

As Amended by House Committee

Session of 2016

HOUSE BILL No. 2536

By Committee on Federal and State Affairs

1-26

1 AN ACT concerning accountants; relating to licensure; amending K.S.A.
2 2015 Supp. 1-307, 1-308, 1-311, 1-312, 1-321 and 1-322 and repealing
3 the existing sections.

4
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2015 Supp. 1-307 is hereby amended to read as
7 follows: 1-307. (a) The board, in its discretion, may waive the examination
8 of and may issue a certificate to a holder of a certificate as a "certified
9 public accountant" issued under the laws of any state upon a showing that:

10 (1) The applicant passed the examination required for issuance of the
11 applicant's certificate with grades that would have been passing grades at
12 the time in this state; and the applicant: (A) Meets all current requirements
13 in this state for the issuance of a certificate at the time application is
14 made; (B) at the time of the issuance of the applicant's certificate in the
15 other state, met all such requirements then applicable in this state; or (C)
16 had four years of experience of the type described in ~~subsection (a) of~~
17 K.S.A. 1-302b(a), and amendments thereto, after passing the examination
18 upon which the applicant's certificate was based and within the 10 years
19 immediately preceding the application; or

20 (2) the applicant meets the substantial equivalency standard set out in
21 either ~~paragraph (1) or paragraph (2) of subsection (a) of~~ K.S.A. 1-322(a)
22 (1) or (2), and amendments thereto.

23 (b) The board shall issue a certificate to a holder of a foreign
24 designation, granted in a foreign country entitling the holder thereof to
25 engage in the practice of certified public accountancy, provided that:

26 (1) The foreign authority which granted the designation makes
27 similar provision to allow a person who holds a valid certificate issued by
28 this state to obtain such foreign authority's comparable designation;

29 (2) the foreign designation: (A) Was duly issued by a foreign
30 authority that regulates the practice of certified public accountancy and the
31 foreign designation has not expired or been revoked or suspended; (B)
32 entitles the holder to issue reports upon financial statements; and (C) was
33 issued upon the basis of educational, examination and experience
34 requirements established by the foreign authority or by law;

35 (3) the applicant: (A) Received the designation, based on educational
36 and examination standards substantially equivalent to those in effect in this

1 state at the time the foreign designation was granted; (B) completed an
2 experience requirement, substantially equivalent to the requirement set out
3 in K.S.A. 1-302b, and amendments thereto, in the jurisdiction which
4 granted the foreign designation; and (C) passed a uniform qualifying
5 examination in national standards and an examination on the laws,
6 regulations and code of ethical conduct in effect in this state acceptable to
7 the board; and

8 (4) the applicant shall in the application list all jurisdictions, foreign
9 and domestic, in which the applicant has applied for or holds a designation
10 to practice public accountancy.

11 Each holder of a certificate issued under this subsection shall notify the
12 board in writing, within 30 days after its occurrence, of any issuance,
13 denial, revocation or suspension of a designation or commencement of a
14 disciplinary or enforcement action by any jurisdiction. The board has the
15 sole authority to interpret the application of the provisions of this
16 subsection.

17 Sec. 2. K.S.A. 2015 Supp. 1-308 is hereby amended to read as
18 follows: 1-308. (a) Unless exempt from registration pursuant to this
19 section, a firm may engage in the practice of certified public accountancy
20 in this state only if the firm registers with the board, complies with
21 requirements established by rules and regulations adopted by the board for
22 such registration, and meets the following requirements:

23 (1) At least one general partner, shareholder or member thereof must
24 be a certified public accountant holding a valid permit to practice from this
25 state or a practice privilege under ~~subsection (a) of~~ K.S.A. 1-322(a), and
26 amendments thereto;

27 (2) each partner, shareholder or member who is a certified public
28 accountant and whose principal place of business is in this state and who is
29 personally engaged within this state in a practice of certified public
30 accounting must be a certified public accountant of this state holding a
31 valid permit to practice;

32 (3) each partner, shareholder or member who is a certified public
33 accountant thereof must be a certified public accountant in some state in
34 good standing;

35 (4) each resident manager in charge of an office of the firm in this
36 state must be a certified public accountant of this state holding a valid
37 permit to practice; and

38 (5) at least a simple majority of the ownership of the firm, in the
39 terms of equity capital and voting rights of all partners, shareholders or
40 members, belongs to the holders of valid licenses to practice as certified
41 public accountants in some state. All nonlicensee owners must be of good
42 moral character and must be natural persons actively participating in the
43 business of the firm or actively participating in the business of entities,

1 such as partnerships, corporations or other business associations, that are
2 affiliated with the firm. Although firms may include nonlicensee owners
3 there shall be at least one certified public accountant who has ultimate
4 responsibility for all the services provided by the firm and, the firm and its
5 ownership must comply with rules and regulations promulgated by the
6 board. Any firm which is denied registration pursuant to this section shall
7 be entitled to notice and an opportunity to be heard pursuant to the Kansas
8 administrative procedures act.

9 (b) Notwithstanding any other provision of Kansas law, the following
10 must be registered by the board:

11 (1) Any firm with an office in this state which practices certified
12 public accountancy; and

13 (2) any firm that does not have an office in this state but performs or
14 offers to perform attest services described in ~~subsection (d) of K.S.A. 1-~~
15 ~~321(d)~~, and amendments thereto, for a client ~~having its home office~~ in this
16 state.

17 (c) A firm which is not subject to subsection (b) may perform or offer
18 to perform services described in ~~subsection (s) of K.S.A. 1-321(r)~~, and
19 amendments thereto, and may use the "certified public accountant," "CPA"
20 or "CPA firm" without registering with the board only if:

21 (1) The individuals performing such services on behalf of the firm
22 have the qualifications described in ~~subsections (b) and (c) of K.S.A. 1-~~
23 ~~302b(b) and (c)~~, and amendments thereto;

24 (2) it performs such services through an individual with practice
25 privileges under K.S.A. 1-322, and amendments thereto; and

26 (3) it can lawfully perform such services in the state where such
27 individuals with practice privileges have their principal place of business.

28 (d) An individual who has practice privileges under ~~subsection (a) of~~
29 ~~K.S.A. 1-322(a)~~, and amendments thereto, who performs or offers to
30 perform services for which a firm registration is required under this section
31 shall not be required to obtain a certificate or permit under K.S.A. 1-310,
32 and amendments thereto.

33 (e) Nothing in this section shall prohibit a professional corporation
34 from practicing in partnership with one or more professional corporations
35 or individuals and being registered with the board as a partnership under
36 this section.

37 (f) The term "resident" as used in this section, shall include a person
38 engaged in practice as a certified public accountant in this state, who
39 spends all or the greater part of such person's time during business hours in
40 this state, but who resides in another state.

41 (g) Each firm required to register under this section shall register
42 prior to engaging in the practice of certified public accountancy in this
43 state and shall renew the firm's registration by December 31 of each year.

1 Each firm shall designate a permit holder of this state, or in the case of a
2 firm which must register pursuant to ~~paragraph (2) of subsection (b)(2) a~~
3 licensee of another state who meets the requirements set out in ~~subsection~~
4 ~~(a) of K.S.A. 1-322(a)~~, and amendments thereto, who is responsible for the
5 proper registration of the firm and shall identify that individual to the
6 board by affidavit of a general partner, manager or officer of the firm. A
7 fee may be charged for the registration of a firm.

8 (h) A firm that is not registered in accordance with this section or not
9 exempt from registration under subsection (c) shall not use the words
10 "certified public accountants" or the abbreviation CPA in connection with
11 its name. Notification shall be given the board, within one month, after the
12 admission or withdrawal of a partner, shareholder or member from any
13 registered firm. Firms which fall out of compliance with the provisions of
14 this section due to changes in firm ownership or personnel shall take
15 corrective action to bring the firm back into compliance as quickly as
16 possible. The board may grant a reasonable period of time for a firm to
17 take such corrective action. Failure to bring the firm back into compliance
18 within a reasonable period as determined by the board will result in the
19 suspension or revocation of the firm permit.

20 (i) Any firm prohibited from practicing certified public accountancy
21 in this state, as a result of having a firm registration revoked or suspended
22 by the board, shall not practice under subsection (c) without first obtaining
23 the approval of the board.

24 Sec. 3. K.S.A. 2015 Supp. 1-311 is hereby amended to read as
25 follows: 1-311. (a) The board may deny an application for a Kansas
26 certificate, revoke or suspend any certificate issued under the laws of this
27 state, may **deny an application for a permit**, revoke, suspend or refuse to
28 renew any permit issued under K.S.A. 1-310, and amendments thereto, or
29 ~~may deny an application for a permit~~, revoke or suspend a practice
30 privilege under K.S.A. 1-322, and amendments thereto, ~~and any~~
31 ~~notification issued pursuant to K.S.A. 1-322, and amendments thereto,~~
32 may censure the holder of any such permit, certificate, ~~notification~~ or
33 practice privilege, limit the scope of practice of any permit holder, and
34 may impose an administrative fine not exceeding \$5,000, for any one of
35 the following causes:

36 (1) Fraud, dishonesty or deceit in obtaining a certificate, permit, firm
37 registration, ~~notification~~ or practice privilege;

38 (2) cancellation, revocation, suspension or refusal to renew a person's
39 authority to practice for disciplinary reasons in any other jurisdiction for
40 any cause;

41 (3) failure, on the part of a holder of a permit to practice, ~~notification~~
42 or practice privilege to maintain compliance with the requirements for
43 issuance or renewal of such permit, notification or practice privilege;

1 (4) *sanction, censure, disciplinary action or* revocation or suspension
2 of the right to practice, by the PCAOB or any state or federal agency;

3 (5) dishonesty, fraud or gross negligence in the practice of certified
4 public accountancy;

5 (6) failure to comply with applicable federal or state requirements
6 regarding the timely filing of the person's personal tax returns, the tax
7 returns of the person's firm or the timely remittance of payroll and other
8 taxes collected on behalf of others;

9 (7) violation of any provision of this act or rule and regulation of the
10 board except for a violation of a rule of professional conduct;

11 (8) willful violation of a rule of professional conduct;

12 (9) violation of any order of the board;

13 (10) conviction of any felony, or of any crime an element of which is
14 dishonesty, deceit or fraud, under the laws of the United States, of Kansas
15 or of any other state, if the acts involved would have constituted a crime
16 under the laws of Kansas;

17 (11) performance of any fraudulent act while holding a Kansas
18 certificate;

19 (12) making any false or misleading statement or verification, in
20 support of an application for a certificate, permit, notification or firm
21 registration filed by another;

22 (13) failure to establish timely compliance with peer review pursuant
23 to K.S.A. 1-501, and amendments thereto; and

24 (14) any conduct reflecting adversely on a person's fitness to practice
25 certified public accountancy.

26 (b) In lieu of or in addition to any remedy specifically provided in
27 subsection (a), the board may require of a permit holder satisfactory
28 completion of such continuing education programs as the board may
29 specify.

30 (c) All administrative proceedings pursuant to this section shall be
31 conducted in accordance with the provisions of the Kansas administrative
32 procedure act and the Kansas judicial review act.

33 Sec. 4. K.S.A. 2015 Supp. 1-312 is hereby amended to read as
34 follows: 1-312. (a) Except as provided in subsection (b), the board may
35 deny an application to register a firm, revoke or suspend a firm's
36 registration, censure a firm, limit the scope of practice of a firm or impose
37 such remedial action as it deems necessary to protect the public interest, or
38 both, and impose an administrative fine not exceeding \$5,000 for any one
39 of the following causes:

40 (1) Failure to meet the requirements of K.S.A. 1-308, and
41 amendments thereto;

42 (2) fraud, dishonesty or deceit in obtaining a registration;

43 (3) *sanction, censure, disciplinary action or* revocation or suspension

1 of a firm's right to practice, by the PCAOB or any state or federal agency;

2 (4) dishonesty, fraud or gross negligence in the practice of certified
3 public accountancy;

4 (5) violation of any provision of chapter 1 of the Kansas Statutes
5 Annotated, *and amendments thereto*, and rules and regulations
6 promulgated by the board except for a violation of a rule of professional
7 conduct;

8 (6) willful violation of a rule of professional conduct;

9 (7) violation of any order of the board;

10 (8) cancellation, revocation, suspension or refusal to renew the
11 authority of a firm to practice certified public accountancy in any other
12 state;

13 (9) conviction of any felony, or of any crime an element of which is
14 dishonesty, deceit or fraud, under the laws of the United States, of Kansas
15 or of any other state, if the acts involved would have constituted a crime
16 under the laws of Kansas; or

17 (10) failure to establish timely compliance with peer review pursuant
18 to K.S.A. 1-501, and amendments thereto;

19 (b) In actions arising under peer review for reports modified for
20 matters relating to attest services, the board may take such remedial action
21 as it deems necessary to protect the public interest. However, the board
22 may not limit the scope of practice of attest services of a firm or limit the
23 scope of practice of attest services of any permit holder under K.S.A. 1-
24 311, and amendments thereto, for failure to comply with generally
25 accepted accounting principles, generally accepted auditing standards and
26 other similarly recognized authoritative technical standards unless:

27 (1) The firm has received at least two modified peer review reports
28 during 12 consecutive years relating to attest services and the board finds
29 that the firm has exhibited a course of conduct that reflects a pattern of
30 noncompliance with applicable professional standards and practices; or

31 (2) the firm has failed to abide by remedial measures required by a
32 peer review committee or the board.

33 (c) Nothing in subsection (b) shall be construed to preclude the board
34 from: Limiting the scope of practice of attest services of a firm or limiting
35 the scope of practice of attest services of a permit holder under K.S.A. 1-
36 311, and amendments thereto; or taking such remedial action as the board
37 deems necessary to protect the public interest, after the board's review of
38 an adverse peer review report based on matters relating to attest services if
39 the board determines that the firm failed to comply with generally
40 accepted accounting principles, generally accepted auditing standards and
41 other similarly recognized authoritative technical standards.

42 (d) After considering AICPA standards on peer review, the board may
43 define, by rules and regulations, the terms "modified" and "adverse."

1 (e) At the time of suspension or revocation of a firm's registration, the
2 board may suspend or revoke the permit to practice of a member,
3 shareholder or partner of a firm if the permit holder is the only Kansas
4 member, shareholder or partner of the firm. The permit shall be reinstated
5 upon reinstatement of the firm's registration.

6 (f) All administrative proceedings pursuant to this section shall be
7 conducted in accordance with the provisions of the Kansas administrative
8 procedure act and the Kansas judicial review act.

9 (g) The board shall not have the power to assess fines under this
10 section if a fine has been assessed for the same or similar violation under
11 the provisions of ~~subsection (a) of~~ K.S.A. 1-311(a), and amendments
12 thereto.

13 Sec. 5. K.S.A. 2015 Supp. 1-321 is hereby amended to read as
14 follows: 1-321. When used in chapter 1 of the Kansas Statutes Annotated,
15 and amendments thereto, the following terms shall have the meanings
16 indicated:

17 (a) "Actively participate" means participation that is continuous as
18 one's primary occupation.

19 (b) "Affiliated entity" means one that provides services to the CPA
20 firm or provides services to the public that are complementary to those
21 provided by the CPA firm.

22 (c) "AICPA" means the American institute of certified public
23 accountants.

24 (d) "Attest" means providing the following ~~financial statement~~
25 services:

26 (1) Any audit or other engagement to be performed in accordance
27 with the statements on auditing standards (SAS);

28 (2) any audit to be performed in accordance with the Kansas
29 municipal audit guide;

30 (3) any review of a financial statement to be performed in accordance
31 with the statements on standards for accounting and review services
32 (SSARS);

33 (4) any engagement, except a compilation, to be performed in
34 accordance with the statements on standards for attestation engagements
35 (SSAE); and

36 (5) any engagement to be performed in accordance with the standards
37 of the PCAOB.

38 (e) "Board" means the Kansas board of accountancy established
39 under K.S.A. 1-201, and amendments thereto.

40 (f) "Certificate" means a certificate as a certified public accountant
41 issued under K.S.A. 1-302, and amendments thereto, or a certificate as a
42 certified public accountant issued after examination under the law of any
43 other state.

1 (g) "Client" means a person or entity that agrees with a permit holder
2 *or firm* to receive any professional service.

3 (h) "Compilation" means providing a service to be performed in
4 accordance with the statements on standards for accounting and review
5 services (SSARS) or the statements on standards for attestation
6 engagements (SSAE) the objective of which is to present in the form of
7 financial statements, information that is the representation of management
8 or owners, or both, without undertaking to express any assurance on the
9 statements.

10 (i) "Directed" means the location to which the engagement letter is
11 sent.

12 (j) "Equity capital" means: (1) Capital stock, capital accounts, capital
13 contributions or undistributed earnings of a registered firm as referred to in
14 K.S.A. 1-308, and amendments thereto; and (2) loans and advances to a
15 registered firm made or held by its owners. "Equity capital" does not
16 include an interest in bonuses, profit sharing plans, defined benefit plans or
17 loans to a registered firm from banks, financial institutions or other third
18 parties that do not actively participate in such registered firm.

19 (k) "Firm" means:

20 (1) An individual who operates as a sole practitioner and who issues
21 reports subject to peer review; or

22 (2) any business organization including, but not limited to, a general
23 partnership, limited liability partnership, general corporation, professional
24 corporation or limited liability company.

25 (l) "Good moral character" means lack of a history of ~~professional~~
26 dishonesty or ~~other a~~ felonious ~~acts~~ *act*.

27 ~~(m) "Home office" means the location specified by the client as the~~
28 ~~address to which a service described in subsection (d) of K.S.A. 1-322,~~
29 ~~and amendments thereto, is directed.~~

30 ~~(n) (m)~~ (m) "Active license" means a certificate or a permit to practice
31 issued by another state that is currently in force and authorizes the holder
32 to practice certified public accountancy.

33 ~~(o) (n)~~ (n) "Licensee" means the holder of a certificate or a permit to
34 practice issued by this state or another state.

35 ~~(p) (o)~~ (o) "Manager" means a manager of a limited liability company.

36 ~~(q) (p)~~ (p) "Member" means a member of a limited liability company.

37 ~~(r) (q)~~ (q) "NASBA" means the national association of state boards of
38 accountancy.

39 ~~(s) (r)~~ (r) "Nonattest" means providing the following services:

40 (1) The preparation of tax returns and providing advice on tax
41 matters;

42 (2) the preparation of any compilation;

43 (3) management advisory, consulting, litigation support and assurance

1 services, except for attest services;

2 (4) financial planning;

3 (5) valuation services; and

4 (6) any other financial service not included in the statements on
5 auditing standards, the statements on standards for accounting and review
6 services, the standards for attestation engagements as developed by the
7 American institute of certified public accountants or as defined by the
8 board.

9 (†) (s) "PCAOB" means the public company accounting oversight
10 board created by the Sarbanes-Oxley act of 2002.

11 (†) (t) "Practice of certified public accountancy" means performing or
12 offering to perform attest or nonattest services for the public while using
13 the designation "certified public accountant" or CPA in conjunction with
14 such services.

15 (†) (u) "Practice of public accountancy" means performing or offering
16 to perform attest or nonattest services for the public by a person not
17 required to have a permit to practice or a firm not required to register with
18 the board.

19 (†) (v) "Principal place of business" means the office location
20 designated by the licensee for purposes of substantial equivalency and
21 reciprocity.

22 (†) (w) "Professional" means arising out of or related to the
23 specialized knowledge or skills associated with CPAs.

24 (†) (x) "Report," when used with reference to ~~financial statements~~
25 *any attest or compilation service*, means an opinion, report or other form
26 of language that states or implies assurance as to the reliability of ~~any~~ *the*
27 *attested information or compiled* financial statements and that also
28 includes or is accompanied by any statement or implication that the person
29 or firm issuing it has special knowledge or competence in accounting or
30 auditing. Such a statement or implication of special knowledge or
31 competence may arise from use, by the issuer of the report, of names or
32 titles indicating that the person or firm is an accountant or auditor or from
33 the language of the report itself. The term report includes any form of
34 language which disclaims an opinion when such form of language is
35 conventionally understood to imply any positive assurance as to the
36 reliability of the *attested information or compiled* financial statements
37 referred to or special competence on the part of the person or firm issuing
38 such language; and it includes any other form of language that is
39 conventionally understood to imply such assurance or such special
40 knowledge or competence.

41 (†) (y) "Rule" means any rule or regulation adopted by the board.

42 (†) (aa) (z) "State" means any state of the United States, the District of
43 Columbia, Puerto Rico, the U.S. Virgin Islands and Guam; except that

1 "this state" means the state of Kansas.

2 ~~(bb)~~ (aa) "Substantial equivalency" is a determination by the board of
3 accountancy or its designee that the education, examination and
4 experience requirements contained in the statutes and administrative rules
5 of another jurisdiction are comparable to, or exceed the education,
6 examination and experience requirements contained in the uniform
7 accountancy act or that an individual CPA's education, examination and
8 experience qualifications are comparable to or exceed the education,
9 examination and experience requirements contained in the uniform
10 accountancy act. In ascertaining substantial equivalency as used in this act,
11 the board shall take into account the qualifications without regard to the
12 sequence in which experience, education or examination requirements
13 were attained.

14 ~~(ee)~~ (bb) "Uniform accountancy act" means model legislation issued
15 by the AICPA and NASBA in existence on July 1, 2007.

16 Sec. 6. K.S.A. 2015 Supp. 1-322 is hereby amended to read as
17 follows: 1-322. (a) (1) An individual whose principal place of business is
18 not in this state having an active license to practice certified public
19 accountancy from any state which the board or its designee has verified to
20 be in substantial equivalence with the CPA licensure requirements of the
21 uniform accountancy act shall be presumed to have qualifications
22 substantially equivalent to this state's requirements and may be granted all
23 the privileges of permit holders of this state without the need to obtain a
24 permit issued under K.S.A. 1-310, and amendments thereto; or

25 (2) an individual whose principal place of business is not in this state
26 having an active license to practice certified public accountancy from any
27 state which the board or its designee has not verified to be in substantial
28 equivalency with the CPA licensure requirements of the uniform
29 accountancy act shall be presumed to have qualifications substantially
30 equivalent to this state's requirements and may be granted all the privileges
31 of permit holders of this state without the need to obtain a permit to
32 practice issued under K.S.A. 1-310, and amendments thereto, if such
33 individuals certified public accountancy qualifications are substantially
34 equivalent to the following requirements:

35 (A) Have at least 150 semester hours of college education, including
36 a baccalaureate or higher academic degree, with a concentration in
37 accounting as defined by the home licensing jurisdiction, from a college or
38 university;

39 (B) obtains credit for passing each of the four test sections of the
40 uniform certified public accountant examination; and

41 (C) possess at least one year of experience including service or advice
42 involving the use of accounting, attest, compilation, management advisory,
43 financial advisory, tax or consulting skills, all of which were verified by a

1 certified public accountant holding an active license to practice.

2 Any individual who has passed the uniform certified public accountant
3 examination and holds a valid license to practice certified public
4 accountancy issued by another state prior to January 1, 2012, may be
5 exempt from the education requirement in ~~subparagraph (A) of paragraph~~
6 ~~(2) of subsection (a)(2)(A)~~ for the purposes of this section.

7 ~~(b) Individuals seeking to practice certified public accountancy in~~
8 ~~Kansas pursuant to subsection (a) shall notify the board prior to~~
9 ~~commencing practice in this state. Such individuals shall have a reasonable~~
10 ~~amount of time from the date of such notification to the board to complete~~
11 ~~an application of notification provided by the board and shall renew such~~
12 ~~notification on a biennial basis. The board may enact rules and regulations~~
13 ~~governing notification and renewal. Notwithstanding any other provision~~
14 ~~of law, an individual who offers or renders professional services on or after~~
15 ~~November 1, 2009, whether in person, by mail, telephone or electronic~~
16 ~~means, and possesses the qualifications set forth in paragraph (1) or (2) of~~
17 ~~subsection (a) shall be granted practice privileges in this state and no~~
18 ~~notice, fee or other submission shall be provided by any such individual.~~
19 ~~Permits issued pursuant to this section prior to November 1, 2009, shall~~
20 ~~continue in effect until the expiration date of the permit.~~

21 ~~(e) The board may charge a fee for such notification and a renewal of~~
22 ~~such notification pursuant to K.S.A. 1-301, and amendments thereto.~~

23 ~~(d) (b) Any licensee of another state exercising the privilege afforded~~
24 ~~under subsection (b) (a) and the firm which employs that licensee hereby~~
25 ~~simultaneously consent, as a condition of the grant of this privilege:~~

26 (1) To the personal and subject matter jurisdiction of this board;

27 (2) to the appointment of the state regulatory body which issued their
28 licenses as the agent upon whom process may be served in any action or
29 proceeding by the Kansas board against the licensee;

30 (3) to cease offering or rendering professional services in this state
31 individually and on behalf of the firm in the event that the license from the
32 state of the individual's principal place of business is no longer valid; and

33 (4) to comply with this act and the board's rules and regulations.

34 ~~(e) (c) An individual who has been granted practice privileges under~~
35 ~~this section who, for any client ~~having its home office~~ in this state,~~
36 ~~performs any of the following services: (1) Any audit or other engagement~~
37 ~~to be performed in accordance with the statements on auditing standards~~
38 ~~(SAS); (2) any audit to be performed in accordance with the Kansas~~
39 ~~municipal audit guide; (3) any review of a financial statement to be~~
40 ~~performed in accordance with the statements on standards for accounting~~
41 ~~and review services (SSARS); (4) any engagement, except a compilation,~~
42 ~~to be performed in accordance with the statements on standards for~~
43 ~~attestation engagements (SSAE); and (5) any engagement to be performed~~

1 in accordance with the standards of the PCAOB; may only do so through a
2 firm which has registered pursuant to K.S.A. 1-308, and amendments
3 thereto.

4 ~~(f)~~ (d) Any individual prohibited from practicing certified public
5 accountancy in this state, as a result of having a permit, certificate or
6 practice privilege revoked or suspended by the board, shall not be granted
7 practice privileges under this section without first obtaining the approval
8 of the board.

9 ~~(g)~~ (e) A holder of a permit to practice issued by this state offering or
10 rendering services or using a CPA title in another state may be subject to
11 disciplinary action in this state for an act committed in another state for
12 which the permit holder would be subject to discipline for an act
13 committed in the other state. The board shall investigate any complaint
14 made by the board of accountancy of another state.

15 Sec. 7. K.S.A. 2015 Supp. 1-307, 1-308, 1-311, 1-312, 1-321 and 1-
16 322 are hereby repealed.

17 Sec. 8. This act shall take effect and be in force from and after its
18 publication in the statute book.