

JAN 24 2019

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 to allow a member to qualify for the peer review
8 oversight committee so long as the member does not have a fail
9 rating.

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 Statutory material to be repealed is bracketed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 upon its approval.

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INTRODUCED BY: Clarena K. Ishihara



S.B. NO. 1317

Report Title:

Accountants; Qualifications; Peer Review Oversight Committee

Description:

Clarifies that a member may qualify for the peer review oversight committee so long as the member does not have a fail rating.

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