
HOUSE COMMITTEE AMENDMENTS

2016 Regular Session

Amendments proposed by House Committee on Commerce to Original House Bill No. 870
by Representative Stokes

1 AMENDMENT NO. 1**2** On page 1, line 4, change "74.1(introductory paragraph)" to "74.1" and change "(G)(5)" to
3 "(G)(introductory paragraph) and (5)"**4** AMENDMENT NO. 2**5** On page 1, line 5, delete "(3) and (4) and (D) through (H)," and insert in lieu thereof "(3) and
6 (4), (D) through (G), (H)(1) and (4), and (I),"**7** AMENDMENT NO. 3**8** On page 1, line 8, change "91(B)(1)" to "91(B)"**9** AMENDMENT NO. 4**10** On page 1, line 9, delete "R.S. 37:74.1(1) through (17)" and insert in lieu thereof "R.S.
11 37:77(H)(2) and (3)"**12** AMENDMENT NO. 5**13** On page 1, at the end of line 12, delete "to eliminate" and on line 13, delete "the statutory
14 fee schedule;"**15** AMENDMENT NO. 6**16** On page 2, line 17, delete "74.1(introductory paragraph); 75(A), (C)(3), (D)(1), (3) and (4)
17 and (G)" and insert in lieu thereof "74.1; 75(A), (C), (D), and (G)"**18** AMENDMENT NO. 7**19** On page 2, delete lines 18 and 19 in their entirety and insert in lieu thereof
20 "(G)(introductory paragraph) and (5), 77(A), (B), (C)(2)(introductory paragraph) and (b),
21 (3) and (4), (D) through (G), (H)(1) and (4), and (I), 77.1(A)(introductory paragraph), (1)
22 and (2) and (B), 79(A)(introductory paragraph)"**23** AMENDMENT NO. 8**24** On page 2, at the beginning of line 20, delete "paragraph)"**25** AMENDMENT NO. 9**26** On page 2, line 21, change "91(B)(1)" to "91(B)"**27** AMENDMENT NO. 10**28** On page 3, line 29, after "R.S. 37:75(I)" delete the comma "," and at the end of the line,
29 delete the comma ","

1 AMENDMENT NO. 11

2 On page 4, line 2, delete "CPA Inactive" and insert "CPA-Inactive" or "CPA- Retired"

3 AMENDMENT NO. 12

4 On page 4, line 5, change "(6)" to "(6)(a)"

5 AMENDMENT NO. 13

6 On page 4, line 6, change "(a)" to "(i)"

7 AMENDMENT NO. 14

8 On page 4, line 10, change "(b)" to "(ii)"

9 AMENDMENT NO. 15

10 On page 4, line 12, change "(2)" to "(b)"

11 AMENDMENT NO. 16

12 On page 4, line 14, change "so" to "as"

13 AMENDMENT NO. 17

14 On page 4, line 18, after "honest" and before "and" insert a comma ","

15 AMENDMENT NO. 18

16 On page 4, line 19, after "felonious" delete the remainder of the line and insert in lieu thereof
17 "acts."

18 AMENDMENT NO. 19

19 On page 5, line 8, delete "AICPA's" and insert in lieu thereof "American Institute of
20 "Certified Public Accountants"

21 AMENDMENT NO. 20

22 On page 6, at the end of line 7, insert "state or"

23 AMENDMENT NO. 21

24 On page 6, line 22, delete "licensees, certificates, and permits" and insert in lieu thereof
25 "licensees and all certificates and permits issued by the board"

26 AMENDMENT NO. 22

27 On page 6, line 25, delete "said" and insert "the"

28 AMENDMENT NO. 23

29 On page 7, line 13, change "certificate, license," to "certificate, license, or permit," and after
30 "and permits" delete the remainder of the line and on line 14, delete "firm,"

1 AMENDMENT NO. 24

2 On page 7, line 18, after "fees" delete the remainder of the line and insert in lieu thereof
 3 "which shall not exceed the following:" and delete lines 19 and 20 in their entirety and insert
 4 in lieu thereof the following:

5	"(1) Original or reciprocal certification application	\$150.00 <u>\$250.00</u>
6	(2) Reinstatement application	\$150.00 <u>\$500.00</u>
7	(3) Notice under substantial equivalency	\$100.00 <u>\$200.00</u>
8	(4) Transfer of grades transfer fee	\$ 50.00
9	(5) Written verifications requested by applicants	
10	and registrants	\$ 50.00 <u>\$100.00</u>
11	(6) Registration <u>and renewal</u> fee for CPA,	\$ 60.00 <u>\$100.00</u>
12	<u>inactive CPA-Inactive</u> status	
13	(7) <u>Registration and renewal</u> fee for	
14	<u>CPA-Retired</u> status	<u>\$50.00</u>
15	(7) <u>(8)</u> Application to establish experience	\$100.00 <u>\$200.00</u>
16	<u>or evaluate education courses and qualifications</u>	
17	(8) <u>(9)</u> Annual renewal of certificate	\$100.00 <u>\$200.00</u>
18	(9) <u>(10)</u> <u>Renewal</u> <u>Additional</u> fee if not renewed prior to	
19	February 1	<u>\$200.00 per month</u>
20	(10) <u>Renewal fee if not renewed and reinstated</u>	
21	<u>prior to March 1</u>	<u>\$300.00</u>
22	(11) <u>Additional fee if not renewed and reinstated</u>	
23	<u>prior to April 16</u>	<u>\$200.00</u>
24	(12) <u>Certified public accountants, registrants,</u>	
25	<u>or CPA firms who have received three</u>	
26	<u>suspensions within the previous six years</u>	
27	<u>for delinquent filing of renewals of their</u>	
28	<u>certificates or permits an additional fee of</u>	<u>\$300.00</u>
29	<u>(11) Additional fee to licensees or CPA firms who</u>	
30	<u>have delinquently renewed their certificates</u>	
31	<u>or permits three times within the previous</u>	
32	<u>six years</u>	<u>\$300.00</u>
33	(13) <u>(12)</u> Firm permit, initial application	\$150.00 <u>\$250.00</u>
34	(14) <u>(13)</u> Annual filing fee for firm permit	<u>\$15.00 per owner, partner,</u>
35		<u>member, or shareholder not</u>
36		<u>licensed to practice in</u>
37		<u>Louisiana, with a maximum</u>
38		<u>fee of \$5,000.00 per firm</u>
39		<u>\$100.00 plus \$25.00 per each</u>
40		<u>owner over 10, with a maximum</u>
41		<u>fee of \$2,500.00 per firm</u>
42	(15) <u>(14)</u> Additional delinquent fees for	<u>\$15.00 per owner, partner,</u>
43	firm permit renewals received	<u>member, or shareholder, in</u>
44	on or after February 1	<u>addition to the regular filing</u>
45		<u>fee for renewal of firm permit,</u>
46		<u>not in excess of a maximum</u>
47		<u>additional fee of \$5,000.00</u>
48		<u>\$300.00</u>
49	(16) <u>Delinquent fees for firm permit</u>	<u>\$30.00 per owner in addition</u>
50	<u>renewals per owner, partner,</u>	<u>to the regular filing fee for</u>
51	<u>member, or shareholder received</u>	<u>renewal of firm permit, not in</u>
52	<u>on or after March 1</u>	<u>excess of a maximum addi-</u>
53		<u>tional \$10,000.00</u>
54	(17) <u>(15)</u> Reinstatement fee for firms	The number of years the
55	continuing to practice as a CPA	firm practiced without a
56	firm in Louisiana after the expir-	permit times the annual firm
57	ation or cancellation of the firm	permit renewal fee"

1 AMENDMENT NO. 25

2 On page 8, line 18, delete "must" and insert "shall"

3 AMENDMENT NO. 26

4 On page 8, line 19, delete "must" and insert "shall"

5 AMENDMENT NO. 27

6 On page 9, at the end of line 21, insert "The board may grant additional time to complete the
7 requirements as provided in this Section when an applicant can demonstrate circumstances
8 of extreme hardship."

9 AMENDMENT NO. 28

10 On page 10, line 6, delete "must" and insert "shall"

11 AMENDMENT NO. 29

12 On page 10, line 16, delete "must" and insert "shall"

13 AMENDMENT NO. 30

14 On page 10, delete line 24 in its entirety and insert in lieu thereof "for or hold certificates,
15 licenses, or permits, or information pertaining to any current investigation or ~~and any past~~
16 denial,"

17 AMENDMENT NO. 31

18 On page 11, line 4, delete "under" and insert "as provided by"

19 AMENDMENT NO. 32

20 On page 11, at the end of line 9, insert a semicolon ";" and "exceptions"

21 AMENDMENT NO. 33

22 On page 11, line 11, delete "entities that make" and insert "applicants who submit an"

23 AMENDMENT NO. 34

24 On page 11, line 14, delete "must" and insert "shall"

25 AMENDMENT NO. 35

26 On page 11, line 21, delete "R.S. 37:77(C)" and insert in lieu thereof "Subsection C of this
27 Section"

28 AMENDMENT NO. 36

29 On page 11, line 22, delete "R.S. 37:77(H)" and insert in lieu thereof "Subsection G of this
30 Section"

31 AMENDMENT NO. 37

32 On page 12, line 8, delete "under" and insert "as provided in"

1 AMENDMENT NO. 382 On page 12, line 23, delete "under" and insert "as provided by"3 AMENDMENT NO. 394 On page 13, line 6, delete "under" and insert "as provided by"5 AMENDMENT NO. 406 On page 13, line 24, after "list" delete the remainder of the line and insert in lieu thereof "the
7 information pertaining to any current investigation or past denial,"8 AMENDMENT NO. 419 On page 14, line 10, change "(G)(1)(a)" to "G.(1)"10 AMENDMENT NO. 4211 On page 14, line 22, after "services" and before "shall" insert a comma "," and "excluding
12 engagements subject to a permanent inspection program of the Public Company Accounting
13 Oversight Board,"14 AMENDMENT NO. 43

15 On page 14, delete lines 24 through 28 in their entirety

16 AMENDMENT NO. 44

17 On page 15, delete lines 1 through 13 in their entirety and insert in lieu thereof the following:

18 "(2)(a) Each of the following is approved by the board:19 (i) The American Institute of Certified Public Accountants peer review
20 program.21 (ii) Other peer review programs administered by organizations fully involved
22 in the administration of the American Institute of Certified Public Accountants peer
23 review program that utilize the Standards for Performing and Reporting on Peer
24 Reviews promulgated by the American Institute of Certified Public Accountants.
25 The board may approve other nationally recognized peer review programs and peer
26 review standards that are not less stringent than the American Institute of Certified
27 Public Accountants peer review program and peer review standards.28 (iii) The Society of Louisiana Certified Public Accountants, other state CPA
29 societies fully involved in the administration of the American Institute of Certified
30 Public Accountants peer review program, and the American Institute of Certified
31 Public Accountants for the administration of peer review.32 (iv) The Public Company Accounting Oversight Board's permanent inspection
33 process for engagements subject to a permanent inspection program of the Public
34 Company Accounting Oversight Board. Firms only performing such engagements
35 are exempt from the peer review requirement in Paragraph (1) of this Subsection.36 (b) Firms subject to permanent inspections of the Public Company Accounting
37 Oversight Board are also required to meet the peer review requirements in Paragraph
38 (1) of this Subsection that cover the portion of the firm's attest practice not subject
39 to the Public Company Accounting Oversight Board's permanent inspection process,
40 should the firm have such a practice."

1 AMENDMENT NO. 45

2 On page 15, line 14, change "(2)" to "(3)" and after "review" delete the remainder of the line
3 and insert in lieu thereof "results and inspection results of the Public Company Accounting
4 Oversight Board available to"

5 AMENDMENT NO. 46

6 On page 15, line 16, change "(3)" to "(4)"

7 AMENDMENT NO. 47

8 On page 15, line 19, delete "(4)(a)" and insert "(5)(a)"

9 AMENDMENT NO. 48

10 On page 16, line 4, delete the asterisks "****" and insert in lieu thereof the following:

11 " (b) The privilege in Subparagraph (a) of this Paragraph shall not be construed
12 to do any of the following:

13 (i) Establish a privilege with respect to any information or records within the
14 knowledge or possession of a person or firm not obtained from or produced in
15 connection with a peer review.

16 (ii) Prevent the disclosure, use, or introduction of information or other records
17 privileged by Subparagraph (a) of this Paragraph in any civil proceeding arising out
18 of a dispute between persons conducting a peer review and a licensee subject to a
19 peer review and arising from the performance of a peer review.

20 (iii) Prevent a designee of the board from disclosing, using, introducing, or
21 testifying with respect to information or records which are relevant in a proceeding
22 before the board pursuant to R.S. 37:79, 80, 81, and 84.

23 (iv) Prevent designees of the Society of Louisiana Certified Public
24 Accountants from giving the board access to peer review reports or having
25 discussions with a designee of the board concerning peer review reports.

26 (v) Prevent peer review reports of licensees who participate in the Center for
27 Public Company Audit Firms Peer Review program from being disclosed.

28 I. H. All firms holding a valid registration as a certified public accounting firm
29 on June 18, 1999, shall be deemed to have met the initial permit requirements of this
30 Section."

31 AMENDMENT NO. 49

32 On page 16, line 25, delete the comma ","

33 AMENDMENT NO. 50

34 On page 17, line 2, delete "under" and insert "pursuant to the provisions of"

35 AMENDMENT NO. 51

36 On page 17, line 3, delete the comma ","

37 AMENDMENT NO. 52

38 On page 17, line 4, after "permit," and before "reprimand" insert "or"

39 AMENDMENT NO. 53

40 On page 17, delete line 5 in its entirety and insert in lieu thereof "individual granted
41 privileges ~~under~~ as provided by R.S. 37:94, or impose an administrative fine not to"

1 AMENDMENT NO. 54

2 On page 17, line 7, delete "under" and insert "as provided by"

3 AMENDMENT NO. 55

4 On page 17, line 11, after "any" delete the remainder of the line and insert in lieu thereof
5 "state, or federal agency, or the Public Company Accounting Oversight Board."

6 AMENDMENT NO. 56

7 On page 18, line 22, delete "thereon"

8 AMENDMENT NO. 57

9 On page 18, line 23, delete "(SSARS)" and insert in lieu thereof "the Statements on
10 Standards for Accounting and Review Services (SSARS)."and delete line 24 in its entirety

11 AMENDMENT NO. 58

12 On page 19, line 1, delete "in writing"

13 AMENDMENT NO. 59

14 On page 19, line 5, delete the comma ", "

15 AMENDMENT NO. 60

16 On page 19, line 17, after "justify" delete the remainder of the line

17 AMENDMENT NO. 61

18 On page 19, line 18, delete "penalty," and insert in lieu thereof "a penalty, fine,"

19 AMENDMENT NO. 62

20 On page 19, line 29, change "R.S. 37:77(G)(4)(b)" to "R.S. 37:77(G)(5)(b)"

21 AMENDMENT NO. 63

22 On page 20, delete lines 11 through 24 in their entirety and insert in lieu thereof the
23 following:

24 B. No action based on negligence may be brought against any defendant
25 licensee; or any employee or principal of a defendant licensee unless all of the
26 following conditions exists:

27 ~~(1) by any person or entity claiming~~ The plaintiff claims to have been injured
28 as a result of their justifiable reliance upon financial statements or other information
29 examined, compiled, reviewed, certified, audited, prepared pursuant to a preparation
30 of financial statement engagement, or otherwise prepared, reported, or opined on by
31 the defendant licensee or in the course of an the defendant licensee's engagement to
32 provide other services. ~~may be brought unless either of the following conditions~~
33 ~~exist:~~

34 ~~(1)(2)~~ (2) The plaintiff is the issuer or successor of the issuer of the financial
35 statements or other information examined, compiled, reviewed, certified, audited,
36 prepared pursuant to a preparation of financial statement engagement, or otherwise
37 prepared, reported, or opined on by the defendant licensee, and such plaintiff has
38 engaged the defendant licensee to examine, compile, review, certify, audit, prepare

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 pursuant to a preparation of financial statement engagement, or otherwise report or
2 render an opinion on such financial statements or to provide other services.
3 ~~(2)~~(3) The defendant licensee was aware at the time the engagement was
4 undertaken that the financial statements or other information were to be made
5 available for use in connection with a specified transaction by the plaintiff who was
6 specifically identified to the defendant licensee, was aware that the plaintiff intended
7 to rely upon such financial statements or other information in connection with the
8 specified transaction, and had direct contact and communication with the plaintiff
9 and expressed by words and conduct the defendant licensee's understanding of the
10 reliance on such financial statements or other information.

11 AMENDMENT NO. 64

12 On page 21, line 5, delete "R.S. 37:74.1(1) through (17)" and insert in lieu thereof "R.S.
13 37:77(H)(2) and (3)"