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# A BILL FOR AN ACT

RELATING TO THE PEER REVIEW OVERSIGHT COMMITTEE.

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

1           SECTION 1. The legislature finds that some confusion  
2 exists regarding the qualifications for the board of public  
3 accountants' peer review oversight committee. The board raised  
4 the issue of whether a pass rating includes ratings other than a  
5 fail rating.

6           The purpose of this Act is to remove the pass rating  
7 criterion and allow a member to qualify for the peer review  
8 oversight committee so long as the accountant's firm did not  
9 receive a report with a fail rating from its last peer review.

10          SECTION 2. Section 466-42, Hawaii Revised Statutes, is  
11 amended by amending subsection (c) to read as follows:

12          "(c) [~~Effective January 1, 2013, the~~] The peer review  
13 oversight committee shall consist of three individuals who hold  
14 permits to practice under section 466-7. No member of the peer  
15 review oversight committee shall be a current member of the  
16 board, the Hawaii Society of Certified Public Accountants Peer  
17 Review or Professional Ethics Committees, or the American



1 Institute of Certified Public Accountants Professional Ethics  
2 Executive Committee. The members shall have significant  
3 experience with attest engagements and currently be in the  
4 practice of public accountancy at the partner or equivalent  
5 level. The member's firm shall have received a report with a  
6 rating [~~of pass~~] other than a fail rating or an unmodified  
7 opinion from its last peer review."

8 SECTION 3. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 3000.



**Report Title:**

Accountants; Qualifications; Peer Review Oversight Committee

**Description:**

Clarifies that a licensed accountant may qualify for the peer review oversight committee so long as the accountant's firm does not have a fail rating from its last peer review. (HB751 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

