

## LEGISLATIVE BILL 159

Approved by the Governor February 26, 2015

Introduced by Hadley, 37; Stinner, 48.

A BILL FOR AN ACT relating to the Public Accountancy Act; to amend sections 1-105 and 1-106, Reissue Revised Statutes of Nebraska; to define and redefine terms; to provide for peer review; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 1-105, Reissue Revised Statutes of Nebraska, is amended to read:

1-105 Sections 1-105 to 1-171 and section 3 of this act shall be known and may be cited as the Public Accountancy Act.

Sec. 2. Section 1-106, Reissue Revised Statutes of Nebraska, is amended to read:

1-106 For purposes of the Public Accountancy Act, unless the context otherwise requires:

(1) Board means the Nebraska State Board of Public Accountancy;

(2) Certificate means a certificate issued under sections 1-114 to 1-124;

(3) Firm means a ~~proprietorship, partnership, corporation, or limited liability company,~~ or corporation engaged in the practice of public accountancy in this state entitled to register with the board or a proprietorship engaged in the practice of public accountancy in this state;

(4) Partnership includes, but is not limited to, a limited liability partnership;

(5) Peer review means a review of one or more aspects of the professional work of a firm that either or both performs attest engagements or performs compilations by an active certified public accountant who is the holder of a permit issued under subdivision (1)(a) of section 1-136 or the equivalent issued by another state and who is not affiliated with the firm being reviewed;

(~~6~~ 5) Permit means a permit to engage in the practice of public accountancy in this state issued under section 1-136;

(~~7~~ 6) Practice privilege means the privilege of an accountant to practice public accountancy or hold himself or herself out as a certified public accountant in this state in accordance with section 1-125.01;

(~~8~~ 7) State means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States; and

(~~9~~ 8) Temporary practice privilege means the privilege of a foreign accountant to temporarily practice public accountancy in this state in accordance with section 1-125.02.

Sec. 3. The board may adopt and promulgate rules and regulations to require a firm to enroll in and comply with all requirements of a board-approved program of peer review and comply with all restrictions placed on any permit by the board in response to the results of a peer review.

Sec. 4. Original sections 1-105 and 1-106, Reissue Revised Statutes of Nebraska, are repealed.