", any similar words or letters~~  
21 ~~indicating the user is a certified public accountant or a~~  
22 ~~registered certified public accountant by any person in~~  
23 ~~contravention of this Act;~~

24 (c-5) (Blank); ~~The use of the title "Certified Public~~  
25 ~~Accountant" or "Licensed Certified Public Accountant" or~~

1 ~~the abbreviation "C.P.A." or "L.C.P.A." or any similar~~  
2 ~~words or letters indicating the user is a certified public~~  
3 ~~accountant by any person in contravention with this Act;~~

4 (d) ~~The use of the title "Certified Public Accountant",~~  
5 ~~"public accountant", or the abbreviation "C.P.A.", "RCPA",~~  
6 ~~"LCPA", "PA" or any similar words or letters indicating~~  
7 ~~that the members are certified public accountants, by any~~  
8 ~~partnership, limited liability company, corporation, or~~  
9 ~~other entity in violation of this Act unless all members~~  
10 ~~thereof personally engaged in the practice of public~~  
11 ~~accounting in this State are licensed as licensed certified~~  
12 ~~public accountants by the Department, and are holders of an~~  
13 ~~effective unrevoked license, and the partnership, limited~~  
14 ~~liability company, corporation, or other entity is~~  
15 ~~licensed as licensed certified public accountants by the~~  
16 ~~Board with an effective unrevoked license;~~

17 (e) ~~The unauthorized practice in the performance of~~  
18 ~~accountancy activities as defined in Section 8.05 and in~~  
19 ~~violation of this Act The use of the title "Licensed~~  
20 ~~Certified Public Accountant", or the abbreviation~~  
21 ~~"L.C.P.A." or any similar words or letters indicating such~~  
22 ~~person is a licensed certified public accountant, by any~~  
23 ~~person not licensed as a licensed certified public~~  
24 ~~accountant by the Department, and holding an effective~~  
25 ~~unrevoked license; provided nothing in this Act shall~~  
26 ~~prohibit the use of the title "Accountant" or "Bookkeeper"~~



1 ~~by any person;~~

2 (f) (Blank); ~~The use of the title "Licensed Certified~~  
3 ~~Public Accountants", "Public Accountants" or the~~  
4 ~~abbreviation "P.A.'s" or any similar words or letters~~  
5 ~~indicating that the members are public accountants by any~~  
6 ~~partnership, limited liability company, corporation, or~~  
7 ~~other entity unless all members thereof personally engaged~~  
8 ~~in the practice of public accounting in this State are~~  
9 ~~licensed as licensed certified public accountants by the~~  
10 ~~Department and are holders of effective unrevoked~~  
11 ~~licenses, and the partnership is licensed as a public~~  
12 ~~accounting firm by the Department with an effective~~  
13 ~~unrevoked license;~~

14 (g) Making false statements to the Department  
15 regarding compliance with continuing professional  
16 education or peer review requirements;

17 (h) (Blank). ~~The use of the title "Certified Public~~  
18 ~~Accountant" or the abbreviation "C.P.A." or any similar~~  
19 ~~words or letters indicating that the members are certified~~  
20 ~~public accountants, by any partnership unless all members~~  
21 ~~thereof personally engaged in the practice of public~~  
22 ~~accounting in this State have received certificates as~~  
23 ~~certified public accountants from the Board, are licensed~~  
24 ~~as public accountants by the Department, and are holders of~~  
25 ~~an effective unrevoked license, and the partnership is~~  
26 ~~licensed as public accountants by the Department with an~~

1 ~~effective unrevoked license.~~

2 ~~This Section does not prohibit a firm partnership, limited~~  
3 ~~liability company, corporation, or other entity who does not~~  
4 ~~practice public accounting as set forth in Section 8 of this~~  
5 ~~Act and whose members residing in Illinois are registered with~~  
6 ~~the Department from using the title "Certified Public~~  
7 ~~Accountant" or the abbreviation "C.P.A." or "CPA" or similar~~  
8 ~~words or letters indicating that the members are certified~~  
9 ~~public accountants.~~

10 (Source: P.A. 95-331, eff. 8-21-07.)

11 (225 ILCS 450/30) (from Ch. 111, par. 5535)

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

13 Sec. 30. Injunctions; cease and desist.

14 (a) If any person or entity violates any provision of this  
15 Act, the Secretary may, The practice of public accounting, as  
16 described in Section 8 of this Act, by any person in violation  
17 of this Act is hereby declared to be inimical to the public  
18 welfare and to be a public nuisance. An action to perpetually  
19 enjoin from such unlawful practice any person who has been or  
20 is engaged therein may be maintained in the name of the people  
21 of the State of Illinois by the Attorney General of the State  
22 of Illinois or , by the State's Attorney of any county in which  
23 the violation is alleged to have occurred, petition for an  
24 order enjoining the violation or for an order enforcing  
25 compliance with this Act. Upon the filing of a verified

1 petition in court, the court may issue a temporary restraining  
2 order, without notice or bond, and may preliminarily and  
3 permanently enjoin the violation. If it is established that the  
4 person has violated or is violating the injunction, the court  
5 may punish the offender for contempt of court ~~action is~~  
6 ~~brought, by the Department or by any resident citizen.~~ The  
7 injunction proceeding shall be in addition to and not in lieu  
8 of any penalties or other remedies provided by this Act. No  
9 injunction shall issue under this section against any person  
10 for any act exempted under Section 11 of this Act.

11 (b) If any person shall practice as a licensed CPA  
12 ~~certified public accountant~~ or a registered CPA ~~certified~~  
13 ~~public accountant~~ or hold himself or herself out as a licensed  
14 CPA ~~certified public accountant~~ or registered CPA ~~certified~~  
15 ~~public accountant~~ without being licensed or registered under  
16 the provision of this Act then any licensed CPA ~~certified~~  
17 ~~public accountant~~ or registered CPA ~~certified public~~  
18 ~~accountant~~, any interested party, or any person injured thereby  
19 may, in addition to the Department, petition for relief as  
20 provided in subsection (a) of this Section.

21 (c) Whenever in the opinion of the Department any person  
22 violates any provision of this Act, the Department may issue a  
23 rule to show cause why an order to cease and desist should not  
24 be entered against him. The rule shall clearly set forth the  
25 grounds relied upon by the Department and shall provide a  
26 period of 7 days from the date of the rule to file an answer to

1 the satisfaction of the Department. Failure to answer to the  
2 satisfaction of the Department shall cause an order to cease  
3 and desist to be issued forthwith.

4 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

5 (225 ILCS 450/30.1) (from Ch. 111, par. 5535.1)

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

7 Sec. 30.1. Liability. No person, partnership, corporation,  
8 or other entity licensed or authorized to practice under this  
9 Act or any of its employees, partners, members, officers or  
10 shareholders shall be liable to persons not in privity of  
11 contract with such person, partnership, corporation, or other  
12 entity for civil damages resulting from acts, omissions,  
13 decisions or other conduct in connection with professional  
14 services performed by such person, partnership, corporation,  
15 or other entity, except for:

16 (1) such acts, omissions, decisions or conduct that  
17 constitute fraud or intentional misrepresentations, or

18 (2) such other acts, omissions, decisions or conduct, if  
19 such person, partnership or corporation was aware that a  
20 primary intent of the client was for the professional services  
21 to benefit or influence the particular person bringing the  
22 action; provided, however, for the purposes of this  
23 subparagraph (2), if such person, partnership, corporation, or  
24 other entity (i) identifies in writing to the client those  
25 persons who are intended to rely on the services, and (ii)

1 sends a copy of such writing or similar statement to those  
2 persons identified in the writing or statement, then such  
3 person, partnership, corporation, or other entity or any of its  
4 employees, partners, members, officers or shareholders may be  
5 held liable only to such persons intended to so rely, in  
6 addition to those persons in privity of contract with such  
7 person, partnership, corporation, or other entity.

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

9 (225 ILCS 450/30.2) (from Ch. 111, par. 5535.2)

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

11 Sec. 30.2. Contributory fault. Except in causes of action  
12 based on actual fraud or intentional misrepresentation, the  
13 principles of liability set forth in Sections 2-1115.05,  
14 2-1116, and 2-1117 of the Code of Civil Procedure shall apply  
15 to all claims for civil damages brought against any person,  
16 partnership, corporation, or any other entity registered  
17 ~~certified~~, licensed, or practicing under this Act, or any of  
18 its employees, partners, members, officers, or shareholders  
19 that are alleged to result from acts, omissions, decisions, or  
20 other conduct in connection with professional services.

21 This Section applies to causes of action accruing on or  
22 after the effective date of this amendatory Act of 1992. This  
23 amendatory Act of 1995 applies to causes of action accruing on  
24 or after its effective date.

25 (Source: P.A. 95-386, eff. 1-1-08.)

1 (225 ILCS 450/30.3)

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

3 Sec. 30.3. Confidentiality of peer review records.

4 (a) The proceedings, records, and work papers of a review  
5 committee shall be privileged and shall not be subject to  
6 discovery, subpoena, or other means of legal process or  
7 introduction into evidence in any civil action, arbitration, or  
8 administrative proceeding and no member of a review committee  
9 or person involved in a peer review program shall be required  
10 or permitted to testify in any civil action, arbitration, or  
11 administrative proceeding regarding any matters produced,  
12 presented, disclosed, or discussed during or in connection with  
13 the peer review process, or regarding any findings,  
14 recommendations, evaluations, opinions, or other actions of  
15 those committees, or any member of a committee.

16 (b) Information, documents, or records that are otherwise  
17 publicly available are not to be construed as immune from  
18 discovery or use in any civil action, arbitration, or  
19 administrative proceeding merely because they were presented  
20 or considered in connection with a peer review. Subsection (a)  
21 shall not be construed to protect materials prepared in  
22 connection with a particular engagement merely because they  
23 happen to subsequently be presented or considered as part of a  
24 peer review; nor does the privilege apply to disputes between  
25 review committees and persons or CPA firms subject to a peer

1 review arising from the performance of a review.

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

3 (225 ILCS 450/30.4)

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

5 Sec. 30.4. Prohibited practice.

6 (a) No licensed CPA ~~public accountant, licensed certified~~  
7 ~~public accountant,~~ or CPA ~~public accounting~~ firm may provide  
8 contemporaneously with an audit those non-auditing services  
9 referenced in subsection (g) of Section 10A of the federal  
10 Securities Exchange Act of 1934, as amended, to a company,  
11 excluding a not-for-profit organization, that (1) is not  
12 required to file periodic information, documents, and reports  
13 pursuant to the Securities Exchange Act of 1934 and (2) during  
14 the previous fiscal year, had annual revenues exceeding  
15 \$50,000,000 or more than 500 employees.

16 (b) (1) A licensed CPA ~~public accountant, licensed~~  
17 ~~certified public accountant,~~ or CPA ~~public accounting~~ firm  
18 is exempted from the prohibition in subsection (a) of this  
19 Section 30.4 if:

20 (A) the licensed CPA ~~public accountant, licensed~~  
21 ~~certified public accountant,~~ or CPA ~~public accounting~~  
22 firm presents written notice of the contemporaneous  
23 provision of auditing and non-auditing services to the  
24 company prior to the commencement of the  
25 contemporaneous provision of the services; and

1 (B) the president or chief executive officer of the  
2 company to which the contemporaneous auditing and  
3 non-auditing services are to be provided subsequently  
4 signs an acknowledgement that the company is aware of  
5 and agrees to the contemporaneous provision of the  
6 auditing and non-auditing services.

7 (2) A licensed CPA ~~public accountant, licensed~~  
8 ~~certified public accountant,~~ or CPA ~~public accounting~~ firm  
9 waives the exemption provided for in paragraph (1) of this  
10 subsection (b) if the licensed CPA ~~public accountant,~~  
11 ~~certified public accountant,~~ or CPA ~~public accounting~~ firm  
12 engages in criminal activity or willful or wanton  
13 negligence regarding the provision of contemporaneous  
14 auditing and non-auditing services to the company.

15 (c) A violation of this Section shall subject a licensed  
16 CPA ~~public accountant, licensed certified public accountant,~~  
17 or CPA ~~public accounting~~ firm to the provisions of Section  
18 20.01 of this Act.

19 (d) Nothing in this Section shall be construed to authorize  
20 or permit the provision of any services by a licensed CPA  
21 ~~public accountant, licensed certified public accountant,~~ or  
22 CPA ~~public accounting~~ firm that would result in a lack of  
23 independence under applicable ethics standards of the  
24 accounting profession.

25 (Source: P.A. 93-683, eff. 7-2-04.)



1 (225 ILCS 450/30.5)

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

3 Sec. 30.5. Improper influence on the conduct of audits.

4 (a) It shall be unlawful for any officer or director of a  
5 company that is not required to file periodic information,  
6 documents, and reports pursuant to the federal Securities  
7 Exchange Act of 1934, or any other person acting under the  
8 direction thereof, to take any action to fraudulently  
9 influence, coerce, manipulate, or mislead any licensed CPA  
10 ~~licensed public accountant or licensed certified public~~  
11 ~~accountant~~ engaged in the performance of an audit of the  
12 financial statements of that company for the purpose of  
13 rendering the financial statements being audited materially  
14 misleading.

15 (b) A person who, ~~with the intent to deceive,~~ violates this  
16 Section is guilty of a Class 4 felony.

17 (Source: P.A. 93-683, eff. 7-2-04.)

18 (225 ILCS 450/30.6)

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

20 Sec. 30.6. Misleading behavior by licensees ~~certified~~  
21 ~~public accountants~~.

22 (a) It shall be unlawful for any licensee ~~licensed public~~  
23 ~~accountant or licensed certified public accountant~~ to  
24 intentionally mislead a company that is not required to file  
25 periodic information, documents, and reports pursuant to the

1 federal Securities Exchange Act of 1934 by falsifying records  
2 it creates as part of an audit of the company.

3 (b) A person who ~~knowingly~~ violates this Section is guilty  
4 of a Class 4 felony.

5 (Source: P.A. 93-683, eff. 7-2-04.)

6 (225 ILCS 450/30.8 new)

7 Sec. 30.8. Confidentiality. All information collected by  
8 the Department in the course of an examination or investigation  
9 of a licensee, registrant, or applicant, including, but not  
10 limited to, any complaint against a licensee or registrant  
11 filed with the Department and information collected to  
12 investigate any such complaint, shall be maintained for the  
13 confidential use of the Department and shall not be disclosed.  
14 The Department shall not disclose the information to anyone  
15 other than law enforcement officials, regulatory agencies that  
16 have an appropriate regulatory interest as determined by the  
17 Secretary, or a party presenting a lawful subpoena to the  
18 Department. Information and documents disclosed to a federal,  
19 State, county, or local law enforcement agency shall not be  
20 disclosed by the agency for any purpose to any other agency or  
21 person. A formal complaint filed against a licensee or  
22 registrant by the Department or any other issued by the  
23 Department against a licensee, registrant, or applicant shall  
24 be a public record, except as otherwise prohibited by law.

1 (225 ILCS 450/31) (from Ch. 111, par. 5536)

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

3 Sec. 31. Home rule. Public Policy. The regulation,  
4 licensing, and registration of accountants and CPA firms are  
5 exclusive powers and functions of the State. A home rule may  
6 not regulate or license accountants or CPA firms. This Section  
7 is a denial and limitation of home rule powers and functions  
8 under subsection (h) of Section 6 of Article VII of the  
9 Illinois Constitution. It is declared to be the public policy  
10 of this State, pursuant to paragraphs (h) and (i) of Section 6  
11 of Article VII of the Illinois Constitution of 1970, that any  
12 power or function set forth in this Act to be exercised by the  
13 State is an exclusive State power or function. Such power of  
14 function shall not be exercised concurrently, either directly  
15 or indirectly, by any unit of local government, including home  
16 rule units, except as otherwise provided in this Act.

17 (Source: P.A. 78-1219.)

18 (225 ILCS 450/32) (from Ch. 111, par. 5537)

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

20 Sec. 32. Fund. All moneys received by the Department of  
21 Professional Regulation under this Act shall be deposited into  
22 the Registered Certified Public Accountants' Administration  
23 and Disciplinary Fund, which is hereby created as a special  
24 fund in the State Treasury. The funds in the account shall be  
25 used by the Department, as appropriated, exclusively for

1 expenses of the Department ~~of Professional Regulation~~, or the  
2 ~~Public Accountants' Registration~~ Committee, in the  
3 administration of this Act.

4 Moneys in the Registered Certified Public Accountants'  
5 Administration and Disciplinary Fund may be invested and  
6 reinvested, with all earnings received from the investments to  
7 be deposited into the Registered Certified Public Accountants'  
8 Administration and Disciplinary Fund.

9 Moneys from the Fund may also be used for direct and  
10 allocable indirect costs related to the public purposes of the  
11 Department of Professional Regulation. Moneys in the Fund may  
12 be transferred to the Professions Indirect Cost Fund as  
13 authorized by Section 2105-300 of the Department of  
14 Professional Regulation Law (20 ILCS 2105/2105-300).

15 (Source: P.A. 92-457, eff. 8-21-01; 93-683, eff. 7-2-04.)

16 (225 ILCS 450/5 rep.)

17 (225 ILCS 450/9.01 rep.)

18 (225 ILCS 450/9.02 rep.)

19 (225 ILCS 450/14.3 rep.)

20 (225 ILCS 450/19 rep.)

21 Section 15. The Illinois Public Accounting Act is amended  
22 by repealing Sections 5, 9.01, 9.02, 14.3, and 19.

23 Section 99. Effective date. This Act takes effect upon  
24 becoming law.

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