

**HB2169**

Nathan Colgrove [Nathan@tihcpa.com]

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**Before the House Committee on Consumer Protection & Commerce  
Monday, February 13, 2012 at 2:15 p.m.  
Conference Room 325  
Re: Support for HB2169, HD1**

Chair Robert N. Herkes, Vice Chair Ryan I. Yamane, and Committee Members:

I am an accountant and practice public accounting on the Big Island. I support HB2169, HD1 because it will help protect Hawaii's consumers as well as apply mandatory CPA firm peer review requirements fairly and equally to all firms that practice before the public in Hawaii, regardless of the size of the firm or where it is based.

This bill implements the mandatory peer review law that was passed two years ago. The 2010 peer review law was never implemented because the Board of Public Accountancy (Board) failed to pass administrative rules for the peer review law. The peer review law was to be implemented one year after the Board passed its rules. Instead, the Board spent much of its time in 2011 passing a rule that allows a CPA licensee without continuing professional education (except for ethics) to certify the professional experience of a new CPA candidate.

**HB2169, HD1 provides that all firms, including the Hawaii offices and Hawaii engagements of foreign or multistate firms, shall undergo peer review every three years on the firm's Hawaii attest work.** By subjecting the Hawaii work of out-of-state CPA firms to be peer reviewed, the Hawaii consumer is further protected and the peer review process would be fairly and equitably applied to all CPAs that perform attest work in Hawaii. Please support HB2169, HD1. Thank you for this opportunity to testify.

Respectfully submitted,  
NATHAN A. COLGROVE

Nathan Colgrove  
Taketa, Iwata, Hara & Associates, LLC  
101 Aupuni Street, Suite 139  
Hilo, HI 96720  
Phone: 808-935-5404  
Fax: 808-969-1499  
[nathan@tihcpa.com](mailto:nathan@tihcpa.com)  
[www.tihcpa.com](http://www.tihcpa.com)

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