

STAND. COM. REP. NO.

1916

Honolulu, Hawaii

APR 25 2007

RE: H.B. No. 91
H.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and Affordable Housing, to which was referred H.B. No. 91, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC ACCOUNTANCY,"

begs leave to report as follows:

The purpose of this measure is to remove private or governmental accounting experience as meeting the required professional experience for a license in public accountancy and to remove the requirement that a candidate have a baccalaureate degree in accounting prior to taking the certified public accountant (CPA) examination.

Your Committee received testimony in support of this measure from the Hawaii Association of Public Accountants; Sharon Courter, CPA, LLC; Deborah Daniells & Associates, CPAs, Inc.; Lloyd Y. Kimura, CPA, Inc.; Kobayashi, Doi & Lum CPAs LLC; Niwao & Roberts Certified Public Accountants, A Professional Corporation; and thirty six individuals. Testimony in opposition to this measure was submitted by the State Auditor, the Board of Public Accountancy, the Department of Taxation, the Hawaii Society of Certified Public Accountants, and one hundred twenty seven individuals.

Your Committee finds that the public is better served when candidates for a CPA license are required to obtain their work experience in public accounting rather than through private or government experience. In addition, your Committee finds that



1916

allowing all candidates with a baccalaureate degree other than in accounting to take the CPA exam does not change the CPA licensing requirements, but simply allows those candidates to take the exam at an earlier date. This would open the accounting profession to a larger pool of potential CPAs. This measure will also benefit potential CPA candidates who attended a school that did not offer a baccalaureate degree in accounting, by allowing them to take the exam earlier and encouraging them to stay in the accounting field.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 91, H.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Affordable
Housing,



BRIAN T. TANIGUCHI, Chair



