



GOV. MSG. NO. 1158

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

April 30, 2014

The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

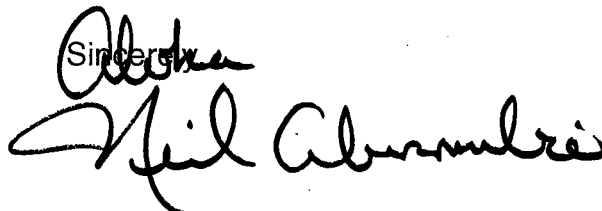
The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Seventh State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on April 30, 2014, the following bill was signed into law:

HB716 SD1

RELATING TO THE DISCIPLINARY AUTHORITY
OF THE BOARD OF PUBLIC ACCOUNTANCY
ACT 058 (14)

Sincerely,


NEIL ABERCROMBIE
Governor, State of Hawaii

RECEIVED
THE SENATE
CLERK'S OFFICE
STATE OF HAWAII

'14 APR 30 P2:13

RECEIVED
SENATE
OFFICE OF THE PRESIDENT

'14 APR 30 A10:46

A BILL FOR AN ACT

RELATING TO THE DISCIPLINARY AUTHORITY OF THE BOARD OF PUBLIC
ACCOUNTANCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Section 466-9, Hawaii Revised Statutes, is
2 amended by amending subsections (a) and (b) to read as follows:
3 "(a) In addition to any other actions or conditions
4 authorized by law, in accordance with chapter 91, the board may
5 take any one or more of the following [~~action+~~] actions:
6 (1) [~~Cancel or revoke any~~] Revoke a license or permit
7 [~~issued under section 466-5, 466-6, or 466-7, or~~
8 ~~corresponding provisions of prior law~~];
9 (2) Suspend a license or permit [~~for a period of not more~~
10 ~~than two years~~];
11 (3) Refuse to renew a license or permit [~~for a period of~~
12 ~~not more than two years~~];
13 (4) Reprimand, censure, or limit the scope of practice of
14 any licensee or firm;
15 (5) Impose an administrative fine not exceeding [~~\$1,000,~~
16 \$5,000 per violation];
17 (6) Place a licensee or firm on probation;



1 (7) Require a firm to have a peer review conducted in the
2 manner specified by the board; or

3 (8) Require a licensee to attain satisfactory completion
4 of additional continuing professional education hours
5 as specified by the board.

6 (b) In addition to any other grounds for disciplinary
7 action authorized by law, any one or more of the following shall
8 constitute grounds for disciplinary action:

9 (1) Fraud or deceit in obtaining a license or permit;

10 (2) Disciplinary action taken by another state where the
11 license is canceled, revoked, suspended, denied, or
12 refused renewal;

13 (3) Failure, on the part of a holder of a license or a
14 permit [~~under section 466-5, 466-6, or 466-7,~~] to
15 maintain compliance with the requirements for issuance
16 of a license or a permit, or renewal of a license or
17 permit, or to report changes to the board;

18 (4) Revocation or suspension of the right to practice
19 before any state or federal agency;

20 (5) Dishonesty, deceit, fraud, or gross negligence in the
21 practice of public accountancy or in the filing or



- 1 failure to file a licensee's or firm's own income tax
2 returns;
- 3 (6) Violation of any provision of this chapter or of any
4 rule adopted by the board;
- 5 (7) Violation of any provision of professional conduct
6 established by the board under this chapter;
- 7 (8) Conviction of any crime an element of which is
8 dishonesty or fraud, under the laws of the United
9 States, of this State, or of any other state if the
10 act involved would have constituted a crime under the
11 laws of this State;
- 12 (9) Performance of any fraudulent act while holding a
13 license or permit issued under this chapter; or
- 14 (10) Any conduct reflecting adversely upon the licensee's
15 or permit holder's fitness to engage in the practice
16 of public accountancy."

17 SECTION 2. Section 466-11, Hawaii Revised Statutes, is
18 amended by amending subsection (c) to read as follows:

19 "(c) Any person or firm who violates this chapter may be
20 fined not more than [~~\$1,000~~] \$5,000 for each violation."



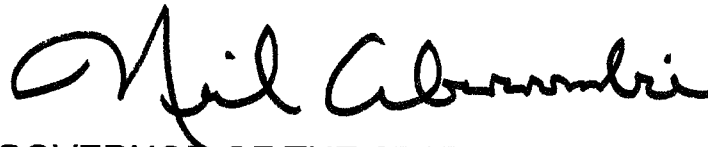
1 SECTION 3. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 4. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 5. This Act shall take effect upon its approval.

7

APPROVED this 30 day of APR, 2014



GOVERNOR OF THE STATE OF HAWAII

