**A** **BILL**

TO AMEND SECTION 40‑2‑20 OF THE 1976 CODE, RELATING TO PUBLIC ACCOUNTANTS, TO INCLUDE ENGAGEMENTS PERFORMED IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING BOARD STANDARDS WITHIN THE MEANING OF “ATTEST”; TO AMEND SECTION 40‑2‑250, RELATING TO LICENSE RENEWALS, TO REQUIRE ANNUAL APPLICATION RENEWALS BY FEBRUARY FIRST; TO AMEND SECTION 40‑2‑255, RELATING TO OUT OF STATE REGISTRANTS, TO REQUIRE RENEWAL APPLICATIONS TO BE FILED BIENNIALLY; AND TO AMEND CHAPTER 20, TITLE 40, RELATING TO LICENSE RENEWAL OF ACCOUNTING PRACTITIONERS, BY ADDING SECTION 40‑2‑565 TO SET FORTH RENEWAL AND REINSTATEMENT PROVISIONS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 40‑2‑20(2) of the 1976 Code is amended to read:

“(2) ‘Attest’ means providing the following financial statement services:

(a) an audit or other engagement to be performed in accordance with the Statements on Auditing Standards (SAS);

(b) a review of a financial statement to be performed in accordance with the Statements on Standards for Accounting and Review Services (SSARS);

(c) an examination of prospective financial information to be performed in accordance with the Statements on Standards for Attestation Engagements (SSAE); ~~or~~

(d) any engagement to be performed in accordance with Public Company Accounting Oversight Board (PCAOB) Auditing Standards; or

(e) any engagement to be performed in accordance with standards issued by the International Accounting Standards Board.”

SECTION 2. Section 40‑2‑250 of the 1976 Code is amended to read:

“(A) A licensee shall file an application for renewal on or before ~~January~~ February first of each calendar year.

(B) The application for renewal of a license must include:

(1) current information concerning practice status;

(2) a verified continuing education report;

(3) renewal fee.

(C) The verified report of continuing education must document forty hours of acceptable continuing education each calendar year. Not more than twenty percent of the required hours may be in personal development subjects. A licensee is not required to report continuing education for the year in which the initial license was obtained. The board by regulation may provide for the carryover of excess hours of continuing education not to exceed twenty hours a year. No carryover is allowed from a year in which continuing education was not required.

(D) A license not renewed on or before ~~January~~ February first is considered revoked. ~~Continued practice after January fifteenth must be sanctioned as unlicensed practice of accounting.~~

(E) Renewal applications filed or completed ~~after January fifteenth are subject to a reinstatement fee in the amount of five hundred dollars~~ between February fifteenth and March fifteenth must be accompanied by a reinstatement application and a five hundred dollar reinstatement fee. Reinstatement applications received after March fifteenth must also be accompanied by a five hundred dollar reinstatement fee and will be examined more closely for unlicensed practice during the period of revocation. A person may not practice on a revoked license.

(F) A certified public accountant or public accountant whose license has lapsed or has been inactive for:

(1) fewer than three years, the license may be reinstated by applying to the board, submitting proof of completing forty continuing education units for each year the license has lapsed or has been inactive, and paying the reinstatement fee;

(2) three or more years, the license may be reinstated upon completion of six months of additional experience, and one hundred and twenty hours of continuing education;

(3) an indefinite period and has active status outside of this State may reinstate the license by submitting an application under Section 40‑2‑240.”

SECTION 3. Section 40‑2‑255(A) of the 1976 Code is amended to read:

“(A) A registrant shall file an application for renewal biennially on or before ~~January first of each calendar year~~ February first.”

SECTION 4. Chapter 2, Title 20 of the 1976 Code is amended by adding :

“Section 40‑2‑565. (A) A licensee shall file an application for renewal on or before February first of each calendar year.

(B) The application for renewal of a license must include:

(1) current information concerning practice status;

(2) a verified continuing education report;

(3) renewal fee.

(C) The verified report of continuing education must document forty hours of acceptable continuing education each calendar year. Not more than twenty percent of the required hours may be in personal development subjects. A licensee is not required to report continuing education for the year in which the initial license was obtained. The board by regulation may provide for the carryover of excess hours of continuing education not to exceed twenty hours a year. No carryover is allowed from a year in which continuing education was not required.

(D) A license not renewed on or before February first is considered revoked. Continued practice after January fifteenth must be sanctioned as the unlicensed practice of accounting.

(E) Renewal applications filed or completed between February fifteenth and March fifteenth must be accompanied by a reinstatement application and a five hundred dollar reinstatement fee. Reinstatement applications received after March fifteenth must also be accompanied by a five hundred dollar reinstatement fee and will be examined more closely for unlicensed practice during the period of revocation. A person may not practice on a revoked license.

(F) An accounting practitioner whose license has lapsed or has been inactive for:

(1) fewer than three years; the license may be reinstated by applying to the board, submitting proof of completing forty continuing education hours for each year the license has lapsed or has been inactive, and paying the reinstatement fee;

(2) three or more years; the license may be reinstated upon completion of six months of additional experience under the direct supervision of an active licensed accounting practitioner, CPA, or PA, and one hundred and twenty hours of continuing education.”

SECTION 5. This act takes effect upon approval by the Governor.

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