

Honolulu, Hawaii

April 1, 2010

RE: S.B. No. 2501
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2501, S.D. 1, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to promote high standards of quality in public accountancy work by requiring public accountancy firms to undergo peer review of attest work as a condition of permits to practice.

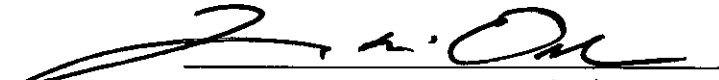
The Board of Public Accountancy; Hawaii Association of Public Accountants; Niwao & Roberts, Certified Public Accountants, a Professional Corporation; and numerous concerned individuals supported this bill. The Hawaii Bankers Association, Board of Directors of the Hawaii Society of Certified Public Accountants, The Accountants Coalition and several concerned individuals provided comments.

It is your Committee's intent that when adopting rules pursuant to section 7 of this bill, the State Board of Public Accountancy consider the circumstances under which audit engagements for Hawaii public companies which are subject to oversight by the Public Company Accounting Oversight Board may be excluded from peer review under section 5 of this bill.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2501, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



