

**As Reported by the Senate Finance and Financial Institutions
Committee**

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Sub. S. B. No. 200

Senators Cupp, Watts, Herington

A B I L L

To amend sections 1111.01, 2925.01, 4701.01, 4701.04, 1
4701.06, 4701.061, 4701.07, 4701.10, 4701.11, 2
4701.12, 4701.13, 4701.14, and 4701.16 and to 3
enact section 4701.29 of the Revised Code to 4
permit certain persons who do not hold a license 5
to practice as an accountant to acquire an 6
ownership interest in public accounting firms, to 7
change the definitions of the "practice of public 8
accounting" and "permit" under the Accountancy 9
Law, to make other definitional changes, and to 10
expand the discipline that may be imposed for 11
infractions of that law. 12

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 1111.01, 2925.01, 4701.01, 4701.04, 13
4701.06, 4701.061, 4701.07, 4701.10, 4701.11, 4701.12, 4701.13, 14
4701.14, and 4701.16 be amended and section 4701.29 of the Revised 15
Code be enacted to read as follows: 16

Sec. 1111.01. As used in this chapter: 17

(A) "Charitable trust" means a charitable remainder annuity 18
trust as defined in section 664(d) of the Internal Revenue Code, a 19

charitable remainder unitrust as defined in section 664(d) of the
Internal Revenue Code, a charitable lead or other split interest
trust subject to the governing instrument requirements of section
508(e) of the Internal Revenue Code, a pooled income fund as
defined in section 642(c) of the Internal Revenue Code, a trust
that is a private foundation as defined in section 509 of the
Internal Revenue Code, or a trust of which each beneficiary is a
charity.

For purposes of this division and division (B) of this
section, "Internal Revenue Code" means the "Internal Revenue Code
of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(B) "Charity" means a state university as defined in section
3345.011 of the Revised Code, a community college as defined in
section 3354.01 of the Revised Code, a technical college as
defined in section 3357.01 of the Revised Code, a state community
college as defined in section 3358.01 of the Revised Code, a
private college or university that possesses a certificate of
authorization issued by the Ohio board of regents pursuant to
Chapter 1713. of the Revised Code, a trust or organization exempt
from taxation under section 501(c)(3) or section 501(c)(13) of the
Internal Revenue Code, or a corporation, trust, or organization
described in section 170(c)(2) of the Internal Revenue Code. The
term "charities" means more than one trust or organization that is
a charity.

(C) "Collective investment fund" means a fund established by
a trust company or an affiliate of a trust company for the
collective investment of assets held in a fiduciary capacity,
either alone or with one or more cofiduciaries, by the
establishing trust company and its affiliates.

(D) "Fiduciary investment company" means a corporation that
is both of the following:

(1) An investment company;	51
(2) Incorporated, owned, and operated in accordance with rules adopted by the superintendent of financial institutions for the investment of funds held by trust companies in a fiduciary capacity and for true fiduciary purposes, either alone or with one or more cofiduciaries.	52 53 54 55 56
(E) "Instrument" includes any will, declaration of trust, agreement of trust, agency, or custodianship, or court order creating a fiduciary relationship.	57 58 59
(F) "Investment company" means any investment company as defined in section 3 and registered under section 8 of the "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C.A. 80a-3 and 80a-8.	60 61 62 63
(G) "Trust business" means accepting and executing trusts of property, serving as a trustee, executor, administrator, guardian, receiver, or conservator, and providing fiduciary services as a business. "Trust business" does not include any of the following:	64 65 66 67
(1) Any natural person acting as a trustee, executor, administrator, guardian, receiver, or conservator, pursuant to appointment by a court of competent jurisdiction;	68 69 70
(2) Any natural person serving as a trustee who does not hold self out to the public as willing to act as a trustee for hire. For purposes of division (G) of this section, the solicitation or advertisement of legal or accounting services by a person licensed in this state as an attorney or a person holding a live <u>an Ohio</u> permit to practice public accounting issued under division (A) of section 4701.10 of the Revised Code shall not be considered to be the act of holding self out to the public as willing to act as a trustee for hire.	71 72 73 74 75 76 77 78 79
(3) A charity, an officer or employee of a charity, or a	80

person affiliated with a charity, serving as trustee of a 81
charitable trust of which the charity, or another charity with a 82
similar purpose, is a beneficiary; 83

(4) Other fiduciary activities the superintendent determines 84
are not undertaken as a business. 85

Sec. 2925.01. As used in this chapter: 86

(A) "Administer," "controlled substance," "dispense," 87
"distribute," "federal drug abuse control laws," "hypodermic," 88
"manufacturer," "official written order," "person," "pharmacist," 89
"pharmacy," "practitioner," "prescription," "sale," "schedule I," 90
"schedule II," "schedule III," "schedule IV," "schedule V," and 91
"wholesaler" have the same meanings as in section 3719.01 of the 92
Revised Code. 93

(B) "Drug dependent person" and "drug of abuse" have the same 94
meanings as in section 3719.011 of the Revised Code. 95

(C) "Drug," "dangerous drug," and "Federal Food, Drug, and 96
Cosmetic Act" have the same meanings as in section 4729.02 of the 97
Revised Code. 98

(D) "Bulk amount" of a controlled substance means any of the 99
following: 100

(1) For any compound, mixture, preparation, or substance 101
included in schedule I, schedule II, or schedule III, with the 102
exception of marihuana, cocaine, L.S.D., heroin, and hashish and 103
except as provided in division (D)(2) or (5) of this section, 104
whichever of the following is applicable: 105

(a) An amount equal to or exceeding ten grams or twenty-five 106
unit doses of a compound, mixture, preparation, or substance that 107
is or contains any amount of a schedule I opiate or opium 108
derivative; 109

(b) An amount equal to or exceeding ten grams of a compound, 110
mixture, preparation, or substance that is or contains any amount 111
of raw or gum opium; 112

(c) An amount equal to or exceeding thirty grams or ten unit 113
doses of a compound, mixture, preparation, or substance that is or 114
contains any amount of a schedule I hallucinogen other than 115
tetrahydrocannabinol or lysergic acid amide, or a schedule I 116
stimulant or depressant; 117

(d) An amount equal to or exceeding twenty grams or five 118
times the maximum daily dose in the usual dose range specified in 119
a standard pharmaceutical reference manual of a compound, mixture, 120
preparation, or substance that is or contains any amount of a 121
schedule II opiate or opium derivative; 122

(e) An amount equal to or exceeding five grams or ten unit 123
doses of a compound, mixture, preparation, or substance that is or 124
contains any amount of phencyclidine; 125

(f) An amount equal to or exceeding one hundred twenty grams 126
or thirty times the maximum daily dose in the usual dose range 127
specified in a standard pharmaceutical reference manual of a 128
compound, mixture, preparation, or substance that is or contains 129
any amount of a schedule II stimulant that is in a final dosage 130
form manufactured by a person authorized by the Federal Food, 131
Drug, and Cosmetic Act and the federal drug abuse control laws, 132
that is or contains any amount of a schedule II depressant 133
substance or a schedule II hallucinogenic substance; 134

(g) An amount equal to or exceeding three grams of a 135
compound, mixture, preparation, or substance that is or contains 136
any amount of a schedule II stimulant, or any of its salts or 137
isomers, that is not in a final dosage form manufactured by a 138
person authorized by the Federal Food, Drug, and Cosmetic Act and 139
the federal drug abuse control laws. 140

(2) An amount equal to or exceeding one hundred twenty grams 141
or thirty times the maximum daily dose in the usual dose range 142
specified in a standard pharmaceutical reference manual of a 143
compound, mixture, preparation, or substance that is or contains 144
any amount of a schedule III or IV substance other than an 145
anabolic steroid or a schedule III opiate or opium derivative; 146

(3) An amount equal to or exceeding twenty grams or five 147
times the maximum daily dose in the usual dose range specified in 148
a standard pharmaceutical reference manual of a compound, mixture, 149
~~specification~~ preparation, or substance that is or contains any 150
amount of a schedule III opiate or opium derivative; 151

(4) An amount equal to or exceeding two hundred fifty 152
milliliters or two hundred fifty grams of a compound, mixture, 153
preparation, or substance that is or contains any amount of a 154
schedule V substance; 155

(5) An amount equal to or exceeding two hundred solid dosage 156
units, sixteen grams, or sixteen milliliters of a compound, 157
mixture, preparation, or substance that is or contains any amount 158
of a schedule III anabolic steroid. 159

(E) "Unit dose" means an amount or unit of a compound, 160
mixture, or preparation containing a controlled substance that is 161
separately identifiable and ~~is~~ in a form ~~indicating~~ that indicates 162
that it is the amount or unit by which the controlled substance is 163
separately administered to or taken by an individual. 164

(F) "Cultivate" includes planting, watering, fertilizing, or 165
tilling. 166

(G) "Drug abuse offense" means any of the following: 167

(1) A violation of division (A) of section 2913.02 that 168
constitutes theft of drugs, or a violation of section 2925.02, 169
2925.03, 2925.04, 2925.05, 2925.06, 2925.11, 2925.12, 2925.13, 170

2925.22, 2925.23, 2925.31, 2925.32, 2925.36, or 2925.37 of the 171
Revised Code; 172

(2) A violation of an existing or former law of this or any 173
other state or of the United States that is substantially 174
equivalent to any section listed in division (G)(1) of this 175
section; 176

(3) An offense under an existing or former law of this or any 177
other state, or of the United States, of which planting, 178
cultivating, harvesting, processing, making, manufacturing, 179
producing, shipping, transporting, delivering, acquiring, 180
possessing, storing, distributing, dispensing, selling, inducing 181
another to use, administering to another, using, or otherwise 182
dealing with a controlled substance is an element; 183

(4) A conspiracy to commit, attempt to commit, or complicity 184
in committing or attempting to commit any offense under division 185
(G)(1), (2), or (3) of this section. 186

(H) "Felony drug abuse offense" means any drug abuse offense 187
that would constitute a felony under the laws of this state, any 188
other state, or the United States. 189

(I) "Harmful intoxicant" does not include beer or 190
intoxicating liquor but means any compound, mixture, preparation, 191
or substance the gas, fumes, or vapor of which when inhaled can 192
induce intoxication, excitement, giddiness, irrational behavior, 193
depression, stupefaction, paralysis, unconsciousness, 194
asphyxiation, or other harmful physiological effects, and 195
includes, but is not limited to, any of the following: 196

(1) Any volatile organic solvent, plastic cement, model 197
cement, fingernail polish remover, lacquer thinner, cleaning 198
fluid, gasoline, or other preparation containing a volatile 199
organic solvent; 200

(2) Any aerosol propellant;	201
(3) Any fluorocarbon refrigerant;	202
(4) Any anesthetic gas.	203
(J) "Manufacture" means to plant, cultivate, harvest,	204
process, make, prepare, or otherwise engage in any part of the	205
production of a drug, by propagation, extraction, chemical	206
synthesis, or compounding, or any combination of the same, and	207
includes packaging, repackaging, labeling, and other activities	208
incident to production.	209
(K) "Possess" or "possession" means having control over a	210
thing or substance, but may not be inferred solely from mere	211
access to the thing or substance through ownership or occupation	212
of the premises upon which the thing or substance is found.	213
(L) "Sample drug" means a drug or pharmaceutical preparation	214
that would be hazardous to health or safety if used without the	215
supervision of a practitioner, or a drug of abuse, and that, at	216
one time, had been placed in a container plainly marked as a	217
sample by a manufacturer.	218
(M) "Standard pharmaceutical reference manual" means the	219
current edition, with cumulative changes if any, of any of the	220
following reference works:	221
(1) "The National Formulary";	222
(2) "The United States Pharmacopeia," prepared by authority	223
of the United States Pharmacopeial Convention, Inc.;	224
(3) Other standard references that are approved by the state	225
board of pharmacy.	226
(N) "Juvenile" means a person under eighteen years of age.	227
(O) "Counterfeit controlled substance" means any of the	228
following:	229

(1) Any drug that bears, or whose container or label bears, a trademark, trade name, or other identifying mark used without authorization of the owner of rights to that trademark, trade name, or identifying mark;

(2) Any unmarked or unlabeled substance that is represented to be a controlled substance manufactured, processed, packed, or distributed by a person other than the person that manufactured, processed, packed, or distributed it;

(3) Any substance that is represented to be a controlled substance but is not a controlled substance or is a different controlled substance;

(4) Any substance other than a controlled substance that a reasonable person would believe to be a controlled substance because of its similarity in shape, size, and color, or its markings, labeling, packaging, distribution, or the price for which it is sold or offered for sale.

(P) An offense is "committed in the vicinity of a school" if the offender commits the offense on school premises, in a school building, or within one thousand feet of the boundaries of any school premises.

(Q) "School" means any school operated by a board of education or any school for which the state board of education prescribes minimum standards under section 3301.07 of the Revised Code, whether or not any instruction, extracurricular activities, or training provided by the school is being conducted at the time a criminal offense is committed.

(R) "School premises" means either of the following:

(1) The parcel of real property on which any school is situated, whether or not any instruction, extracurricular activities, or training provided by the school is being conducted

on the premises at the time a criminal offense is committed; 260

(2) Any other parcel of real property that is owned or leased 261
by a board of education of a school or the governing body of a 262
school for which the state board of education prescribes minimum 263
standards under section 3301.07 of the Revised Code and on which 264
some of the instruction, extracurricular activities, or training 265
of the school is conducted, whether or not any instruction, 266
extracurricular activities, or training provided by the school is 267
being conducted on the parcel of real property at the time a 268
criminal offense is committed. 269

(S) "School building" means any building in which any of the 270
instruction, extracurricular activities, or training provided by a 271
school is conducted, whether or not any instruction, 272
extracurricular activities, or training provided by the school is 273
being conducted in the school building at the time a criminal 274
offense is committed. 275

(T) "Disciplinary counsel" means the disciplinary counsel 276
appointed by the board of commissioners on grievances and 277
discipline of the supreme court under the Rules for the Government 278
of the Bar of Ohio. 279

(U) "Certified grievance committee" means a duly constituted 280
and organized committee of the Ohio state bar association or of 281
one or more local bar associations of the state of Ohio that 282
complies with the criteria set forth in Rule V, section 6 of the 283
Rules for the Government of the Bar of Ohio. 284

(V) "Professional license" means any license, permit, 285
certificate, registration, qualification, admission, temporary 286
license, temporary permit, temporary certificate, or temporary 287
registration that is described in divisions (W)(1) to (35) of this 288
section and that qualifies a person as a professionally licensed 289
person. 290

(W) "Professionally licensed person" means any of the	291
following:	292
(1) A person who has obtained a license as a manufacturer of	293
controlled substances or a wholesaler of controlled substances	294
under Chapter 3719. of the Revised Code;	295
(2) A person who has received a certificate or temporary	296
certificate as a certified public accountant or who has registered	297
as a public accountant under Chapter 4701. of the Revised Code and	298
who holds a live <u>an Ohio</u> permit issued under that chapter;	299
(3) A person who holds a certificate of qualification to	300
practice architecture issued or renewed and registered under	301
Chapter 4703. of the Revised Code;	302
(4) A person who is registered as a landscape architect under	303
Chapter 4703. of the Revised Code or who holds a permit as a	304
landscape architect issued under that chapter;	305
(5) A person licensed as an auctioneer or apprentice	306
auctioneer or licensed to operate an auction company under Chapter	307
4707. of the Revised Code;	308
(6) A person who has been issued a certificate of	309
registration as a registered barber under Chapter 4709. of the	310
Revised Code;	311
(7) A person licensed and regulated to engage in the business	312
of a debt pooling company by a legislative authority, under	313
authority of Chapter 4710. of the Revised Code;	314
(8) A person who has been issued a cosmetologist's license,	315
manicurist's license, esthetician's license, managing	316
cosmetologist's license, managing manicurist's license, managing	317
esthetician's license, cosmetology instructor's license,	318
manicurist instructor's license, esthetician instructor's license,	319
or tanning facility permit under Chapter 4713. of the Revised	320

Code;	321
(9) A person who has been issued a license to practice dentistry, a general anesthesia permit, a conscious intravenous sedation permit, a limited resident's license, a limited teaching license, a dental hygienist's license, or a dental hygienist's teacher's certificate under Chapter 4715. of the Revised Code;	322 323 324 325 326
(10) A person who has been issued an embalmer's license, a funeral director's license, or a funeral home license, or who has been registered for a funeral director's apprenticeship under Chapter 4717. of the Revised Code;	327 328 329 330
(11) A person who has been licensed as a registered nurse or practical nurse, or who has been issued a certificate for the practice of nurse-midwifery under Chapter 4723. of the Revised Code;	331 332 333 334
(12) A person who has been licensed to practice optometry or to engage in optical dispensing under Chapter 4725. of the Revised Code;	335 336 337
(13) A person licensed to act as a pawnbroker under Chapter 4727. of the Revised Code;	338 339
(14) A person licensed to act as a precious metals dealer under Chapter 4728. of the Revised Code;	340 341
(15) A person registered as a pharmacist, a pharmacy intern, a wholesale distributor of dangerous drugs, or a terminal distributor of dangerous drugs under Chapter 4729. of the Revised Code;	342 343 344 345
(16) A person who is authorized to practice as a physician assistant under Chapter 4730. of the Revised Code;	346 347
(17) A person who has been issued a certificate to practice medicine and surgery, osteopathic medicine and surgery, a limited branch of medicine or surgery, or podiatry under Chapter 4731. of	348 349 350

the Revised Code;	351
(18) A person licensed as a psychologist or school psychologist under Chapter 4732. of the Revised Code;	352 353
(19) A person registered to practice the profession of engineering or surveying under Chapter 4733. of the Revised Code;	354 355
(20) A person who has been issued a certificate to practice chiropractic under Chapter 4734. of the Revised Code;	356 357
(21) A person licensed to act as a real estate broker, real estate salesman, limited real estate broker, or limited real estate salesman under Chapter 4735. of the Revised Code;	358 359 360
(22) A person registered as a registered sanitarian under Chapter 4736. of the Revised Code;	361 362
(23) A person licensed to operate or maintain a junkyard under Chapter 4737. of the Revised Code;	363 364
(24) A person who has been issued a motor vehicle salvage dealer's license under Chapter 4738. of the Revised Code;	365 366
(25) A person who has been licensed to act as a steam engineer under Chapter 4739. of the Revised Code;	367 368
(26) A person who has been issued a license or temporary permit to practice veterinary medicine or any of its branches, or who is registered as a graduate animal technician under Chapter 4741. of the Revised Code;	369 370 371 372
(27) A person who has been issued a hearing aid dealer's or fitter's license or trainee permit under Chapter 4747. of the Revised Code;	373 374 375
(28) A person who has been issued a class A, class B, or class C license or who has been registered as an investigator or security guard employee under Chapter 4749. of the Revised Code;	376 377 378
(29) A person licensed and registered to practice as a	379

nursing home administrator under Chapter 4751. of the Revised	380
Code;	381
(30) A person licensed to practice as a speech pathologist or	382
audiologist under Chapter 4753. of the Revised Code;	383
(31) A person issued a license as an occupational therapist	384
or physical therapist under Chapter 4755. of the Revised Code;	385
(32) A person who is licensed as a professional clinical	386
counselor or professional counselor, licensed as a social worker	387
or independent social worker, or registered as a social work	388
assistant under Chapter 4757. of the Revised Code;	389
(33) A person issued a license to practice dietetics under	390
Chapter 4759. of the Revised Code;	391
(34) A person who has been issued a license or temporary	392
permit to practice respiratory therapy under Chapter 4761. of the	393
Revised Code;	394
(35) A person who has been issued a real estate appraiser	395
certificate under Chapter 4763. of the Revised Code.	396
(X) "Cocaine" means any of the following:	397
(1) A cocaine salt, isomer, or derivative, a salt of a	398
cocaine isomer or derivative, or the base form of cocaine;	399
(2) Coca leaves or a salt, compound, derivative, or	400
preparation of coca leaves, including ecgonine, a salt, isomer, or	401
derivative of ecgonine, or a salt of an isomer or derivative of	402
ecgonine;	403
(3) A salt, compound, derivative, or preparation of a	404
substance identified in division (X)(1) or (2) of this section	405
that is chemically equivalent to or identical with any of those	406
substances, except that the substances shall not include	407
decocainized coca leaves or extraction of coca leaves if the	408
extractions do not contain cocaine or ecgonine.	409

(Y) "L.S.D." means lysergic acid diethylamide.	410
(Z) "Hashish" means the resin or a preparation of the resin contained in marihuana, whether in solid form or in a liquid concentrate, liquid extract, or liquid distillate form.	411 412 413
(AA) "Marihuana" has the same meaning as in section 3719.01 of the Revised Code, except that it does not include hashish.	414 415
(BB) An offense is "committed in the vicinity of a juvenile" if the offender commits the offense within one hundred feet of a juvenile or within the view of a juvenile, regardless of whether the offender knows the age of the juvenile, whether the offender knows the offense is being committed within one hundred feet of or within view of the juvenile, or whether the juvenile actually views the commission of the offense.	416 417 418 419 420 421 422
(CC) "Presumption for a prison term" or "presumption that a prison term shall be imposed" means a presumption, as described in division (D) of section 2929.13 of the Revised Code, that a prison term is a necessary sanction for a felony in order to comply with the purposes and principles of sentencing under section 2929.11 of the Revised Code.	423 424 425 426 427 428
(DD) "Major drug offender" has the same meaning as in section 2929.01 of the Revised Code.	429 430
(EE) "Minor drug possession offense" means either of the following:	431 432
(1) A violation of section 2925.11 of the Revised Code as it existed prior to July 1, 1996;	433 434
(2) A violation of section 2925.11 of the Revised Code as it exists on and after July 1, 1996, this that is a misdemeanor or a felony of the fifth degree.	435 436 437
(FF) "Mandatory prison term" has the same meaning as in section 2929.01 of the Revised Code.	438 439

(GG) "Crack cocaine" means a compound, mixture, preparation, 440
or substance that is or contains any amount of cocaine that is 441
analytically identified as the base form of cocaine or that is in 442
a form that resembles rocks or pebbles generally intended for 443
individual use. 444

Sec. 4701.01. As used in this chapter: 445

(A) ~~"Live permit" means a permit issued under section 4701.10~~ 446
~~of the Revised Code that is not suspended or revoked~~ Practice of 447
public accounting" means performing or offering to perform any 448
engagement that will result in the issuance of an attest report, 449
and, with respect to a person who holds a CPA certificate, PA 450
registration, foreign certificate, or firm registration, any other 451
services involving the use of accounting or auditing skills as 452
established by rules adopted by the accountancy board. 453

(B) "Public accounting firm" means a sole proprietorship, a 455
partnership, a limited liability company, a professional 456
association, a corporation-for-profit, or any other ~~legal entity~~ 457
business organization that is ~~permitted by the accountancy board~~ 458
~~to engage~~ engaged in the practice of public accounting in this 459
state. 460

(C) "Opinion on a financial statement" means any opinion 461
expressed in accordance with generally accepted auditing standards 462
as to the fairness of presentation of information used for 463
guidance in financial transactions or for accounting or for 464
assessing the status or performance of commercial and 465
noncommercial enterprises, whether public, private, or 466
governmental. 467

(D) ~~"Quality Peer~~ review" means a study, appraisal, or review 468
of one or more aspects of the professional work of a public 469

accounting firm that meets the standards and requirements set 470
forth by the accountancy board. 471

(E) "Review report on a financial statement" means either of 472
the following: 473

(1) Any review report issued with respect to any of the 474
following: 475

(a) Interim financial information in accordance with 476
generally accepted auditing standards; 477

(b) The financial information of a nonpublic entity in 478
accordance with statements on standards for accounting and review 479
services; 480

(c) The reliability of another party's written assertion in 481
accordance with statements on standards for attestation 482
engagements. 483

(2) Any other review report issued in accordance with 484
standards promulgated by the American institute of certified 485
public accountants. 486

(F) "Compilation report on a financial statement" means any 487
compilation report issued with respect to financial information of 488
a nonpublic entity in accordance with statements on standards for 489
accounting and review services as promulgated by the American 490
institute of certified public accountants. 491

(G) "Examination report on a financial statement" means any 492
examination report issued with respect to another party's written 493
assertion in accordance with statements on standards for 494
attestation engagements as promulgated by the American institute 495
of certified public accountants. 496

(H) "Agreed-upon procedures report on a financial statement" 497
means any report based on agreed-upon procedures issued with 498
respect to another party's written assertion in accordance with 499

statements on standards for attestation engagements as promulgated 500
by the American institute of certified public accountants. 501

(I) "Qualified firm" means a partnership, professional 502
association, corporation-for-profit, limited liability company, or 503
any other business organization in which the individuals who own a 504
majority of the business organization interests in the business 505
organization and control the business organization hold an Ohio 506
permit or a foreign permit. 507

(J) "Own" means any direct or indirect ownership of an equity 508
interest in a public accounting firm or qualified firm. 509

(K) "Control" or "controlled" means the right to exercise the 510
majority of the voting equity interests in a public accounting 511
firm with respect to any matter. 512

(L) "Equity interest" means any capital interest or profit 513
interest in a partnership, professional association, 514
corporation-for-profit, limited liability company, or any other 515
business organization. 516

(M) "Ohio permit" means a permit to practice public 517
accounting issued under division (A) of section 4701.10 of the 518
Revised Code that is not revoked or suspended. 519

(N) "Foreign permit" means a permit to practice public 520
accounting issued under the laws of a state other than Ohio or 521
under the laws of a foreign jurisdiction. 522

(O) "Ohio registration" means the registration of a holder of 523
a CPA certificate or PA certificate who is not in the practice of 524
public accounting under division (B) of section 4701.10 of the 525
Revised Code. 526

(P) "Firm registration" or "registered firm" means 527
registration as a public accounting firm under section 4701.04 of 528
the Revised Code. 529

(Q) "PA registration" means registration as a public accountant under section 4701.07 of the Revised Code that is not revoked or suspended. 530
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(R) "CPA certificate" means a certificate issued under section 4701.06 or 4701.061 of the Revised Code that is not revoked or suspended. 533
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(S) "Foreign certificate" means a certificate of certified public accountant issued under the laws of a state other than Ohio or under the laws of a foreign jurisdiction. 536
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(T) "Attest report" means an opinion report, review report, compilation report, examination report, agreed-upon procedures report, or any similar report prepared in accordance with standards established by the American institute of certified public accountants with respect to a financial statement or other financial information. 539
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(U) "Person" means an individual, corporation, business trust, estate, partnership, limited liability company, professional association, and any other business organization. 545
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(V) Technical terms that define specific public accounting engagements have the same meanings as in the professional standards promulgated by the American institute of certified public accountants. 548
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(W) "GOOD MORAL CHARACTER" MEANS THE COMBINATION OF PERSONAL TRAITS OF HONESTY, INTEGRITY, ATTENTION TO DUTY, FORTHRIGHTNESS, AND SELF-RESTRAINT THAT ENABLES A PERSON TO DISCHARGE THE DUTIES OF THE ACCOUNTING PROFESSION FULLY AND FAITHFULLY. 552
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(1) A HISTORY OF DISHONEST OR FELONIOUS ACTS OR CONVICTIONS IS SUFFICIENT TO PROVE LACK OF GOOD MORAL CHARACTER WHERE THAT HISTORY DEMONSTRATES BY A PREPONDERANCE OF THE EVIDENCE THAT THE PERSON LACKS ONE OR MORE SUCH PERSONAL TRAITS. A PERSON WHO HAS A 556
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FELONY CONVICTION RELATED TO ONE OR MORE SUCH PERSONAL TRAITS 560
BEARS THE BURDEN OF ESTABLISHING THE PERSON'S PRESENT GOOD MORAL 561
CHARACTER, INCLUDING THE PERSON'S FULL AND COMPLETE REHABILITATION 562
SUBSEQUENT TO THE CONVICTION. 563

(2) IF LESS THAN ONE YEAR HAS PASSED SINCE THE COMPLETION OF 564
THE PERSON'S SENTENCE ON A FELONY CONVICTION, INCLUDING ANY 565
PROBATIONARY TERM, THE BOARD MAY DELAY ANY DETERMINATION OF THE 566
PERSON'S GOOD MORAL CHARACTER UNTIL ONE YEAR HAS PASSED FROM THE 567
TIME OF SUCH COMPLETION. 568

(3) IN DETERMINING WHETHER A PERSON HAS MET THE PERSON'S 569
BURDEN OF PROOF, THE FOLLOWING FACTORS MAY BE CONSIDERED BY THE 570
BOARD: 571

(a) THE PERSON'S PATH TOWARD PROFESSIONAL LICENSING FOLLOWING 572
COMPLETION OF THE PERSON'S SENTENCE; 573

(b) THE NATURE AND DEGREE OF THE PERSON'S ACADEMIC 574
ACHIEVEMENTS; 575

(c) THE NATURE AND DEGREE OF THE PERSON'S EMPLOYMENT 576
FOLLOWING COMPLETION OF THE PERSON'S SENTENCE; 577

(d) THE PERSON'S DEGREE OF SELF-SUFFICIENCY FOLLOWING 578
COMPLETION OF THE PERSON'S SENTENCE; 579

(e) THE NATURE AND DEGREE OF THE PERSON'S OTHER 580
RESPONSIBILITIES FOLLOWING COMPLETION OF THE PERSON'S SENTENCE; 581

(f) THE PERSON'S CONVICTION FOR ANY OTHER CRIMINAL OFFENSE 582
SINCE COMPLETION OF THE PERSON'S SENTENCE FOR THE PERSON'S FIRST 583
FELONY CONVICTION; 584

(g) WHETHER THE PERSON'S APPLICATION OR PRESENTATION CONTAINS 585
ANY INCONSISTENCIES OR MISLEADING EXPLANATIONS THAT CONVINCED THE 586
BOARD THAT EITHER THE PERSON OR THE PERSON'S ATTORNEY IS TRYING TO 587
KEEP THE BOARD FROM ACQUIRING A TRUE, THOUGH DAMAGING, 588
REPRESENTATION OF THE PERSON'S CHARACTER; 589

(h) THE NATURE AND CIRCUMSTANCES OF THE DISHONEST OR 590
FELONIOUS ACTS OR CONVICTIONS OF THE PERSON; 591

(i) ANY OTHER SPECIFICALLY IDENTIFIABLE INFORMATION THE BOARD 592
DETERMINES TO BE RELEVANT TO THE PERSON'S ABILITY TO DISCHARGE THE 593
DUTIES OF THE ACCOUNTING PROFESSION FULLY AND FAITHFULLY. 594
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Sec. 4701.04. (A) No public accounting firm shall engage in 596
the practice under the firm's name of public accounting in this 597
state unless it registers with the accountancy board and pays a 598
registration fee set by the board. 599

(B) ~~New public~~ Public accounting firms shall apply for 600
initial registration within ninety days ~~of~~ after formation or 601
within ninety days of the commencement of practicing public 602
accounting in this state. All public accounting firms shall renew 603
their registration triennially. All public accounting firms shall 604
submit with their initial and renewal registration applications a 605
all of the following: 606

(1) A list of the names, addresses, and certificate numbers 607
of all ~~license holders~~ individuals who hold an Ohio permit and who 608
own an equity interest in the public accounting firm or who are 609
employed by ~~them~~ the public accounting firm; 610

(2) A list of the names and addresses of each person who does 611
not hold an Ohio permit or a foreign permit who owns an equity 612
interest in the public accounting firm if the person's principal 613
place of business is located in this state; 614

(3) A statement that the public accounting firm and each 615
person who owns an equity interest in the public accounting firm, 616
or is employed by the public accounting firm, and does not hold an 617
Ohio permit or a foreign permit is in compliance with divisions 618
(C) and (D) of this section. 619

(C) A public accounting firm shall satisfy all of the 620
following requirements in order to register: 621

(1) Except as provided in division (C)(5) of this section, 622
each partner, shareholder, member, or other person who owns an 623
equity interest in the public accounting firm holds an Ohio permit 624
or a foreign permit; 625

(2) The chief executive of any office of a public accounting 626
firm located in or doing business in this state holds an Ohio 627
permit or a foreign permit; 628

(3) Each individual in a public accounting firm who signs any 629
attest report issued from an office located in this state holds an 630
Ohio permit; 631

(4) An individual who owns an equity interest in the public 632
accounting firm or who is employed by the public accounting firm 633
and who holds an Ohio permit or a foreign permit, or a qualified 634
firm that owns an equity interest in the public accounting firm, 635
assumes ultimate responsibility for any attest report issued from 636
an office of the public accounting firm located in this state; 637

(5) Any person who does not hold an Ohio permit or a foreign 638
permit and who holds an equity interest in the public accounting 639
firm satisfies the conditions set forth in division (D) of this 640
section; 641

(6) The public accounting firm provides for the transfer of 642
the equity interest owned by persons who do not hold an Ohio 643
permit or a foreign permit to either the public accounting firm or 644
to another person who owns an equity interest in the firm if a 645
person not holding an Ohio permit or a foreign permit withdraws 646
from or ceases to be employed by the public accounting firm. The 647
public accounting firm may make payments in connection with the 648
person's withdrawal from the firm to that person or, if that 649
person is deceased or dissolved, to the person's estate or 650

successor in interest. 651

(D) A person who does not hold an Ohio permit or a foreign permit may own an equity interest in a public accounting firm if all of the following conditions are met: 652
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(1) All of the individuals who hold an Ohio permit or a foreign permit and who own equity interests in the public accounting firm, and qualified firms that own equity interests in the public accounting firm, own, in the aggregate, a majority of the equity interests in the public accounting firm and control the public accounting firm; 655
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(2) The person does not assume or use any titles or designations specified in division (A) of section 4701.14 Of the Revised Code. The person may designate or refer to the person as a shareholder, partner, member, principal, owner, or officer of the public accounting firm, and also may use any other title that the board by rule authorizes. 661
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(3) The person is not in violation of any standard regarding the character or conduct of that person as established by the board by rule; 667
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(4) The person's participation in the business of the public accounting firm is the person's principal occupation and consists of providing services to or on behalf of the public accounting firm, and the person is not functioning solely or predominately as a passive investor in the public accounting firm; 670
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(5) The individual has graduated with a baccalaureate or higher degree conferred by a college or university approved by the board; 675
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(6) The individual meets or exceeds the continuing education requirements as established by board rule; 678
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(7) A person who holds a professional license, registration, 680

or certification issued by this state, another state, or a foreign jurisdiction complies with the requirements of that license, registration, or certification; 681
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(8) The individual abides by the code of conduct of the American institute of certified public accountants or a comparable code of professional conduct that the board by rule adopts; 684
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(9) The person complies with all applicable provisions of this chapter and rules adopted by the board. 687
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~~(C)~~(E) A person who owns a voting equity interest in a public accounting firm may not delegate, by proxy or otherwise, the duty to exercise any voting rights to a person that does not hold an Ohio permit or a foreign permit or to a person that is not a qualified firm. 689
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(F) As a condition for initial or renewal registration on and after January 1, 1993, the board, by rule, shall require that all public accounting firms undergo a ~~quality peer~~ review to determine the degree of compliance in the practice of public accounting by the public accounting firm with generally accepted accounting principles ~~and, generally accepted~~ auditing standards, and other generally accepted technical standards, unless the ~~applicant~~ public accounting firm meets one of the exceptions in division ~~(C)~~(J) of this section. 694
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~~(D)~~(G) The board shall adopt rules establishing guidelines for ~~quality peer~~ reviews. The rules shall do all of the following: 703
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(1) Designate a ~~quality peer~~ review committee consisting of accounting professionals to serve as advisors to the board and to ensure that the board's guidelines are followed. The board ~~shall~~ may establish fair and reasonable compensation for the committee members to be paid for time they spend conducting committee business. 706
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(2) Require that the ~~quality peer~~ review be conducted by a reviewer that is both independent of the public accounting firm reviewed and qualified pursuant to board rules;

(3) Require that the standards and practices applied by the reviewer be at least as stringent as those applied by the American institute of certified public accountants;

(4) Prohibit the use or disclosure of information obtained by members of the board of reviewers during or in connection with the ~~quality peer~~ review process for purposes other than those related to determining the degree of compliance by the public accounting firm with generally accepted accounting principles ~~and, generally accepted~~ auditing standards, and other generally accepted technical standards. Division ~~(D)~~(G)(4) of this section does not apply to the use or disclosure of information that is described in division ~~(H)~~(K)(3) of this section or that is necessary to comply with any provision of law.

~~(E)~~(H)(1) If a ~~quality peer~~ review report indicates that a public accounting firm does not comply with standards and practices set forth in board guidelines, the board may, at its discretion, ~~or shall, upon submission of a written application by the firm, may~~ hold a hearing to ~~determine whether the firm complies with the standards and practices. If the board, after conducting the hearing, determines that the firm complies with the standards and practices, it shall issue an order requiring the reviewer and the quality review committee to take any necessary action to record and implement the board's determination and to restore the status of compliance upon the firm. However, if~~ review the results of the peer review report. If the board, after conducting the hearing, determines that the public accounting firm does not comply with the standards and practices, it may issue an order that requires both of the following:

(a) Remedial <u>or disciplinary</u> action, which may include:	743
(i) Requiring employees of the <u>public accounting</u> firm to complete general or specific continuing professional education courses;	744 745 746
(ii) Requiring the <u>public accounting</u> firm to undergo quality peer review more frequently than triennially and conducted in whole or part under the direct supervision of the board or its designee;	747 748 749 750
(iii) Any other remedial action specified by the board;	751
(iv) <u>Imposing any disciplinary measures set forth in division (B) of section 4701.16 Of the Revised Code.</u>	752 753
(b) An affidavit from the <u>public accounting</u> firm submitted within the time specified by the board indicating completion of required remedial actions.	754 755 756
(2) Notwithstanding divisions (H) (K)(1) and (2) of this section, all matters relating to the procedures for determining compliance with the standards and practices under division (E) (H)(1) of this section are subject to Chapter 119. of the Revised Code, including the notice and conduct of any hearing, and the issuance and appeal of any order.	757 758 759 760 761 762
(F) (I) The <u>public accounting</u> firm reviewed shall pay for any quality peer review performed.	763 764
(G) (J) The board may exempt a <u>public accounting</u> firm from the requirement to undergo a quality peer review if the <u>public accounting</u> firm submits to the board a written and notarized statement that the <u>public accounting</u> firm meets at least one of the following grounds for exemption identified in the statement:	765 766 767 768 769
(1) Within three years of the date of application for initial or renewal registration, the <u>public accounting</u> firm has been subject to a quality peer review acceptable to the board and	770 771 772

conducted pursuant to standards not less stringent than review 773
standards applied by the American institute of certified public 774
accountants. The public accounting firm shall submit to the board 775
a copy of the results of the ~~quality peer~~ review and any 776
additional documentation required by the board. The board, 777
however, shall not require submittal of the working papers related 778
to the ~~quality peer~~ review process. 779

(2) Within three years of the date of application for initial 780
or renewal registration, the public accounting firm has undergone 781
a ~~quality peer~~ review conducted in another state or foreign 782
country. The public accounting firm shall submit to the board a 783
copy of the results of the ~~quality peer~~ review and any additional 784
documentation required by the board, including a detailed report 785
of the procedures and standards applied by the reviewer. 786

(3) The public accounting firm has never practiced public 788
accounting in this state or any other state or foreign country and 789
will undergo a ~~quality peer~~ review within eighteen months of 790
registration. 791

(4) The public accounting firm, on a schedule as required by 792
rule adopted by the board, submits a report to the board that 793
states all of the following: 794

(a) The public accounting firm does not ~~engage in any~~ 795
~~financial reporting areas of practice including audits,~~ 796
~~compilations, or reviews~~ undertake any engagement that will result 797
in the issuance of an attest report. 798

(b) Within the next three years, the public accounting firm 799
does not intend to ~~engage in any financial reporting areas of~~ 800
~~practice including audits, compilations, reviews, or prospective~~ 801
~~financial statements~~ undertake any engagement that will result in 802
the issuance of any attest report. 803

(c) The public accounting firm agrees to notify the board 804
within ninety days ~~of engaging in any financial reporting areas of~~ 805
~~practice including audits, compilations, or reviews~~ after 806
accepting any engagement that will result in the issuance of any 807
attest report, and will undergo a quality peer review within one 808
year of ~~commencing such practices~~ the acceptance of such an 809
engagement. 810

(5) Subject to the board's approval, for reasons of personal 811
health, military service, or other good cause, the public 812
accounting firm is entitled to an exemption. 813

~~(H)~~(K) In any civil action, arbitration, or administrative 814
proceeding involving a public accounting firm, all of the 815
following shall apply: 816

(1) The proceedings, records, and work papers of any 817
reviewer, including board members and review committee members, 818
involved in the quality peer review process are privileged and not 819
subject to discovery, subpoena, or other means of legal process 820
and may not be introduced into evidence. 821

(2) No reviewer, including board members and review committee 822
members, involved in the quality peer review process shall be 823
permitted or required to testify as to any matters produced, 824
presented, disclosed, or discussed during or in connection with 825
the quality peer review process; or be required to testify to any 826
finding, recommendation, evaluation, opinion, or other actions of 827
such committees, or their members. 828

(3) No privilege exists under this section for either of the 829
following: 830

(a) Information presented or considered in the quality peer 831
review process which was otherwise available to the public; 832

(b) Materials prepared in connection with a particular 833

engagement merely because they subsequently are presented or 834
considered as part of the ~~quality peer~~ review process. 835

~~(I)~~(L) If a ~~quality peer~~ review report indicates that a 836
public accounting firm complies with standards and practices set 837
forth in board guidelines, the board shall destroy all documents 838
and reports related to the ~~quality peer~~ review within thirty days 839
after the board completes its review of the report. If a ~~quality~~ 840
peer review report indicates that a public accounting firm does 841
not comply with such standards and practices, the board shall 842
retain all documents and reports related to the ~~quality peer~~ 843
review until completion of the next ~~quality peer~~ review. 844

Sec. 4701.06. The certificate of "certified public 845
accountant" shall be granted by the accountancy board to any 846
person: 847

(A) Who is a resident of this state or has a place of 848
business ~~therein~~ in this state or, as an employee, is regularly 849
employed ~~therein~~ in this state. The board may by rule determine 850
circumstances under which the residency requirement may be waived. 851

(B) Who has attained the age of eighteen years; 852

(C) Who is of good moral character; 853

(D) Who meets the requirements of education and experience as 854
provided in this division: 855

(1)(a) Prior to January 1, 2000, graduation with a 856
baccalaureate degree conferred by a college or university 857
recognized by the board, with a concentration in accounting that 858
includes related courses in other areas of business 859
administration, or what the board determines to be substantially 860
the equivalent of the foregoing; 861

(b) On and after January 1, 2000, graduation with a 862
baccalaureate or higher degree that includes successful completion 863

of one hundred fifty semester hours of undergraduate or graduate
education. The board ~~shall~~ by rule shall specify graduate degrees
that satisfy this requirement and ~~shall~~ also by rule require such
subjects as it considers appropriate. The total educational
program shall include an accounting concentration with related
courses in other areas of business administration, as defined by
board rule.

(2)(a) The experience requirement for candidates meeting the
educational requirements set forth in division (D)(1)(a) or (b) of
this section is ~~two years~~ one year of ~~public accounting~~
experience, satisfactory to the board, in ~~any state in practice,~~
~~as a certified public accountant or as a public accountant, or, in~~
~~any state in employment, as a staff accountant by anyone~~
~~practicing public accounting, or such experience in private or~~
~~governmental accounting as is, in the opinion of the board, the~~
~~equivalent of such public accounting practice, or any combination~~
~~of such types of experience.~~

~~(b) The experience requirement is only one year of the~~
~~experience described in division (D)(2)(a) of this section for any~~
~~candidate holding a master's degree in accounting or business~~
~~administration from a college or university recognized by the~~
~~board, if he has satisfactorily completed such number of semester~~
~~hours in graduate accounting and such related subjects as the~~
~~board determines to be appropriate~~ any of the following:

(i) A public accounting firm;

(ii) Government;

(iii) Business;

(iv) Academia.

~~(e)(b)~~ Except as provided in division (D)(2)~~(d)~~(c) of this
section, the experience requirement for any candidate who, on and

after January 1, 2000, does not meet the educational requirement 894
set forth in division (D)(1)(b) of this section is four years of 895
experience described in division (D)(2)(a) of this section. The 896
experience requirement for any candidate who, prior to January 1, 897
2000, does not meet the educational requirement set forth in 898
division (D)(1)(a) of this section is two years of experience 899
described in division (D)(2)(a) of this section. 900

~~(d)~~(c) On and after January 1, 2000, the experience 901
requirement for any candidate who, subsequent to obtaining a 902
baccalaureate or higher degree, other than a baccalaureate or 903
higher degree described in division (D)(1)(b) of this section, 904
successfully completes coursework that meets the educational 905
requirement set forth in division (D)(1)(b) of this section, is 906
two years of experience described in division (D)(2)(a) of this 907
section. 908

(E) Who has passed a written examination in accounting and 909
auditing and in such related subjects as the board determines to 910
be appropriate. The board shall adopt rules, consistent with this 911
section, for these examinations and for application to take these 912
examinations. 913

None of the educational requirements specified in division 914
(D) of this section apply to a candidate who is registered as a 915
public accountant under section 4701.07 of the Revised Code, but 916
the experience requirement for ~~such~~ the candidate who does not 917
meet ~~such~~ those educational requirements is four years of the 918
experience described in division (D)(2)(a) of this section. 919

Prior to January 1, 2000, the board shall waive the 920
educational requirement set forth in division (D)(1)(a) of this 921
section for any candidate if it finds that the candidate has 922
attained the equivalent education by attendance at a business 923
school, by self-study, or otherwise, and if it is satisfied from 924
the results of special written examinations given the candidate by 925

the board to test ~~his~~ the candidate's educational qualifications 926
that ~~he~~ the candidate is as well equipped, educationally, as if ~~he~~ 927
the candidate met the applicable educational requirement specified 928
in division (D)(1)(a) of this section. 929

On and after January 1, 2000, the board shall waive the 930
educational requirement set forth in division (D)(1)(b) of this 931
section for any candidate if the board finds that the candidate 932
has obtained from an accredited college or university approved by 933
the board, either an associate degree or a baccalaureate degree, 934
other than a baccalaureate degree described in division (D)(1)(b) 935
of this section, with a concentration in accounting that includes 936
related courses in other areas of business administration, and if 937
the board is satisfied from the results of special written 938
examinations given the candidate by the board to test ~~his~~ the 939
candidate's educational qualification that the candidate is as 940
well equipped, educationally, as if ~~he~~ the candidate met the 941
applicable educational requirement specified in division (D)(1)(b) 942
of this section. 943

The board shall provide by rule for the general scope of any 944
special written examinations for a waiver of the educational 945
requirements under division (D)(1)(a) or (b) of this section, and 946
may obtain such advice and assistance as it considers appropriate 947
to assist it in preparing and grading ~~such~~ those special written 948
examinations. The board may use any existing examinations or may 949
prepare any number of new examinations to assist in determining 950
the equivalent training of a candidate. The board ~~shall~~ by rule 951
shall prescribe any special written examinations for a waiver of 952
the educational requirements under division (D)(1)(a) or (b) of 953
this section and the passing score required for each examination. 954

The examinations described in division (E) of this section 955
and the special written examinations for a waiver of the 956
educational requirements under division (D)(1)(a) or (b) of this 957

section shall be held by the board and shall take place as often 958
as the board determines to be desirable, but the examinations 959
described in division (E) of this section shall be held not less 960
frequently than once each year. The board may make ~~such~~ the use of 961
all or any part of the uniform certified public accountants' 962
examination and advisory grading service, or either, as it 963
considers appropriate to assist it in performing its duties 964
~~hereunder~~ under this section. The board may also contract with 965
qualified organizations for assistance in the administration of 966
any examinations. The board by rule may provide for granting 967
credit to a candidate for ~~his~~ satisfactory completion of a written 968
examination in one or more of the subjects specified in division 969
(E) of this section given by the licensing authority in any other 970
state. 971

A candidate who has met the educational requirements, or with 972
respect to whom they either do not apply or have been waived, is 973
eligible to take the examination specified in division (E) of this 974
section without waiting until ~~he~~ the candidate meets the 975
experience requirements, provided ~~he~~ the candidate also meets the 976
requirements of divisions (A) and (C) of this section. 977

A candidate for the certificate of certified public 978
accountant who has successfully completed the examination under 979
division (E) of this section has no status as a certified public 980
accountant, unless and until ~~he~~ the candidate has the requisite 981
experience and has received ~~his~~ A certificate as a certified 982
public accountant. The board shall determine and charge a fee for 983
issuing the certificate that is adequate to cover the expense. 984

The board ~~may~~ by rule may prescribe the terms and conditions 985
under which a candidate who passes the examination in one or more 986
of the subjects indicated in division (E) of this section may be 987
reexamined in only the remaining subjects, with credit for the 988
subjects previously passed. It ~~may~~ also may provide by rule for a 989

reasonable waiting period for a candidate's reexamination in a 990
subject ~~he~~ the candidate has failed. Subject to the foregoing and 991
~~such~~ any other rules ~~as~~ that the board may adopt governing 992
reexaminations, a candidate is entitled to any number of 993
reexaminations under division (E) of this section. No candidate 994
shall be required to be reexamined in all subjects unless a period 995
of four years has elapsed since the candidate initially earned 996
credit on the examination. 997

The applicable educational and experience requirements under 998
division (D) of this section shall be those in effect on the date 999
on which the candidate first sits for the examination. 1000

The board shall charge such candidate a reasonable fee, to be 1001
determined by the board, that is adequate to cover all rentals, 1002
compensation for proctors, and other administrative expenses of 1003
the board related to examination or reexamination, including the 1004
expenses of procuring and grading the examination provided for in 1005
division (E) of this section and for any special written 1006
examinations for a waiver of the educational requirements under 1007
division (D)(1)(a) or (b) of this section. Fees for reexamination 1008
under division (E) of this section shall be charged by the board 1009
in amounts determined by it. The applicable fees shall be paid by 1010
the candidate at the time ~~he~~ the candidate applies for examination 1011
or reexamination. 1012

Any person who has received from the board a certificate as a 1013
certified public accountant and who holds a an Ohio permit issued 1014
under section 4701.10 of the Revised Code, which is in full force 1015
and effect, shall be styled and known as a "certified public 1016
accountant" and ~~may~~ also may use the abbreviation "CPA." The board 1017
shall maintain a list of certified public accountants. Any 1018
certified public accountant ~~may~~ also may be known as a "public 1019
accountant." 1020

Persons who, on the effective date of an amendment of this 1021

section, held certified public accountant certificates theretofore 1022
issued under the laws of this state shall not be required to 1023
obtain additional certificates under this section, but shall 1024
otherwise be subject to all provisions of this section; and ~~such~~ 1025
~~those~~ certificates ~~theretofore~~ issued ~~shall~~, for all purposes, 1026
shall be considered certificates issued under this section and 1027
subject to ~~the~~ its provisions ~~hereof~~. 1028

The board may waive the examination under division (E) of 1029
this section, and upon payment of a fee determined by it may issue 1030
a certificate as a "certified public accountant" to any person 1031
possessing the qualifications specified in divisions (A), (B), and 1032
(C) of this section and what the board determines to be 1033
substantially the equivalent of the applicable qualifications 1034
under division (D) of this section, who is the holder of a 1035
certificate as a certified public accountant, then in full force 1036
and effect, issued under the laws of any state, or is the holder 1037
of a certificate, license, or degree in a foreign country 1038
constituting a recognized qualification for the practice of public 1039
accounting in such country, comparable to that of a certified 1040
public accountant of this state, which is then in full force and 1041
effect. 1042

Sec. 4701.061. Notwithstanding anything to the contrary in 1043
section 4701.06 of the Revised Code, the certificate of "certified 1044
public accountant" shall be granted by the accountancy board to 1045
any public accountant who meets all the following requirements: 1046

(A) The public accountant applies to the board for the 1047
certificate under this section; 1048

(B) At the time of application and the time that the 1049
certificate is granted, the public accountant holds ~~a live~~ an Ohio 1050
permit issued under division (A) of section 4701.10 of the Revised 1051
Code; 1052

(C) At the time of application, any public accounting firm 1053
that employs the public accountant or in which the public 1054
accountant has an interest is registered, and meets the applicable 1055
~~quality~~ peer review requirements of the board, under section 1056
4701.04 of the Revised Code; 1057

(D) For not less than one hundred twenty months, the public 1058
accountant has held a an Ohio permit issued under division (A) of 1059
section 4701.10 of the Revised Code and has completed and reported 1060
to the board all applicable continuing education hours required by 1061
section 4701.11 of the Revised Code and the rules adopted pursuant 1062
thereto. 1063

Sec. 4701.07. The accountancy board shall register as a 1064
public accountant any person who meets all the following 1065
requirements: 1066

(A) Is a resident of this state, or has a place of business 1067
therein; 1068

(B) Has attained the age of eighteen years; 1069

(C) Is of good moral character; 1070

(D) Holds a baccalaureate or higher degree conferred by a 1071
college or university recognized by the board, with a 1072
concentration in accounting, or with what the board determines to 1073
be substantially the equivalent of the foregoing; or with a 1074
nonaccounting concentration supplemented by what the board 1075
determines to be substantially the equivalent of an accounting 1076
concentration, including related courses in other areas of 1077
business administration. 1078

The board may waive the educational requirement for any 1079
candidate if it finds that the candidate has attained the 1080
equivalent education by attendance at a business school or 1081
two-year college, by self-study, or otherwise, and if it is 1082

satisfied from the result of a special written examination given 1083
the candidate by the board to test ~~his~~ the candidate's educational 1084
qualifications that ~~he~~ the candidate is as well equipped, 1085
educationally, as if ~~he~~ the candidate met the applicable 1086
educational requirement specified in this division. The board may 1087
provide by rule for the general scope of ~~such~~ these examinations 1088
and may obtain such advice and assistance as it considers 1089
appropriate to assist it in preparing and grading ~~such~~ the special 1090
examinations. The board may use any existing examinations or may 1091
prepare any number of new examinations to assist it in determining 1092
the equivalent training of a candidate. The board ~~may~~ by rule may 1093
prescribe such examinations and the passing score required for 1094
each examination. 1095

(E) Has completed two years of public accounting experience, 1096
satisfactory to the board, in any state in practice as a public 1097
accountant, or in any state in employment, as a staff accountant 1098
by anyone practicing public accounting, or such experience in 1099
private or governmental accounting as ~~will~~, in the opinion of the 1100
board, will be the equivalent of such public accounting practice, 1101
or any combination of such types of experience, except that the 1102
experience requirement is only one year of the experience 1103
described in this division for any candidate holding a master's 1104
degree in accounting or business administration from a college or 1105
university recognized by the board, if ~~he~~ the candidate has 1106
satisfactorily completed ~~such~~ the number of credit hours in 1107
accounting, business administration, economics, and such related 1108
subjects as the board determines to be appropriate; and 1109

(1) Has passed the uniform national society of public 1110
accountants examination or a comparable examination approved by 1111
the public accountant members of the accountancy board; or 1112

(2) Has passed the accounting practice and auditing sections 1113
of the uniform CPA examination. 1114

The examination described in division (E)(1) of this section shall be held by the board and shall take place as often as the board determines, but shall not be held less frequently than once each year. The board shall charge a candidate an application fee, to be determined by the board, that is adequate to cover all rentals, compensation for proctors, and other expenses of the board related to examination or reexamination except the expenses of procuring and grading the examination. In addition, the board shall charge such candidate an examination fee to be determined by the board, that is adequate to cover the expense of procuring and grading the examination. Fees for reexamination under division (E) of this section ~~shall~~ also shall be charged by the board in amounts determined by it to be adequate to cover the expenses of procuring and grading the examinations. The applicable fees shall be paid by the candidate at the time ~~he~~ the candidate applies for examination or reexamination.

(F) Applied, on or before ~~the effective date of this amendment~~ April 16, 1993, for registration as a public accountant.

The board shall determine and charge a fee for registration under this section that is adequate to cover the expense.

The board ~~shall~~ in each case shall determine whether the applicant is eligible for registration. Any individual who is so registered and who holds a an Ohio permit issued under section 4701.10 of the Revised Code shall be styled and known as a "public accountant" and may use the abbreviation "PA."

A person who, on the effective date of an amendment of this section, holds a valid registration as a public accountant issued under the laws of this state shall not be required to obtain additional registration under this section, but shall otherwise be subject to all provisions of this section; and ~~such that~~ registration ~~shall~~, for all purposes, shall be considered a

registration issued under this section and subject to ~~the~~ its 1146
provisions hereof. 1147

Sec. 4701.10. (A) ~~Permits to practice public accounting shall~~ 1148
~~be issued by the~~ The accountancy board shall issue Ohio permits to 1149
practice public accounting to holders of the certificate of 1150
certified public accountant issued under section 4701.06 or 1151
4701.061 of the Revised Code and to persons registered under 1152
sections 4701.07 and 4701.09 of the Revised Code. Subject to 1153
division (D)(1) of this section, there shall be a triennial Ohio 1154
permit fee in an amount to be determined by the board not to 1155
exceed one hundred fifty dollars. All Ohio permits shall expire on 1156
the last day of December of the year assigned by the board and, 1157
subject to division (D)(1) of this section, shall be renewed 1158
triennially for a period of three years by certificate holders and 1159
registrants in good standing upon payment of a triennial renewal 1160
fee not to exceed one hundred fifty dollars. For the purpose of 1161
implementing this section and enforcing section 4701.11 of the 1162
Revised Code, the board may issue a an Ohio permit for less than 1163
three years' duration. A prorated fee shall be determined by the 1164
board for ~~such~~ that Ohio permit. Renewal of Ohio permits shall be 1165
according to the standard renewal procedure of sections 4745.01 to 1166
4745.03 of the Revised Code. Failure of any certificate holder or 1167
registrant to apply for a triennial Ohio permit to practice within 1168
three years from the expiration date of the Ohio permit to 1169
practice last obtained or renewed, or three years from the date 1170
upon which the certificate holder or registrant was granted ~~his~~ A 1171
certificate or registration, shall result in suspension of such 1172
certificate or registration unless the board determines such 1173
failure to have been due to excusable neglect. In ~~such~~ that case, 1174
the renewal fee or the fee for the issuance of the original Ohio 1175
permit, as the case may be, shall be such amount as the board 1176
shall determine, but not in excess of fifty dollars plus the fee 1177

for each triennial period or part of a period the certificate 1178
holder or registrant did not have a an Ohio permit. 1179

(B) All certificate holders and registrants who are not in 1180
the practice of public accounting in this state shall register 1181
with the board every three years at a fee, not to exceed 1182
fifty-five dollars, established by the board. Such persons shall 1183
not convey to the general public that they are actively engaged in 1184
the practice of public accounting in this state. 1185

(C) The board shall suspend the certificate or registration 1186
of any person failing to obtain a an Ohio permit in accordance 1187
with this section except that the board ~~may~~ by rule may exempt 1188
persons from the requirement of holding a an Ohio permit for such 1189
reasons as retirement, health reasons, military service, foreign 1190
residency, or other just cause. 1191

(D)(1) On and after January 1, 1995, the board ~~shall~~, by rule 1192
adopted in accordance with Chapter 119. of the Revised Code, shall 1193
increase the triennial Ohio permit and renewal fee imposed 1194
pursuant to this section by at least fifteen dollars but no more 1195
than thirty dollars. 1196

(2) Beginning with the first quarter of 1995 and each quarter 1197
thereafter, the board, for the purpose provided in section 4743.05 1198
of the Revised Code, shall certify to the director of budget and 1199
management the number of triennial Ohio permits renewed under this 1200
chapter during the preceding quarter and the amount equal to that 1201
number times the amount by which the triennial Ohio permit and 1202
renewal fee is increased by the board under division (D)(1) of 1203
this section. 1204

Sec. 4701.11. The accountancy board may adopt rules requiring 1205
that each applicant for the Ohio permit required by section 1206
4701.10 of the Revised Code shall have demonstrated to the 1207

satisfaction of the board that the applicant has maintained a high 1208
level of professional competence by the completion of programs of 1209
continuing education satisfactory to the board during the period 1210
immediately prior to the application for the permit or renewal. 1211
The board shall not require more than one hundred twenty hours of 1212
such programs over any three-year period for applicants possessing 1213
~~a live~~ an Ohio permit. For purposes of this section, the board 1214
shall not approve any continuing education courses for which fees 1215
are charged and which are sponsored by an accounting association 1216
in this state unless such courses are open to all persons 1217
registered or certified under this chapter and unless the fees 1218
charged are reasonable for all persons desiring to take the 1219
courses. 1220

The board may issue a an Ohio permit required by section 1221
4701.10 of the Revised Code for less than three years to any 1222
person who is unable to complete continuing education hours 1223
required for renewal of a triennial Ohio permit for good cause, as 1224
established by rule. ~~Such~~ The Ohio permit shall be conditioned 1225
upon the completion of all required continuing education hours 1226
during the period for which ~~such~~ the Ohio permit is issued. 1227

Sec. 4701.12. The display or uttering by a person of a card, 1228
sign, advertisement, or other printed, engraved, or written 1229
instrument or device, bearing a person's name in conjunction with 1230
the words "certified public accountant" or any abbreviation 1231
thereof, or "public accountant" or any abbreviation thereof shall 1232
be prima-facie evidence in any action brought under section 1233
4701.18 or section 4701.99 of the Revised Code, that the person 1234
whose name is so displayed caused or procured the display or 1235
uttering of ~~such~~ that card, sign, advertisement, or other printed, 1236
engraved, or written instrument or device, and that ~~such~~ the 1237
person is holding ~~himself~~ self out to be a certified public 1238

accountant or a public accountant holding a an Ohio permit to 1239
practice under section 4701.10 of the Revised Code. In any action, 1240
evidence of the commission of a single act prohibited by this 1241
section shall be sufficient to justify an injunction or a 1242
conviction without evidence of a general course of conduct. 1243

Sec. 4701.13. The accountancy board shall publish annually a 1244
printed register, which shall contain in separate lists the names 1245
and business addresses of all certified public accountants and 1246
public accountants holding ~~live~~ Ohio permits as of the date of 1247
preparation of the register. 1248

Sec. 4701.14. (A) ~~No person~~ Except as permitted by rules 1249
adopted by the accountancy board, no individual shall assume or 1250
use the title or designation "certified public accountant," 1251
"certified accountant," "chartered accountant," "enrolled 1252
accountant," "licensed accountant," "registered accountant," or 1253
any other title or designation likely to be confused with 1254
"certified public accountant," or abbreviation any of the 1255
abbreviations "CPA," "PA," "CA," "EA," "LA," or "RA," or similar 1256
abbreviations likely to be confused with "CPA," or any other 1257
title, designation, words, letters, abbreviation, sign, card, or 1258
device tending to indicate that the ~~person~~ individual is a 1259
certified public accountant, unless the ~~person has received~~ 1260
individual holds a CPA certificate as a certified public 1261
accountant under section 4701.06 or 4701.061 of the Revised Code 1262
and holds a ~~live~~ an Ohio permit ~~issued under section 4701.10 of~~ 1263
~~the Revised Code; provided that a foreign accountant who.~~ However, 1264
an individual who possesses a foreign CPA certificate, has 1265
registered under section 4701.09 of the Revised Code, and holds a 1266
~~live~~ an Ohio permit ~~issued under section 4701.10 of the Revised~~ 1267
Code may use the title permitted under ~~which he is generally known~~ 1268

~~in his country the laws of the individual's other licensing jurisdiction, followed by the name of the country from which he received his certificate, license, or degree jurisdiction.~~

~~(B) No partnership shall assume or use the title or designation "certified public accountant" or abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, eard, or device tending to indicate that the partnership is composed of certified public accountants unless it meets all of the following requirements:~~

~~(1) At least one general partner of the partnership is a certified public accountant of this state in good standing.~~

~~(2) Each partner who is personally engaged within this state in the practice of public accounting as a member of the partnership is a certified public accountant of this state in good standing.~~

~~(3) Each partner of the partnership is a certified public accountant of some state in good standing.~~

~~(4) Each resident manager in charge of an office of the firm in this state is a certified public accountant of this state in good standing.~~

~~(C) No person Except as permitted by rules adopted by the board, no individual shall assume or use the title or designation "public accountant," ~~or~~ "certified public accountant," "certified accountant," "chartered accountant," "enrolled accountant," "registered accountant," or "licensed accountant," or any other title or designation likely to be confused with "public accountant," or any of the abbreviations "PA," "CPA," "CA," "EA," "LA," or "RA," or similar abbreviations likely to be confused with "PA," or any other title, designation, words, letters,~~

abbreviation, sign, card, or device tending to indicate that the 1299
~~person~~ individual is a public accountant, unless the ~~person is~~ 1300
~~registered as a public accountant under section 4701.07 of the~~ 1301
~~Revised Code and~~ individual holds a PA registration and holds a 1302
live an Ohio permit issued under section 4701.10 of the Revised 1303
Code, or unless the ~~person has received a~~ individual holds a CPA 1304
certificate as a ~~certified public accountant under section 4701.06~~ 1305
or 4701.061 of the Revised Code or holds a live permit issued 1306
under section 4701.10 of the Revised Code. An individual who holds 1307
a PA registration and an Ohio permit may hold self out to the 1308
public as an "accountant" or "auditor." 1309

~~(D) No partnership shall assume or use the title or~~ 1310
~~designation "public accountant" or abbreviation "PA" or any other~~ 1311
~~title, designation, words, letters, abbreviation, sign, card, or~~ 1312
~~device tending to indicate that the partnership is composed of~~ 1313
~~public accountants, unless all of the following apply:~~ 1314

~~(1) At least one general partner of the partnership is a~~ 1315
~~certified public accountant or a public accountant of this state~~ 1316
~~in good standing.~~ 1317

~~(2) Each partner who is personally engaged within this state~~ 1318
~~in the practice of public accounting as a member of the~~ 1319
~~partnership is a certified public accountant or a public~~ 1320
~~accountant of this state in good standing.~~ 1321

~~(3) Each resident manager in charge of an office of a firm in~~ 1322
~~this state is a certified public accountant or a public accountant~~ 1323
~~of this state in good standing.~~ 1324

~~(E) No person or partnership shall assume or use the title or~~ 1325
~~designation "certified accountant," "chartered accountant,"~~ 1326
~~"enrolled accountant," "licensed accountant," "registered~~ 1327
~~accountant," or any other title or designation likely to be~~ 1328
~~confused with "certified public accountant" or "public~~ 1329

accountant," or any of the abbreviations "CA," "EA," "RA," or "LA" 1330
or similar abbreviations likely to be confused with "CPA" or "PA"; 1331
provided that anyone who holds a live permit issued under section 1332
4701.10 of the Revised Code may hold himself out to the public as 1333
an "accountant" or "auditor"; and provided that a foreign 1334
accountant who has registered under section 4701.09 of the Revised 1335
Code and holds a live permit issued under section 4701.10 of the 1336
Revised Code may use the title under which he is generally known 1337
in his country, followed by the name of the country from which he 1338
received his certificate, license, or degree. 1339

~~(F) No (C) Except as provided in divisions (C)(1), (2), (3), 1340
and (4) of this section, no partnership, professional association, 1341
corporation-for-profit, limited liability company, or other legal 1342
entity business organization not addressed in another division of 1343
this section that is practicing public accounting in this state 1344
shall assume or use the title or designation "certified public 1345
accountant," or "public accountant," and no professional 1346
association, corporation for profit, limited liability company, or 1347
other legal entity not addressed in another division of this 1348
section shall assume or use the title or designation "certified 1349
accountant," "chartered accountant," "enrolled accountant," 1350
"licensed accountant," "registered accountant," or any other title 1351
or designation likely to be confused with "certified public 1352
accountant" or "public accountant," or any of the abbreviations 1353
"CPA," "PA," "CA," "EA," "RA," or "LA," or similar abbreviations 1354
likely to be confused with "CPA" or "PA," except that a or any 1355
other title, designation, words, letters, abbreviation, sign, 1356
card, or device tending to indicate that the business organization 1357
is a public accounting firm. 1358~~

(1)(a) A partnership may assume or use the title or 1359
designation "certified public accountant," the abbreviation "CPA," 1360
or any other title, designation, words, letters, abbreviation, 1361

sign, card, or device tending to indicate that the partnership is 1362
composed of certified public accountants if it is a registered 1363
firm and a majority of its partners who are individuals hold a CPA 1364
certificate or a foreign certificate, and a majority of the owners 1365
of any qualified firm that is a partner hold a CPA certificate or 1366
a foreign certificate. 1367

(b) A partnership may assume or use the title or designation 1368
"public accountant," the abbreviation "PA," or any other title, 1369
designation, words, letters, abbreviation, sign, card, or device 1370
tending to indicate that the partnership is composed of public 1371
accountants if it is a registered firm and a majority of its 1372
partners who are individuals hold a PA registration, a CPA 1373
certificate, or a foreign certificate, and a majority of the 1374
owners of any qualified firm that is a partner hold a PA 1375
registration, a CPA certificate, or a foreign certificate. 1376

(2)(a) ~~A professional association organized for the practice~~ 1377
~~of public accounting and~~ incorporated under Chapter 1785. of the 1378
Revised Code may assume or use the title or designation "certified 1379
public accountant," ~~if all of its shareholders are certified~~ 1380
~~public accountants in good standing under the law of this state or~~ 1381
~~another state or may assume or use the title "public accountant"~~ 1382
~~if all of its shareholders are public accountants in good standing~~ 1383
~~under this chapter or its shareholders consist of certified public~~ 1384
~~accountants and public accountants in good standing under this~~ 1385
~~chapter, except that a~~ the abbreviation "CPA," or any other title, 1386
designation, words, letters, abbreviation, sign, card, or device 1387
tending to indicate that the professional association is composed 1388
of certified public accountants, if it is a registered firm and a 1389
majority of its shareholders who are individuals hold a CPA 1390
certificate or a foreign certificate, and a majority of the owners 1391
of any qualified firm that is a shareholder hold a CPA certificate 1392
or a foreign certificate. 1393

(b) A professional association incorporated under Chapter 1785. of the Revised Code may assume or use the title or designation "public accountant," the abbreviation "PA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the professional association is composed of public accountants if it is a registered firm and a majority of its shareholders who are individuals hold a PA registration, a CPA certificate, or a foreign certificate, and a majority of the owners of any qualified firm that is a shareholder hold a PA registration, a CPA certificate, or a foreign certificate.

~~(3)(a) A corporation-for-profit organized for the practice of public accounting and incorporated under Chapter 1701. of the Revised Code may assume or use the title or designation "certified public accountant," if all of its shareholders are certified public accountants in good standing under the law of this state or another state or may assume or use the title "public accountant" if all of its shareholders are public accountants in good standing under this chapter or its shareholders consist of certified public accountants and public accountants in good standing under this chapter, and except that a the abbreviation "CPA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the corporation is composed of certified public accountants if it is a registered firm and a majority of its shareholders who are individuals hold a CPA certificate or a foreign certificate, and a majority of the owners of any qualified firm that is a shareholder hold a CPA certificate or a foreign certificate.~~

(b) A corporation incorporated under Chapter 1701. of the Revised Code may assume or use the title or designation "public accountant," the abbreviation "PA," or any other title, designation, words, letters, abbreviation, sign, card, or device

tending to indicate that the corporation is composed of public 1426
accountants if it is a registered firm and a majority of the 1427
shareholders who are individuals hold a PA registration, a CPA 1428
certificate, or a foreign certificate, and a majority of the 1429
owners of any qualified firm that is a shareholder hold a PA 1430
registration, a CPA certificate, or a foreign certificate. 1431

(4)(a) A limited liability company ~~formed~~ organized under 1432
Chapter 1705. of the Revised Code ~~for the purpose of rendering~~ 1433
~~public accounting services~~ may assume ~~and~~ or use the title or 1434
designation "certified public accountant," ~~if each member of the~~ 1435
~~company and, if the management of the company is not reserved to~~ 1436
~~its members, each manager of the company is a certified public~~ 1437
~~accountant in good standing under the law of this state or another~~ 1438
~~state or may assume and use the title "public accountant" if each~~ 1439
~~member of the company and, if the management of the company is not~~ 1440
~~reserved to its members, each manager of the company is a public~~ 1441
~~accountant in good standing under this chapter or those members~~ 1442
~~and, if applicable, managers are either a certified public~~ 1443
~~accountant or a public accountant in good standing under this~~ 1444
~~chapter the abbreviation "CPA," or any other title, designation,~~ 1445
~~words, letters, abbreviation, sign, card, or device tending to~~ 1446
~~indicate that the limited liability company is composed of~~ 1447
~~certified public accountants if it is a registered firm and a~~ 1448
~~majority of its members who are individuals hold a CPA certificate~~ 1449
~~or a foreign certificate, and a majority of the owners of any~~ 1450
~~qualified firm that is a member hold a CPA certificate or a~~ 1451
~~foreign certificate.~~ 1452

(b) A limited liability company organized under Chapter 1705. 1453
of the Revised Code may assume or use the title or designation 1454
"public accountant," the abbreviation "PA," or any other title, 1455
designation, words, letters, abbreviation, sign, card, or device 1456
tending to indicate that the limited liability company is composed 1457

of public accountants if it is a registered firm and a majority of 1458
the members who are individuals hold a PA registration, CPA 1459
certificate, or a foreign certificate, and a majority of the 1460
owners of any qualified firm that is a member hold a PA 1461
registration, a CPA certificate, or a foreign certificate. 1462

~~(G)~~(D) No ~~person~~ individual shall sign, affix, or associate 1463
~~his~~ the individual's name or any trade or assumed name used by ~~him~~ 1464
the individual in ~~his~~ the individual's profession or business to 1465
any ~~opinion, review report, compilation report, examination~~ 1466
~~report, or agreed upon procedures report on a financial statement~~ 1467
attest report with any wording indicating that ~~he~~ the individual 1468
is an accountant or auditor, or with any wording accompanying or 1469
contained in the ~~opinion or attest~~ report that indicates that ~~he~~ 1470
the individual has expert knowledge in accounting or auditing or 1471
expert knowledge regarding compliance with conditions established 1472
by law or contract, including, but not limited to, statutes, 1473
ordinances, regulations, grants, loans, and appropriations, unless 1474
~~he~~ the individual holds a ~~live~~ an Ohio permit ~~issued under section~~ 1475
~~4701.10 of the Revised Code; provided that.~~ However, this division 1476
does not prohibit any officer, employee, partner, or principal of 1477
any organization from affixing ~~his~~ the officer's, employee's, 1478
partner's, or principal's signature to any statement or report in 1479
reference to the financial affairs of that organization with any 1480
wording designating the position, title, or office that ~~he~~ the 1481
individual holds in that organization; ~~and provided that this.~~ 1482
This division also does not prohibit any act of a public official 1483
or public employee in the performance of ~~his~~ the public official's 1484
or public employee's duties. 1485

~~(H)~~(E) No person shall sign, affix, or associate the name of 1486
a partnership, limited liability company, professional 1487
association, corporation-for-profit, or other ~~legal entity~~ 1488
business organization not addressed in ~~another division of~~ this 1489

section to any ~~opinion, review report, compilation report,~~ 1490
~~examination report, or agreed upon procedures report on a~~ 1491
~~financial statement~~ attest report with any wording accompanying or 1492
contained in the ~~opinion or~~ attest report that indicates that the 1493
partnership, limited liability company, professional association, 1494
corporation-for-profit, or other ~~legal entity~~ business 1495
organization is composed of or employs accountants or auditors or 1496
persons having expert knowledge in accounting or auditing or 1497
expert knowledge regarding compliance with conditions established 1498
by law or contract, including, but not limited to, statutes, 1499
ordinances, regulations, grants, loans, and appropriations, unless 1500
the partnership ~~is entitled to designate itself as a partnership~~ 1501
~~of certified public accountants under division (B) of this section~~ 1502
~~or as a partnership of public accountants under division (D) of~~ 1503
~~this section and, if it is required to be registered, is~~ 1504
~~registered under section 4701.04 of the Revised Code or unless~~ 1505
~~the, limited liability company, professional association, or~~ 1506
~~corporation-for-profit is entitled to designate itself as a~~ 1507
~~limited liability company, professional association, or~~ 1508
~~corporation for profit of certified public accountants or public~~ 1509
~~accountants under division (F) of this section and, if it is~~ 1510
~~required to be registered, or other business organization is a~~ 1511
~~registered under section 4701.04 of the Revised Code~~ firm. 1512

~~(I)(F)~~ No ~~person~~ individual not holding a ~~live~~ an Ohio permit 1513
~~under section 4701.10 of the Revised Code shall hold himself~~ self 1514
out to the public as an "accountant" or "auditor" by use of either 1515
or both of those words on any sign, card, or letterhead, in any 1516
advertisement or directory, or otherwise, without indicating 1517
thereon or therein that the person does not hold a ~~live~~ an Ohio 1518
permit; ~~provided that. An individual who holds a CPA certificate~~ 1519
and an Ohio permit may hold self out to the public as an 1520
"accountant" or "auditor." However, this division does not 1521
prohibit any officer, employee, partner, or principal of any 1522

organization from describing ~~himself~~ self by the position, title, 1523
or office he the person holds in that organization; ~~and provided~~ 1524
~~that this.~~ This division also does not prohibit any act of a 1525
public official or public employee in the performance of ~~his~~ the 1526
public official's or public employee's duties. 1527

~~(J)(G)~~ No partnership ~~that is not entitled to designate~~ 1529
~~itself as a partnership of certified public accountants under~~ 1530
~~division (B) of this section or as a partnership of public~~ 1531
~~accountants under division (D) of this section, and no limited~~ 1532
~~liability company, professional association,~~ 1533
corporation-for-profit, limited liability company, or other legal 1534
entity business organization not addressed in ~~another division of~~ 1535
this section that is not entitled to assume or use the title 1536
"certified public accountant" or "public accountant" under 1537
division ~~(F)~~ (C) of this section, shall hold itself out to the 1538
public as a ~~firm, partnership, limited liability company,~~ 1539
professional association, corporation-for-profit, limited 1540
liability company, or other legal entity business organization not 1541
addressed in ~~another division of~~ this section of as being composed 1542
of or employing "accountants" or "auditors" by use of either or 1543
both of those words on any sign, card, or letterhead, in any 1544
advertisement or directory, or otherwise, without indicating 1545
thereon or therein that the partnership, ~~limited liability~~ 1546
~~company,~~ professional association, corporation-for-profit, limited 1547
liability company, or other legal entity business organization is 1548
not a registered firm and is not permitted by law to practice as a 1549
~~partnership, limited liability company, professional association,~~ 1550
~~corporation for profit, or other legal entity of public~~ 1551
~~accountants~~ public accounting firm. 1552

~~(K)~~ (H) No person shall assume or use the title or designation 1553
"certified public accountant" or "public accountant" in 1554

conjunction with names indicating or implying that there is a 1555
partnership or in conjunction with the designation "and Company" 1556
or "and Co" or a similar designation if, in any such case, there 1557
is in fact no bona fide partnership entitled to designate itself 1558
as a partnership of certified public accountants under division 1559
~~(B)(C)(1)(a)~~ of this section or as a partnership of public 1560
accountants under division ~~(D)(C)(1)(b)~~ of this section; ~~provided~~ 1561
~~that.~~ However, a sole proprietor or partnership that was on 1562
October 22, 1959, or a corporation that on or after September 30, 1563
1974, has been, lawfully using a title or designation of those 1564
types in conjunction with names or designations of those types, 1565
may continue to do so if ~~he or it~~ the sole proprietor, 1566
partnership, or corporation otherwise complies with this section. 1567

(I)(1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER, 1568
AN INDIVIDUAL WHOSE PRINCIPAL PLACE OF BUSINESS IS NOT IN THIS 1569
STATE AND WHO HAS A VALID CERTIFICATION AND LICENSE OR PERMIT AS A 1570
CERTIFIED PUBLIC ACCOUNTANT FROM ANY OTHER UNITED STATES 1571
JURISDICTION IS DEEMED TO HAVE QUALIFICATIONS SUBSTANTIALLY 1572
EQUIVALENT TO THIS STATE'S REQUIREMENTS AND HAS ALL THE PRIVILEGES 1573
OF CERTIFICATE HOLDERS AND LICENSEES OF THIS STATE WITHOUT THE 1574
NEED TO OBTAIN AN OHIO PERMIT AND CPA CERTIFICATE. 1575

(2) ANY INDIVIDUAL EXERCISING THE PRIVILEGE AFFORDED UNDER 1576
THIS SECTION HEREBY CONSENTS AND IS SUBJECT, AS A CONDITION OF THE 1577
GRANT OF THIS PRIVILEGE, TO: 1578

(a) THE PERSONAL AND SUBJECT MATTER JURISDICTION OF THE 1579
BOARD; 1580

(b) ALL PRACTICE AND DISCIPLINARY PROVISIONS OF THIS CHAPTER 1581
AND THE BOARD'S RULES; 1582

(c) THE APPOINTMENT OF THE BOARD THAT ISSUED THE INDIVIDUAL'S 1583
CPA CERTIFICATE OR PERMIT AS THE INDIVIDUAL'S AGENT UPON WHOM 1584
PROCESS MAY BE SERVED IN ANY ACTION OR PROCEEDING BY THE 1585

ACCOUNTANCY BOARD OF OHIO AGAINST THE LICENSEE. 1586

(3) HOLDERS OF AN OHIO PERMIT OR CPA CERTIFICATE OFFERING OR 1587
RENDERING ATTEST SERVICES OR USING THEIR CPA TITLE IN ANOTHER 1588
UNITED STATES JURISDICTION ARE SUBJECT TO DISCIPLINARY ACTION IN 1589
THIS STATE FOR AN ACT COMMITTED IN ANOTHER UNITED STATES 1590
JURISDICTION FOR WHICH THE HOLDERS of that jurisdiction's permit 1591
or CPA certificate WOULD BE SUBJECT TO DISCIPLINE IN THAT 1592
JURISDICTION. 1593

(4) ANY HOLDER OF A CPA CERTIFICATE OR PERMIT ISSUED BY 1594
ANOTHER UNITED STATES JURISDICTION WHO PERFORMS ATTEST SERVICES OR 1595
USES SUCH CPA TITLE OR DESIGNATION IN THIS STATE PURSUANT TO THE 1596
PRIVILEGE ESTABLISHED BY THIS SECTION IS SUBJECT TO DISCIPLINARY 1597
ACTION IN THIS STATE FOR ANY ACTION COMMITTED IN THIS STATE WHICH 1598
WOULD SUBJECT THE HOLDER OF AN OHIO PERMIT OR CPA CERTIFICATE TO 1599
DISCIPLINARY ACTION. 1600

Sec. 4701.16. (A) After notice and hearing as provided in 1601
Chapter 119. of the Revised Code, the accountancy board may 1602
discipline a ~~registrant or certificate holder~~ person holding an 1603
Ohio permit, an Ohio registration, a firm registration, a CPA 1604
certificate, a PA registration, or any other person whose 1605
activities are regulated by the board as specified in division (B) 1606
of this section for any one or any combination of the following 1607
causes: 1608

(1) Fraud or deceit in ~~registering as a public accounting~~ 1609
~~obtaining a firm registration,~~ in obtaining a CPA certificate ~~as a~~ 1610
~~certified public accountant, or in obtaining a permit to practice~~ 1611
~~accounting pursuant to sections 4701.02 to 4701.19 of the Revised~~ 1612
~~Code, a PA certificate, an Ohio permit, or an Ohio registration;~~ 1613

(2) Dishonesty, fraud, or gross negligence in the practice of 1614
public accounting; 1615

(3) Violation of any of the provisions of section 4701.14 of the Revised Code;	1616 1617
(4) Violation of a rule of professional conduct promulgated by the board under the authority granted by sections 4701.02 to 4701.22 of the Revised Code;	1618 1619 1620
(5) Conviction of a felony under the laws of any state or of the United States;	1621 1622
(6) Conviction of any crime, an element of which is dishonesty or fraud, under the laws of any state or of the United States;	1623 1624 1625
(7) Cancellation, revocation, suspension, or refusal to renew authority to practice as a certified public accountant, a public accountant, or a public accounting firm by any other state, for any cause other than failure to pay registration fees in such other state;	1626 1627 1628 1629 1630
(8) Suspension or revocation of the right to practice before any state or federal agency;	1631 1632
(9) Failure of a certified public accountant or public accountant <u>holder of a CPA certificate or PA certificate</u> to obtain the <u>an Ohio permit required by section 4701.10 of the Revised Code or an Ohio registration</u> , or <u>the failure of a public accounting firm to register with the board pursuant to section 4701.04 of the Revised Code</u> <u>obtain a firm registration</u> ;	1633 1634 1635 1636 1637 1638
(10) Conduct discreditable to the public accounting profession <u>or to the holder of an Ohio permit, Ohio registration, foreign permit, or foreign certification</u> ;	1639 1640 1641
(11) <u>Failure of a public accounting firm to comply with section 4701.04 Of the Revised Code.</u>	1642 1643
(B) For any of the reasons specified in division (A) of this section, the board may:	1644 1645

(1) Revoke ~~or~~, suspend, or refuse to renew any CPA certificate ~~issued under section 4701.06 or 4701.061 of the Revised Code~~ or PA certificate or any ~~registration granted under section 4701.04 or 4701.07 of the Revised Code~~ Ohio permit, Ohio registration, or firm registration;

(2) ~~Revoke, suspend, or refuse to renew any permit issued under section 4701.10 of the Revised Code~~ disqualify a person who is not a holder of an Ohio permit or a holder of a foreign permit from owning an equity interest in a public accounting firm or qualified firm;

(3) Publicly censure a ~~registrant~~ registered firm or holder of a CPA certificate, a PA certificate, an Ohio permit, or an Ohio registration;

(4) Levy against a registered firm or a holder of a CPA certificate, a PA certificate, an Ohio permit, or an Ohio registration a penalty or fine not to exceed one thousand dollars for each offense. Any fine shall be reasonable and in relation to the severity of the offense.

(5) In the case of violations of division (A)(2) or (4) of this section, require completion of remedial continuing education programs prescribed by the board in addition to those required by section 4701.11 of the Revised Code;

(6) In the case of violations of division (A)(2) or (4) of this section, require the holder of a CPA certificate ~~holder or registrant, PA registration, or firm registration~~ to submit to a quality peer review by a professional committee designated by the board, which committee shall report to the board concerning ~~the certificate holder's or registrant's~~ that person's compliance with generally accepted accounting principles ~~or~~, generally accepted auditing standards, or other generally accepted technical standards.

(C) Where the board levies a fine against or suspends the certificate of a person or registration of a person or firm for a violation of division (A)(2) or (4) of this section, it may waive all or any portion of the fine or suspension where the holder of the CPA certificate holder or registrant, PA registration, or firm registration complies fully with division (B)(5) or (6) of this section.

Sec. 4701.29. (A) the accountancy board may investigate whether a person has violated any provision of this chapter or rule adopted under it before commencing a DISCIPLINARY proceeding pursuant to section 4701.16 of the Revised Code or taking legal action pursuant to section 4701.18 of the Revised Code. an INVESTIGATION under this section is NOT SUBJECT TO CHAPTER 119. OF THE REVISED CODE.

the board may appoint a committee of board members or staff employed by the board to conduct an investigation. notwithstanding any statute or rule to the CONTRARY, a BOARD member who participates in an investigation may participate actively in any hearing or proceeding to the same extent as a board member WHO DID NOT PARTICIPATE IN THE INVESTIGATION.

(B) during an INVESTIGATION, THE BOARD MAY ADMINISTER OATHS, ORDER THE TAKING OF DEPOSITIONS, ISSUE SUBPOENAS, COMPEL THE ATTENDANCE AND TESTIMONY OF A PERSON AT a DEPOSITION, AND COMPEL THE PRODUCTION OF ANY FORM OF DOCUMENTARY EVIDENCE OR RECORD. SUBPOENAS AND ORDERS TO COMPEL UNDER THIS section MAY BE SERVED BY A DESIGNEE OF THE BOARD OR By CERTIFIED MAIL TO THE RESIDENCE OR PLACE OF BUSINESS OF THE PERSON, FIRM, CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP, LIMITED LIABILITY COMPANY, OR OTHER BUSINESS ORGANIZATION NAMED IN THE SUBPOENA OR ORDER.

(C)(1) any WITNESS WHO APPEARS IN RESPONSE TO A SUBPOENA OF THE BOARD may request, and SHALL RECEIVE WITHIN A REASONABLE TIME

AFTER MAKING THE REQUEST, THE FEES AND MILEAGE PROVIDED FOR 1708
WITNESSES IN CIVIL CASES IN THE COURTS OF COMMON PLEAS IN THIS 1709
STATE. 1710

(2) If a person fails to comply WITH A SUBPOENA OR ORDER 1711
ISSUED BY THE BOARD UNDER THIS section, THE BOARD MAY PETITION THE 1712
FRANKLIN COUNTY COURT OF COMMON PLEAS for AN ORDER COMPELLING 1713
COMPLIANCE WITH THE BOARD'S SUBPOENA OR ORDER. UPON APPLICATION BY 1714
THE BOARD AND UPON EVIDENCE OF THE person's FAILURE TO COMPLY, THE 1715
COURT SHALL COMPEL THE appearance of the PERSONS OR the production 1716
of the DOCUMENTS named in the board's subpoena or order IN 1717
ACCORDANCE WITH THE RULES OF CIVIL PROCEDURE. the court also MAY 1718
ISSUE any CONTEMPT CITATION AND SANCTION THE COURT DEEMS 1719
APPROPRIATE. 1720

(D) THE INVESTIGATIVE PROCEEDINGS OF THE BOARD UNDER THIS 1721
SECTION ARE NOT A PUBLIC RECORD, ARE CONFIDENTIAL, AND ARE NOT 1722
SUBJECT TO DISCOVERY IN ANY CIVIL OR ADMINISTRATIVE ACTION. 1723

Section 2. That existing sections 1111.01, 2925.01, 4701.01, 1724
4701.04, 4701.06, 4701.061, 4701.07, 4701.10, 4701.11, 4701.12, 1725
4701.13, 4701.14, and 4701.16 of the Revised Code are hereby 1726
repealed. 1727

Section 3. Section 2925.01 of the Revised Code is presented 1728
in this act as a composite of the section as amended by Am. Sub. 1729
S.B. 143, Am. Sub. S.B. 269, Sub. S.B. 223, and Sub. H.B. 125 of 1730
the 121st General Assembly, with the new language of none of the 1731
acts shown in capital letters. Section 4701.16 of the Revised Code 1732
is presented in this act as a composite of the section as amended 1733
by both Am. Sub. S.B. 165 and Am. S.B. 316 of the 119th General 1734
Assembly, with the new language of neither of the acts shown in 1735
capital letters. This is in recognition of the principle stated in 1736
division (B) of section 1.52 of the Revised Code that such 1737
amendments are to be harmonized where not substantively 1738

irreconcilable and constitutes a legislative finding that such is	1739
the resulting version in effect prior to the effective date of	1740
this act.	1741