

Honolulu, Hawaii

Feb 6, 2012

RE: H.B. No. 2169
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Economic Revitalization & Business, to which was referred H.B. No. 2169 entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish a peer review process for public accounting firms that engage in attest work.

Niwao & Roberts, CPAs, the Hawaii Association of Public Accountants, and numerous individuals offered testimony in support of this measure. The Board of Directors for the Hawaii Society of Certified Public Accountants, and numerous individuals offered testimony in opposition to this measure. The Board of Public Accountancy provided comments on this measure.

Your Committee respectfully requests that your Committee on Consumer Protection & Commerce further examine the concerns and issues raised by the testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2112, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Economic Revitalization & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2169, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2169, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Revitalization & Business,



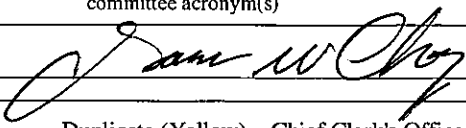
ANGUS L.K. MCKELVEY, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HECR 97-12

Record of Votes of the Committee on Economic Revitalization & Business

| Bill/Resolution No.: HB 2169 | Committee Referral: ERB, CPC, FIN | Date: 1/31/12 | | |
|---|---|-------------------------|------|---------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| ERB Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. McKELVEY, Angus L.K. (C) | ✓ | | | |
| 2. CHOY, Isaac W. (VC) | ✓ | | | |
| 3. AWANA, Karen L. | ✓ | | | |
| 4. BROWER, Tom | ✓ | | | |
| 5. EVANS, Cindy | ✓ | | | |
| 6. HASHEM, Mark J. | ✓ | | | |
| 7. NISHIMOTO, Scott Y. | ✓ | | | |
| 8. TOKIOKA, James Kunane | ✓ | | | |
| 9. TSUJI, Clift | ✓ | | | |
| 10. MARUMOTO, Barbara C. | | X | | |
| 11. PINE, Kymberly Marcos | | | | ✓ |
| TOTAL (11) | 9 | 1 | — | 1 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div> | | | | |
| Vice Chair's or designee's signature: _____ <div style="text-align: center; font-size: large; font-family: cursive;">  </div> | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |