

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 19-0348.01 Thomas Morris x4218

SENATE BILL 19-155

SENATE SPONSORSHIP

Williams A. and Priola,

HOUSE SPONSORSHIP

Kraft-Tharp and Snyder,

Senate Committees

Business, Labor, & Technology
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUATION OF THE STATE BOARD OF**
102 **ACCOUNTANCY, AND, IN CONNECTION THEREWITH,**
103 **IMPLEMENTING THE RECOMMENDATIONS CONTAINED IN THE**
104 **2018 SUNSET REPORT BY THE DEPARTMENT OF REGULATORY**
105 **AGENCIES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Sunset Process - Senate Business, Labor, and Technology Committee. The bill implements the recommendations of the department

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
April 10, 2019

of regulatory agencies' sunset review and report on the state board of accountancy by:

- ! Continuing the functions of the board for 11 years, until 2030 (**sections 1 and 2** of the bill);
- ! Making the use of fraudulent, coercive, or dishonest practices, or the demonstration of incompetence, untrustworthiness, or financial irresponsibility, grounds for discipline (**section 8**);
- ! Clarifying that foreign corporations operating a Colorado office must register with the board and adding "limited liability partnership" to the list of business types that must register (**section 7**);
- ! Permitting a chartered global management accountant who is not a certified public accountant to use the title "chartered global management accountant" and the abbreviation "C.G.M.A." if the person does not provide services that require certification (**sections 4 and 6**);
- ! Authorizing the board to take disciplinary action against uncertified or unregistered persons, including resident managers, if they provide services that require certification or registration (**section 8**);
- ! Allowing a person to request inactive status via any board-approved method (**section 5**); and
- ! Making technical changes (**sections 5, 9, and 10**).

Section 3 updates the names of several regional accrediting agencies.

Sections 11 through 19 make conforming amendments to harmonize the bill with House Bill 19-1172, the bill to recodify and reorganize title 12.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-34-104, **repeal**
3 (16)(a)(IV); and **add** (31)(a)(II) as follows:

4 **24-34-104. General assembly review of regulatory agencies**
5 **and functions for repeal, continuation, or reestablishment - legislative**
6 **declaration - repeal.** (16) (a) The following agencies, functions, or both,
7 will repeal on July 1, 2019:

8 (IV) ~~The state board of accountancy created in article 2 of title 12,~~

1 ~~C.R.S.~~,

2 (31) (a) The following agencies, functions, or both, are scheduled
3 for repeal on September 1, 2030:

4 (II) THE STATE BOARD OF ACCOUNTANCY CREATED IN ARTICLE 2
5 OF TITLE 12.

6 **SECTION 2.** In Colorado Revised Statutes, **amend** 12-2-132 as
7 follows:

8 **12-2-132. Repeal of article.** (1) This ~~article~~ ARTICLE 2 is
9 repealed, effective ~~July 1, 2019~~ SEPTEMBER 1, 2030.

10 (2) ~~Prior to such~~ BEFORE THE repeal, the state board of
11 accountancy ~~shall be reviewed as provided in~~ IS SCHEDULED FOR REVIEW
12 IN ACCORDANCE WITH section 24-34-104. ~~C.R.S.~~

13 **SECTION 3.** In Colorado Revised Statutes, 12-2-102, **amend** the
14 introductory portion and (1)(a) as follows:

15 **12-2-102. Definitions.** As used in this ~~article~~ ARTICLE 2, unless
16 the context otherwise requires:

17 (1) "Accredited college or university" means either:

18 (a) A college or university ~~which~~ THAT is accredited by one of the
19 following regional accrediting agencies OR THEIR SUCCESSOR AGENCIES:

20 (I) The Middle States Association of Colleges and Schools;

21 (II) The North Central Association of Colleges and Schools;

22 (III) The New England Association of Schools and Colleges;

23 (IV) The ~~northwest association of schools and colleges~~
24 NORTHWEST COMMISSION ON COLLEGES AND UNIVERSITIES;

25 (V) The Southern Association of Colleges and Schools;

26 (VI) The ACCREDITING COMMISSION FOR SCHOOLS, Western
27 Association of Schools and Colleges; or

1 **SECTION 4.** In Colorado Revised Statutes, 12-2-115, **amend**
2 (3)(a); and **add** (4)(c) as follows:

3 **12-2-115. Use of the title "certified public accountant".**

4 (3) (a) Except as authorized in subsection (4) of this section, a person
5 shall not assume or use the title or designation "certified public
6 accountant", the abbreviation "C.P.A.", or any other title, designation,
7 words, letters, abbreviation, sign, card, or device tending to indicate that
8 ~~such~~ THE person is a certified public accountant unless the person holds
9 a certificate as a certified public accountant issued under this ~~article~~
10 ARTICLE 2 or under the laws of any other state. A person who is inactive
11 pursuant to ~~section 12-2-122.5~~ SECTION 12-2-115.5 (2) may use the title
12 "inactive certified public accountant" or "inactive C.P.A."

13 (4) (c) AN INDIVIDUAL SUBJECT TO SECTION 12-2-120 (6)(a)(II)(C)
14 MAY USE THE TITLE OR DESIGNATION "CHARTERED GLOBAL MANAGEMENT
15 ACCOUNTANT", THE ABBREVIATION "C.G.M.A.", OR ANY OTHER TITLE,
16 DESIGNATION, WORDS, LETTERS, ABBREVIATION, SIGN, CARD, OR DEVICE
17 TENDING TO INDICATE THAT THE INDIVIDUAL IS A CHARTERED GLOBAL
18 MANAGEMENT ACCOUNTANT, BUT ONLY IF THE TITLE OR DESIGNATION:

19 (I) IS CONFERRED BY A BONA FIDE NATIONALLY RECOGNIZED
20 ACCOUNTING ORGANIZATION SUCH AS THE AMERICAN INSTITUTE OF CPAS
21 OR THE CHARTERED INSTITUTE OF MANAGEMENT ACCOUNTANTS, OR
22 THEIR SUCCESSOR ORGANIZATIONS; AND

23 (II) DOES NOT PURPORT TO CONFER THE RIGHT TO PERFORM AUDIT,
24 ATTESTATION, OR COMPILATION SERVICES PROHIBITED TO BE PERFORMED
25 BY SECTION 12-2-120 (6)(a) BY AN INDIVIDUAL THAT DOES NOT HAVE AN
26 ACTIVE CERTIFICATE OF CERTIFIED PUBLIC ACCOUNTANT.

27 **SECTION 5.** In Colorado Revised Statutes, **amend with**

1 **amended and relocated provisions** 12-2-115.5 as follows:

2 **12-2-115.5. Status - retired - inactive. (1) Retired status.**

3 (a) Any person who has received from the board and holds a certificate
4 of certified public accountant, including an expired certificate of certified
5 public accountant that remains subject to renewal, reactivation, or
6 reinstatement, may apply to the board for retired status. The board may
7 grant ~~such~~ RETIRED status by issuing a retired status certificate of certified
8 public accountant to any person who meets established conditions
9 prescribed by the board.

10 ~~(2)~~ (b) Any person issued a retired status certificate of certified
11 public accountant may be styled and known as a "retired certified public
12 accountant" or "retired C.P.A."

13 ~~(3)~~ (c) During ~~such~~ THE time as a certified public accountant
14 remains in a retired status, ~~such~~ THE person shall not perform those acts
15 set forth in section 12-2-120 (6)(a) and (6)(b). The board ~~shall retain~~
16 RETAINS jurisdiction over retired status certified public accountants.

17 ~~(4)~~ (2) [**Formerly 12-2-122.5**] **Inactive status.** (a) The holder of
18 a certificate of certified public accountant, upon ~~written~~ notice by first
19 ~~class mail~~ to the board IN ANY FORM OR MANNER DESIGNATED BY THE
20 BOARD, shall have ~~his or her~~ THE HOLDER'S name transferred to an
21 inactive list and shall not be required to comply with the continuing
22 education requirements for certificate renewal pursuant to section
23 12-2-119 so long as ~~he or she~~ THE HOLDER remains inactive. Each
24 inactive certificant shall register in the same manner as active certificate
25 holders and pay a fee pursuant to section 12-2-108 (3). ~~At such time as an~~
26 ~~inactive certificant wishes~~ To resume the practice of public accounting as
27 a certified public accountant, ~~he or she shall~~ THE HOLDER MUST file an

1 application, ~~therefor~~, meet any education requirements imposed by the
2 board, and pay a fee as established by the director of the division of
3 professions and occupations within the department of regulatory agencies.

4 ~~(2)~~ (b) During ~~such~~ THE time as a certified public accountant
5 remains in an inactive status, the certified public accountant shall not
6 perform those acts restricted to active certified public accountants
7 pursuant to section 12-2-120 (6)(a). The board ~~shall retain~~ RETAINS
8 jurisdiction over inactive certified public accountants for the purposes of
9 disciplinary action pursuant to section 12-2-123.

10 **SECTION 6.** In Colorado Revised Statutes, 12-2-119, **amend (5)**
11 **and (9) as follows:**

12 **12-2-119. Continuing education.** (5) (a) As a condition of
13 renewing, reactivating, or reinstating a certificate of certified public
14 accountant, every applicant shall comply with continuing education
15 requirements adopted by the board.

16 (b) A NONRESIDENT CERTIFICATE HOLDER APPLYING TO RENEW,
17 REACTIVATE, OR REINSTATE A CERTIFICATE OF CERTIFIED PUBLIC
18 ACCOUNTANT ISSUED IN THIS STATE THAT DEMONSTRATES COMPLIANCE,
19 THROUGH AN ATTESTATION SUBMITTED WITH A RENEWAL, REACTIVATION,
20 OR REINSTATEMENT APPLICATION, WITH THE CONTINUING EDUCATION
21 REQUIREMENTS FOR RENEWAL, REACTIVATION, OR REINSTATEMENT OF A
22 CERTIFICATE IN THE STATE IN WHICH THE CERTIFICATE HOLDER'S
23 PRINCIPAL PLACE OF BUSINESS IS LOCATED IS DEEMED TO HAVE SATISFIED
24 THE CONTINUING EDUCATION REQUIREMENTS OF THIS SECTION.

25 (9) The board shall determine in each case whether a holder of
26 certificate of certified public accountant has complied with continuing
27 education requirements adopted by the board OR HAS DEMONSTRATED

1 COMPLIANCE, IN ACCORDANCE WITH SUBSECTION (5)(b) OF THIS SECTION,
2 WITH THE CONTINUING EDUCATION REQUIREMENTS OF THE STATE IN
3 WHICH THE CERTIFICATE HOLDER'S PRINCIPAL PLACE OF BUSINESS IS
4 LOCATED.

5 **SECTION 7.** In Colorado Revised Statutes, 12-2-120, **amend**
6 (6)(a)(II) introductory portion; and **add** (6)(a)(II)(C) and (6)(a)(II)(D) as
7 follows:

8 **12-2-120. Unlawful acts.** (6) (a) (II) ~~No~~ A person, partnership,
9 professional corporation, or limited liability company shall NOT, without
10 an active certificate of certified public accountant or a valid registration:

11 (C) OFFER AUDIT OR ATTEST SERVICES TO THE PUBLIC IF THE
12 INDIVIDUAL USES A TITLE OR DESIGNATION SPECIFIED IN SECTION 12-2-115
13 (4)(c) RELATING TO CHARTERED GLOBAL MANAGEMENT ACCOUNTANTS;
14 OR

15 (D) ESTABLISH, PARTICIPATE IN, OR PROMOTE A BUSINESS THAT
16 USES A TITLE OR DESIGNATION SPECIFIED IN SECTION 12-2-115 (4)(c)
17 RELATING TO CHARTERED GLOBAL MANAGEMENT ACCOUNTANTS IN ITS
18 MARKETING IF THE BUSINESS IS NOT CURRENTLY REGISTERED PURSUANT
19 TO THIS ARTICLE 2.

20 **SECTION 8.** In Colorado Revised Statutes, 12-2-121, **amend**
21 (2)(a) as follows:

22 **12-2-121. Exceptions - acts not prohibited - rules.**

23 (2) (a) (I) Nothing in this ~~article shall prohibit~~ ARTICLE 2 PROHIBITS a
24 certified public accountant whose principal place of business is located
25 in another state or jurisdiction of the United States from practicing in this
26 state on professional business, as defined by rules promulgated by the
27 board. ~~Such~~ THE practice shall be conducted in conformity with rules

1 promulgated by the board.

2 (II) Notwithstanding the requirements of section 12-2-117, a
3 foreign partnership, corporation, limited partnership, LIMITED LIABILITY
4 PARTNERSHIP, limited liability limited partnership, or limited liability
5 company may engage in the practice of accountancy in this state without
6 registering with the board IF THE PRACTICE IS INCIDENT TO THE ENTITY'S
7 REGULAR PRACTICE OUTSIDE THIS STATE, AS DEFINED BY THE BOARD. THE
8 ENTITY SHALL CONDUCT THE PRACTICE IN CONFORMITY WITH RULES
9 PROMULGATED BY THE BOARD.

10 **SECTION 9.** In Colorado Revised Statutes, 12-2-123, **amend** (1)
11 introductory portion and (1)(j); and **add** (1)(s) as follows:

12 **12-2-123. Grounds for disciplinary action - administrative**
13 **penalties.** (1) After notice and hearing as provided in section 12-2-125,
14 the board may deny the issuance of, refuse to renew, revoke, or suspend
15 any certificate of a certified public accountant issued under this article 2
16 or any prior law of this state or may fine, issue a letter of admonition to,
17 or place on probation the holder of any certificate and impose other
18 conditions or limitations ON A PERSON for any of the following causes:

19 (j) ~~Providing public accounting services to the public for a fee~~
20 Without an active certificate of certified public accountant or a valid
21 registration:

22 (I) PROVIDING CERTIFIED PUBLIC ACCOUNTING SERVICES TO THE
23 PUBLIC FOR A FEE; or

24 (II) Acting as a ~~member, partner, or shareholder~~ RESIDENT
25 MANAGER of a ~~partnership or professional corporation registered pursuant~~
26 AN ENTITY THAT IS SUBJECT to section 12-2-117;

27 (s) FRAUDULENT, COERCIVE, OR DISHONEST PRACTICES OR

1 DEMONSTRATED INCOMPETENCE, UNTRUSTWORTHINESS, OR FINANCIAL
2 IRRESPONSIBILITY IN COLORADO, ANOTHER STATE, A UNITED STATES
3 TERRITORY, OR A FOREIGN COUNTRY.

4 **SECTION 10.** In Colorado Revised Statutes, 12-2-126, **amend**
5 (1)(b)(II)(A) as follows:

6 **12-2-126. Investigations, examinations, and cease-and-desist**
7 **orders against unlawful act.** (1) (b) (II) Upon completing an
8 investigation, the board shall make one of the following findings:

9 (A) The complaint is without ~~merit~~ MERIT, and no further action
10 need be taken.

11 **SECTION 11. Repeal of relocated provisions in this act.** In
12 Colorado Revised Statutes, **repeal** 12-2-122.5.

13 **SECTION 12.** In Colorado Revised Statutes, 12-100-103, **amend**
14 **as relocated by House Bill 19-1172** (1)(a) as follows:

15 **12-100-103. Definitions.** As used in this article 100, unless the
16 context otherwise requires:

- 17 (1) "Accredited college or university" means either:
- 18 (a) A college or university that is accredited by one of the
 - 19 following regional accrediting agencies OR THEIR SUCCESSOR AGENCIES:
 - 20 (I) The Middle States Association of Colleges and Schools;
 - 21 (II) The North Central Association of Colleges and Schools;
 - 22 (III) The New England Association of Schools and Colleges;
 - 23 (IV) ~~The Northwest Association of Schools and Colleges~~
 - 24 NORTHWEST COMMISSION ON COLLEGES AND UNIVERSITIES;
 - 25 (V) The Southern Association of Colleges and Schools;
 - 26 (VI) The ACCREDITING COMMISSION FOR SCHOOLS, Western
 - 27 Association of Schools and Colleges; or

1 **SECTION 13.** In Colorado Revised Statutes, 12-100-112, **amend**
2 **as relocated by House Bill 19-1172 (3)(a); and add as relocated by**
3 **House Bill 19-1172 (4)(c)** as follows:

4 **12-100-112. Use of the title "certified public accountant".**

5 (3) (a) Except as authorized in subsection (4) of this section, a person
6 shall not assume or use the title or designation "certified public
7 accountant", the abbreviation "C.P.A.", or any other title, designation,
8 words, letters, abbreviation, sign, card, or device tending to indicate that
9 the person is a certified public accountant unless the person holds a
10 certificate as a certified public accountant issued under this article 100 or
11 under the laws of any other state. A person who is inactive pursuant to
12 section ~~12-100-119~~ 12-100-113 (2) may use the title "inactive certified
13 public accountant" or "inactive C.P.A."

14 (4) (c) AN INDIVIDUAL SUBJECT TO SECTION 12-100-116
15 (1)(a)(II)(C) MAY USE THE TITLE OR DESIGNATION "CHARTERED GLOBAL
16 MANAGEMENT ACCOUNTANT", THE ABBREVIATION "C.G.M.A.", OR ANY
17 OTHER TITLE, DESIGNATION, WORDS, LETTERS, ABBREVIATION, SIGN, CARD,
18 OR DEVICE TENDING TO INDICATE THAT THE INDIVIDUAL IS A CHARTERED
19 GLOBAL MANAGEMENT ACCOUNTANT, BUT ONLY IF THE TITLE OR
20 DESIGNATION:

21 (I) IS CONFERRED BY A BONA FIDE NATIONALLY RECOGNIZED
22 ACCOUNTING ORGANIZATION SUCH AS THE AMERICAN INSTITUTE OF CPAS
23 OR THE CHARTERED INSTITUTE OF MANAGEMENT ACCOUNTANTS, OR
24 THEIR SUCCESSOR ORGANIZATIONS; AND

25 (II) DOES NOT PURPORT TO CONFER THE RIGHT TO PERFORM AUDIT,
26 ATTESTATION, OR COMPILATION SERVICES PROHIBITED TO BE PERFORMED
27 BY SECTION 12-100-116 (1)(a) BY AN INDIVIDUAL THAT DOES NOT HAVE

1 AN ACTIVE CERTIFICATE OF CERTIFIED PUBLIC ACCOUNTANT.

2 **SECTION 14.** In Colorado Revised Statutes, **amend as relocated**
3 **by House Bill 19-1172 with amended and relocated provisions**
4 12-100-113 as follows:

5 **12-100-113. Status - retired - inactive. (1) Retired status.**

6 (a) Any person who has received from the board and holds a certificate
7 of certified public accountant, including an expired certificate of certified
8 public accountant that remains subject to renewal, reactivation, or
9 reinstatement, may apply to the board for retired status. The board may
10 grant retired status by issuing a retired status certificate of certified public
11 accountant to any person who meets established conditions prescribed by
12 the board.

13 ~~(2)~~ (b) Any person issued a retired status certificate of certified
14 public accountant may be styled and known as a "retired certified public
15 accountant" or "retired C.P.A."

16 ~~(3)~~ (c) During the time a certified public accountant remains in a
17 retired status, the person shall not perform those acts set forth in section
18 12-100-116 (1)(a) and (1)(b). The board ~~shall retain~~ RETAINS jurisdiction
19 over retired status certified public accountants.

20 ~~(4)~~ (2) [**Formerly 12-100-119**] **Inactive status.** (a) The holder of
21 a certificate of certified public accountant, upon ~~written~~ notice ~~by~~
22 ~~first-class mail~~ to the board IN ANY FORM OR MANNER DESIGNATED BY THE
23 BOARD, shall have ~~his or her~~ THE HOLDER'S name transferred to an
24 inactive list and shall not be required to comply with the continuing
25 education requirements for certificate renewal pursuant to section
26 12-100-115 so long as ~~he or she~~ THE HOLDER remains inactive. Each
27 inactive certificant shall register in the same manner as active certificate

1 holders and pay a fee pursuant to section 12-20-202 (1). ~~At such time as~~
2 ~~an inactive certificant wishes~~ To resume the practice of public accounting
3 as a certified public accountant, ~~he or she shall~~ THE HOLDER MUST file an
4 application, ~~therefor~~, meet any education requirements imposed by the
5 board, and pay a fee as established by the director.

6 (2) (b) During ~~such~~ THE time as a certified public accountant
7 remains in an inactive status, the certified public accountant shall not
8 perform those acts restricted to active certified public accountants
9 pursuant to section 12-100-116 (1)(a). The board ~~shall retain~~ RETAINS
10 jurisdiction over inactive certified public accountants for the purposes of
11 disciplinary action pursuant to section 12-100-120.

12 **SECTION 15. In Colorado Revised Statutes, 12-100-115, amend**
13 **as relocated by House Bill 19-1172 (1) and (5) as follows:**

14 **12-100-115. Continuing education - rules. (1) (a) As a**
15 **condition of renewing, reactivating, or reinstating a certificate of certified**
16 **public accountant, every applicant shall comply with continuing**
17 **education requirements adopted by the board.**

18 **(b) A NONRESIDENT CERTIFICATE HOLDER APPLYING TO RENEW,**
19 **REACTIVATE, OR REINSTATE A CERTIFICATE OF CERTIFIED PUBLIC**
20 **ACCOUNTANT ISSUED IN THIS STATE THAT DEMONSTRATES COMPLIANCE,**
21 **THROUGH AN ATTESTATION SUBMITTED WITH A RENEWAL, REACTIVATION,**
22 **OR REINSTATEMENT APPLICATION, WITH THE CONTINUING EDUCATION**
23 **REQUIREMENTS FOR RENEWAL, REACTIVATION, OR REINSTATEMENT OF A**
24 **CERTIFICATE IN THE STATE IN WHICH THE CERTIFICATE HOLDER'S**
25 **PRINCIPAL PLACE OF BUSINESS IS LOCATED IS DEEMED TO HAVE SATISFIED**
26 **THE CONTINUING EDUCATION REQUIREMENTS OF THIS SECTION.**

27 **(5) The board shall determine in each case whether a holder of**

1 certificate of certified public accountant has complied with continuing
2 education requirements adopted by the board OR HAS DEMONSTRATED
3 COMPLIANCE, IN ACCORDANCE WITH SUBSECTION (1)(b) OF THIS SECTION,
4 WITH THE CONTINUING EDUCATION REQUIREMENTS OF THE STATE IN
5 WHICH THE CERTIFICATE HOLDER'S PRINCIPAL PLACE OF BUSINESS IS
6 LOCATED.

7 **SECTION 16.** In Colorado Revised Statutes, 12-100-116, **amend**
8 **as relocated by House Bill 19-1172 (1)(a)(II) introductory portion; and**
9 **add as relocated by House Bill 19-1172 (1)(a)(II)(C) and (1)(a)(II)(D)**
10 as follows:

11 **12-100-116. Unlawful acts - definition.** (1) (a) (II) ~~No~~ A person,
12 partnership, professional corporation, or limited liability company shall
13 NOT, without an active certificate of certified public accountant or a valid
14 registration:

15 (C) OFFER AUDIT OR ATTEST SERVICES TO THE PUBLIC IF THE
16 PERSON USES A TITLE OR DESIGNATION SPECIFIED IN SECTION 12-100-112
17 (4)(c) RELATING TO CHARTERED GLOBAL MANAGEMENT ACCOUNTANTS;
18 OR

19 (D) ESTABLISH, PARTICIPATE IN, OR PROMOTE A BUSINESS THAT
20 USES A TITLE OR DESIGNATION SPECIFIED IN SECTION 12-100-112 (4)(c)
21 RELATING TO CHARTERED GLOBAL MANAGEMENT ACCOUNTANTS IN ITS
22 MARKETING IF THE BUSINESS IS NOT CURRENTLY REGISTERED PURSUANT
23 TO THIS ARTICLE 100.

24 **SECTION 17.** In Colorado Revised Statutes, 12-100-117, **amend**
25 **as relocated by House Bill 19-1172 (2)(a) as follows:**

26 **12-100-117. Exceptions - acts not prohibited - rules.**
27 (2) (a) (I) Nothing in this article 100 ~~shall prohibit~~ PROHIBITS a certified

1 public accountant whose principal place of business is located in another
2 state or jurisdiction of the United States from practicing in this state on
3 professional business, as defined by rules promulgated by the board. The
4 practice shall be conducted in conformity with rules promulgated by the
5 board.

6 (II) Notwithstanding the requirements of section 12-100-114, a
7 foreign partnership, corporation, limited partnership, LIMITED LIABILITY
8 PARTNERSHIP, limited liability limited partnership, or limited liability
9 company may engage in the practice of accountancy in this state without
10 registering with the board IF THE PRACTICE IS INCIDENT TO THE ENTITY'S
11 REGULAR PRACTICE OUTSIDE THIS STATE, AS DEFINED BY THE BOARD. THE
12 ENTITY SHALL CONDUCT THE PRACTICE IN CONFORMITY WITH RULES
13 PROMULGATED BY THE BOARD.

14 **SECTION 18.** In Colorado Revised Statutes, 12-100-120, **amend**
15 **as relocated by House Bill 19-1172** (1) introductory portion and (1)(h);
16 and **add as relocated by House Bill 19-1172** (1)(o) as follows:

17 **12-100-120. Grounds for disciplinary action - administrative**
18 **penalties.** (1) After notice and hearing as provided in section
19 12-100-123, the board may take disciplinary or other action as authorized
20 in section 12-20-404 and impose other conditions or limitations ON A
21 PERSON for any of the following causes:

22 (h) ~~Providing public accounting services to the public for a fee~~
23 Without an active certificate of certified public accountant or a valid
24 registration:

25 (I) PROVIDING CERTIFIED PUBLIC ACCOUNTING SERVICES TO THE
26 PUBLIC FOR A FEE; or

27 (II) Acting as a ~~member, partner, or shareholder~~ RESIDENT

1 MANAGER of a partnership or professional corporation registered pursuant
2 AN ENTITY THAT IS SUBJECT to section 12-100-114;

3 (o) FRAUDULENT, COERCIVE, OR DISHONEST PRACTICES OR
4 DEMONSTRATED INCOMPETENCE, UNTRUSTWORTHINESS, OR FINANCIAL
5 IRRESPONSIBILITY IN COLORADO, ANOTHER STATE, A UNITED STATES
6 TERRITORY, OR A FOREIGN COUNTRY.

7 **SECTION 19.** In Colorado Revised Statutes, 12-100-124, **amend**
8 **as relocated by House Bill 19-1172 (2)(b)(I)** as follows:

9 **12-100-124. Investigations - findings - board actions -**
10 **confidentiality of complaints.** (2) (b) Upon completing an investigation,
11 the board shall make one of the following findings:

12 (I) The complaint is without ~~merit~~ MERIT, and no further action
13 need be taken.

14 **SECTION 20.** In Colorado Revised Statutes, **amend as relocated**
15 **by House Bill 19-1172** 12-100-130 as follows:

16 **12-100-130. Repeal of article.** This article 100 is repealed,
17 effective ~~July 1, 2019~~ SEPTEMBER 1, 2030. Before the repeal, the state
18 board of accountancy is scheduled for review in accordance with section
19 24-34-104.

20 **SECTION 21. Repeal of relocated provisions in this act.** In
21 Colorado Revised Statutes, **repeal as relocated by House Bill 19-1172**
22 12-100-119.

23 **SECTION 22. Effective date - applicability.** (1) This act:

24 (a) Takes effect July 1, 2019; except that sections 12 through 21
25 of this act take effect only if House Bill 19-1172 becomes law, in which
26 case sections 12 through 21 take effect October 1, 2019; and

27 (b) Applies to conduct occurring on or after the applicable

1 effective date of this act.

2 **SECTION 23. Safety clause.** The general assembly hereby finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, and safety.