

NORTH CAROLINA GENERAL ASSEMBLY  
1979 SESSION

CHAPTER 750  
HOUSE BILL 486

AN ACT TO POSTPONE UNTIL JULY 1, 1981, THE EFFECTIVE DATE OF THE REPEAL OF G.S. CHAPTER 93, ENTITLED "PUBLIC ACCOUNTANTS", AND TO MAKE CERTAIN AMENDMENTS THERETO.

Whereas, the Governmental Evaluation Commission created by Chapter 712 of the 1977 Session Laws has been unable to complete its work and make its recommendations to the General Assembly regarding all of the statutes assigned to said commission, and in particular, G.S. Chapter 93, entitled "Public Accountants" prior to the expiration date of that Chapter which was designated as July 1, 1979; Now, therefore,

The General Assembly of North Carolina enacts:

**Section 1.** Section 2 of Chapter 712 Session Laws of 1977, is amended by deleting the words "G.S. Chapter 93, entitled 'Public Accountants'".

**Sec. 2.** Section 3 of Chapter 712, Session Laws of 1977, is amended by adding at the end thereof the words "G.S. Chapter 93, entitled 'Public Accountants'".

**Sec. 3.** G.S. 93-1(a)(3) is rewritten to read:

"(3) A 'certified public accountant' is a person engaged in the practice of accountancy who holds a certificate as a certified public accountant issued to him under the provisions of this Chapter."

**Sec. 4.** G.S. 93-2 is amended by deleting the number "21", and inserting in lieu thereof the number "18".

**Sec. 5.** G.S. 93-4 is amended by changing the period at the end to a semicolon and adding the following language at the end:

"provided, however, that the Board may exempt those persons who do not actually practice in or reside in the State of North Carolina from registering and receiving a certificate of qualification under this section."

**Sec. 6.** G.S. 93-12 is amended by rewriting the second sentence to read:

"Said Board is created as an agency of the State of North Carolina and shall consist of five persons to be appointed by the Governor, four persons to be holders of valid and unrevoked certificates as certified public accountants issued under the provisions of this Chapter, and one person who shall not be engaged in the practice of accounting in any manner."

**Sec. 7.** G.S. 93-12(5) is rewritten to read:

"(5) To issue certificates of qualification admitting to practice as certified public accountants, each applicant who, having the qualifications herein specified, shall have passed an examination to the satisfaction of the Board, in 'accounting theory', 'accounting practice', 'auditing', 'business law', and other related subjects.

From and after July 1, 1961, any person shall be eligible to take the examination given by the Board who is a citizen of the United States or has declared his intention of becoming such a citizen or is a resident alien, and has resided for at least four months within the State of North Carolina, is 18

years of age or over, and is of good moral character, and submits evidence satisfactory to the Board that:

- a. he holds a Bachelor's degree from a college or university accredited by one of the regional accrediting associations or from a college or university determined by the Board to have standards substantially equivalent to a regionally accredited institution, and
- b. his degree studies included a concentration in accounting as defined by the Board or that he supplemented his degree studies with courses that the Board determines to be substantially equivalent to a concentration in accounting, and
- c. satisfactory evidence of the completion of two years in an accredited college or university or its equivalent with a concentration in accounting as defined by the Board and two years experience in the practice of public accountancy under the direct supervision of a certified public accountant, in addition to other experience requirements in this section, may be substituted for a Bachelor's degree.

Provided, however, the Board may, in its discretion, waive the education requirement of any candidate if the Board is satisfied from the result of a special written examination given the candidate by the Board to test his educational qualifications that he is as well equipped, educationally, as if he met the education requirements specified above. The Board may provide by regulation for the general scope of such examinations and may obtain such advice and assistance as it deems appropriate to assist it in preparing, administering and grading such special examinations.

Such applicant, in addition to passing satisfactorily the examination given by the Board, shall have the endorsement of three certified public accountants as to his eligibility, and shall have had either:

- a. two years experience in the field of accounting under the direct supervision of a certified public accountant; or
- b. five years experience teaching accounting in a four-year college or university accredited by one of the regional accrediting associations or in a college or university determined by the Board to have standards substantially equivalent to a regionally accredited institution; or
- c. five years experience in the field of accounting; or five years experience teaching college transfer accounting courses at a community college or technical institute accredited by one of the regional accrediting associations; or
- d. any combination of such experience determined by the Board to be substantially equivalent to the foregoing.

A Master's or more advanced degree in accounting, tax law, economics or business administration from an accredited college or university may be substituted for one year of experience. The Board may permit persons otherwise eligible to take its examinations and withhold certificates until such person shall have had the required experience."

**Sec. 8.** G.S. 93-12(6) is amended by deleting the words "one year" in lines 12 and 14 and inserting in lieu thereof in each place the words "four months".

**Sec. 9.** G.S. 93-12(7) is amended by deleting the words "fifty dollars (\$50.00)", and inserting in lieu thereof the words "seventy-five dollars (\$75.00)".

**Sec. 10.** G.S. 93-12 is amended by renumbering subdivisions (9) through (15) as (11) through (17) respectively, and by adding the following new subdivisions:

- "(9) To require the registration of certified public accountant firms which have offices both within and outside of North Carolina, and the payment by such firms of an annual registration fee based on the total number of partners in each such firm, but not to exceed two thousand five hundred dollars (\$2,500) per firm per year.
- "(10) To formulate rules and regulations for the continuing professional education of all persons holding the certificate of certified public accountant, subject to the following provisions:
- a. After January 1, 1983, any person desiring to obtain or renew a certificate as a certified public accountant must offer evidence satisfactory to the Board that such person has complied with the continuing professional education requirement approved by the Board. The Board may grant a conditional license for not more than 12 months for persons who are being licensed for the first time, or moving into North Carolina, or for other good cause, in order that such person may comply with the continuing professional education requirement.
  - b. The Board shall promulgate rules and regulations for the administration of the continuing professional education requirement with a minimum number of hours of 20 and a maximum number of hours of 40 per year, and the Board may exempt persons who are retired or inactive from said continuing professional education requirement. The Board may also permit any certified public accountant to accumulate hours of continuing professional education in any calendar year of as much as two additional years annual requirement in advance of or subsequent to the required calendar year.
  - c. Any applicant who offers satisfactory evidence on forms promulgated by the Board that he has participated in a continuing professional education program of the type required by the Board shall be deemed to have complied with this section."

**Sec. 11.** Chapter 93 of the General Statutes is amended by adding a new Section 93-12.1 to read:

"§ 93-12.1. **Effect of new requirements.** — Any person who applies to the Board of Certified Public Accountant Examiners before July 1, 1983, to take the examination, who meets the educational requirement as it existed prior to the effective date of this section and complies with any of the experience requirements of this Chapter shall be deemed to have met the prerequisites to taking such examination."

**Sec. 12.** This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 4th day of June, 1979.