

# HOUSE BILL No. 5936

April 8, 2008, Introduced by Reps. Coulouris, Bieda, Griffin, Moore, Huizenga and Mayes  
and referred to the Committee on Banking and Financial Services.

A bill to amend 1980 PA 299, entitled  
"Occupational code,"  
by amending sections 720, 723, 724, 728, and 734 (MCL 339.720,  
339.723, 339.724, 339.728, and 339.734), sections 720 and 724 as  
added by 1997 PA 10, sections 723 and 734 as amended by 2005 PA  
278, and section 728 as amended by 2000 PA 334, and by adding  
sections 727a and 734a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 720. (1) As used in this article:

(A) "ATTEST" MEANS PROVIDING THE FOLLOWING FINANCIAL STATEMENT  
SERVICES:

(i) ANY AUDIT OR OTHER ENGAGEMENT TO BE PERFORMED IN ACCORDANCE  
WITH THE STATEMENTS ON AUDITING STANDARDS.

1           (ii) ANY REVIEW OF A FINANCIAL STATEMENT TO BE PERFORMED IN  
2 ACCORDANCE WITH THE STATEMENTS ON STANDARDS FOR ACCOUNTING AND  
3 REVIEW SERVICES.

4           (iii) ANY EXAMINATION OF PROSPECTIVE FINANCIAL INFORMATION TO BE  
5 PERFORMED IN ACCORDANCE WITH THE STATEMENTS ON STANDARDS FOR  
6 ATTESTATION ENGAGEMENTS.

7           (iv) ANY ENGAGEMENT TO BE PERFORMED IN ACCORDANCE WITH THE  
8 PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD AUDITING STANDARDS.

9           (B) ~~(a)~~—"Certified public accountant" means an individual who  
10 is ~~qualified~~ EITHER OF THE FOLLOWING:

11           (i) QUALIFIED by education, examination, and experience TO  
12 ENGAGE OR OFFER TO ENGAGE IN THE PRACTICE OF PUBLIC ACCOUNTING as  
13 evidenced by the issuance of a certificate as a certified public  
14 accountant under section 725 or 726 ~~to engage or offer to engage in~~  
15 ~~the practice of public accounting~~ AND A LICENSE OR REGISTRATION  
16 ISSUED UNDER SECTION 727.

17           (ii) AN INDIVIDUAL WHOSE PRINCIPAL PLACE OF BUSINESS IS NOT IN  
18 THIS STATE AND WHO SATISFIES THE REQUIREMENTS SET FORTH IN SECTION  
19 727A.

20           (C) "CLIENT" MEANS A PERSON OR ENTITY THAT ENGAGES A LICENSEE  
21 OR LICENSEE'S EMPLOYER TO RECEIVE ANY SERVICE IN THE PRACTICE OF  
22 PUBLIC ACCOUNTING.

23           (D) "COMPILATION" MEANS PROVIDING A SERVICE TO BE PERFORMED IN  
24 ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW  
25 SERVICES THAT ARE PRESENTING, IN THE FORM OF FINANCIAL STATEMENTS,  
26 INFORMATION THAT IS THE REPRESENTATION OF MANAGEMENT OR OWNERS  
27 WITHOUT UNDERTAKING TO EXPRESS ANY ASSURANCE ON THE STATEMENTS.

1       (E) ~~(b)~~—"Firm" means a corporation, partnership, limited  
2 liability company, unincorporated association, sole proprietorship  
3 operating under an assumed name, or other legal entity.

4       (F) "HOME OFFICE" MEANS THE LOCATION SPECIFIED BY THE CLIENT  
5 AS THE ADDRESS TO WHICH A SERVICE DESCRIBED IN SUBDIVISION (A) OR  
6 (D) IS DIRECTED.

7       (G) ~~(e)~~—Subject to subsection (2), "practice of public  
8 accounting" means rendering or offering to render an opinion on or  
9 attesting to or offering to attest to the reliability of a  
10 representation or estimate, including, but not limited to, the  
11 giving of an opinion in substance that financial information as set  
12 forth ~~fairly~~ presents **FAIRLY** the condition of the entity reviewed  
13 or audited, in regard to an entity embracing 1 or more of the  
14 following:

15       (i) Financial information.

16       (ii) Facts respecting compliance with conditions established by  
17 law or contract, including, but not limited to, a statute,  
18 ordinance, regulation, grant, loan, or appropriation.

19       (iii) The scope of the accounting procedures rendered in  
20 connection with the presentation of a financial statement.

21       (H) "PRINCIPAL PLACE OF BUSINESS" MEANS THE OFFICE LOCATION  
22 DESIGNATED BY THE LICENSEE FOR THE PURPOSES OF SUBSTANTIAL  
23 EQUIVALENCY AND RECIPROCITY.

24       (I) "REPORT", WHEN USED WITH REFERENCE TO FINANCIAL  
25 STATEMENTS, MEANS AN OPINION, REPORT, OR OTHER FORM OF LANGUAGE  
26 THAT STATES OR IMPLIES ASSURANCE AS TO THE RELIABILITY OF ANY  
27 FINANCIAL STATEMENTS AND THAT ALSO INCLUDES, OR IS ACCOMPANIED BY,

1 ANY STATEMENT OR IMPLICATION THAT THE PERSON OR FIRM ISSUING IT HAS  
 2 SPECIAL KNOWLEDGE OR COMPETENCE IN ACCOUNTING OR AUDITING. SUCH A  
 3 STATEMENT OR IMPLICATION OF SPECIAL KNOWLEDGE OR COMPETENCE MAY  
 4 ARISE FROM USE BY THE ISSUER OF THE REPORT OF NAMES OR TITLES  
 5 INDICATING THAT THE PERSON OR FIRM IS AN ACCOUNTANT OR AUDITOR OR  
 6 FROM THE LANGUAGE OF THE REPORT ITSELF. REPORT INCLUDES ANY FORM OF  
 7 LANGUAGE WHICH DISCLAIMS AN OPINION WHEN THAT FORM OF LANGUAGE IS  
 8 CONVENTIONALLY UNDERSTOOD TO IMPLY ANY POSITIVE ASSURANCE AS TO THE  
 9 RELIABILITY OF THE FINANCIAL STATEMENTS REFERRED TO OR SPECIAL  
 10 COMPETENCE ON THE PART OF THE PERSON OR FIRM ISSUING SUCH LANGUAGE,  
 11 OR BOTH, AND INCLUDES ANY OTHER FORM OF LANGUAGE THAT IS  
 12 CONVENTIONALLY UNDERSTOOD TO IMPLY THAT ASSURANCE OR SPECIAL  
 13 KNOWLEDGE AND COMPETENCE, OR BOTH.

14 (2) In addition to the definition set forth in subsection  
 15 ~~(1)(e)~~-(1)(G), practice of public accounting includes 1 or more of  
 16 the following activities when performed or offered to be performed  
 17 by a person holding himself or herself out as a certified public  
 18 accountant for a client or a potential client:

19 (a) The issuance of reports on financial statements.

20 (b) One or more kinds of management advisory, financial  
 21 advisory, or consulting services.

22 (c) The preparation of tax returns.

23 (d) The furnishing of advice on tax matters.

24 Sec. 723. (1) ~~Each licensed or registered individual holder of~~  
 25 ~~a certificate as a certified public accountant~~ **HAVING COMPLIED WITH**  
 26 **THE REQUIREMENTS DESCRIBED IN SECTION 720(1)(B)** shall be known as a  
 27 certified public accountant and ~~a~~-**ANY OTHER** person shall not use

1 that title or the abbreviation "CPA" or any other word, words,  
2 letters, or figures to indicate that the person using them is a  
3 certified public accountant unless the use is specifically approved  
4 by the board. Use of the terms "certified accountant", "chartered  
5 accountant", "public accountant", and "registered accountant" and  
6 the abbreviations "C.A.", "P.A.", and "R.A." is specifically  
7 prohibited as being prima facie misleading to the public.

8 (2) Except as provided in section 724, a person shall not  
9 engage in the practice of public accounting either in the person's  
10 own name, under an assumed name, or as a member of a firm or as an  
11 employee, unless the person holds a ~~certificate as a certified~~  
12 ~~public accountant and a~~ **MICHIGAN** license as a certified public  
13 accountant issued under this article **OR IS PRACTICING PUBLIC**  
14 **ACCOUNTING IN THIS STATE PURSUANT TO SECTION 727A.**

15 (3) Unless use of a term is specifically approved by the  
16 board, the display or uttering by a person of a card, sign,  
17 advertisement, directory listing, or other printed, engraved, or  
18 written instrument or device bearing a person's name in conjunction  
19 with a title described in subsection (1) shall be prima facie  
20 evidence that the person whose name is so displayed caused or  
21 procured the display or uttering of the card, sign, advertisement,  
22 directory listing, or other printed, engraved, or written  
23 instrument or device. Evidence of the commission of a single act  
24 prohibited by this section is sufficient to justify an injunction  
25 or a conviction without evidence of a general course of conduct.

26 (4) Each licensed firm may use the designation "certified  
27 public accountants" in connection with the firm name, except that a

1 licensed firm having only 1 member may use only the designation  
2 "certified public accountant". An unlicensed firm shall not use the  
3 designation "certified public accountants", "certified  
4 accountants", "chartered accountants", "public accountants", or  
5 "registered accountants" or the abbreviation "C.P.A.", "CPA",  
6 "CPAs", "C.A.", "P.A.", or "R.A." in connection with the firm name  
7 **UNLESS THE FIRM IS LICENSED UNDER THE LAWS OF ANOTHER LICENSING**  
8 **JURISDICTION AND IS PERMITTED TO PRACTICE IN THIS STATE WITHOUT**  
9 **OBTAINING A LICENSE AS DESCRIBED IN SECTION 728.**

10 (5) A person that violates this section or a rule or order  
11 promulgated or issued under or related to this section is liable  
12 for an administrative fine payable to the department of not more  
13 than \$25,000.00 per violation.

14 (6) The department may conduct an investigation and proceed  
15 under article 5 to enforce this section.

16 Sec. 724. This article does not prohibit the following:

17 (a) An individual who is not a certified public accountant  
18 from serving as an employee of, or an assistant to, a certified  
19 public accountant or firm composed of certified public accountants  
20 licensed to practice under this article if the individual does not  
21 issue an accounting or financial statement over his or her name.

22 (b) A **LICENSED** certified public accountant of another ~~state~~  
23 **LICENSING JURISDICTION WHO DOES NOT MEET THE REQUIREMENTS OF**  
24 **SECTION 727A**, or an accountant who is licensed in a foreign country  
25 for the practice of public accounting in that country, from  
26 temporarily and periodically engaging in the practice of public  
27 accounting in this state if all of the following requirements are

1 met:

2 (i) The individual is conducting a regular practice of public  
3 accounting in ~~the other state~~ **ANOTHER LICENSING JURISDICTION** or  
4 foreign country.

5 (ii) The temporary practice is conducted in conformity with  
6 section 736 and applicable rules promulgated by the director, if  
7 any.

8 (iii) The individual secures a temporary permit from the  
9 department to conduct the practice in this state.

10 (c) A practicing attorney from preparing reports or presenting  
11 records customarily prepared by an attorney in connection with the  
12 attorney's professional work.

13 (d) A person from preparing a financial report or tax return,  
14 not requiring the expression of an opinion on the report or return,  
15 for filing with a federal, state, or local governmental unit.

16 (e) An officer, employee, partner, or principal of an  
17 organization from signing a statement or report in reference to the  
18 financial affairs of the organization with wording designating the  
19 position, title, or office which the officer, employee, partner, or  
20 principal of an organization holds in that organization.

21 (f) An act of a public official or public employee in the  
22 performance of that individual's official duties.

23 (g) An individual who may be employed by more than 1 person or  
24 firm from keeping books, making trial balances or statements, and  
25 preparing audits or reports, if the audits or reports are not used  
26 or issued by the employer as having been prepared by a certified  
27 public accountant.

1 (H) A FIRM THAT DOES NOT HOLD A VALID LICENSE UNDER SECTION  
2 728 AND THAT DOES NOT HAVE AN OFFICE IN THIS STATE FROM PROVIDING  
3 ITS PROFESSIONAL SERVICES IN THIS STATE IN THE PRACTICE OF PUBLIC  
4 ACCOUNTANCY AND FROM USING THE CERTIFIED PUBLIC ACCOUNTANT  
5 DESIGNATION SO LONG AS IT COMPLIES WITH THE REQUIREMENTS OF SECTION  
6 728(5) OR (6), WHICHEVER IS APPLICABLE.

7 SEC. 727A. (1) AN INDIVIDUAL WHOSE PRINCIPAL PLACE OF BUSINESS  
8 IS NOT IN THIS STATE SHALL BE CONSIDERED TO HAVE QUALIFICATIONS  
9 SUBSTANTIALLY EQUIVALENT TO THIS STATE'S REQUIREMENTS, SHALL HAVE  
10 ALL THE PRIVILEGES OF LICENSEES OF THIS STATE, AND MAY PRACTICE  
11 PUBLIC ACCOUNTANCY WITHOUT THE NEED TO OBTAIN A CERTIFICATE,  
12 LICENSE, OR TEMPORARY PRACTICE PERMIT UNDER THIS ARTICLE, IF THE  
13 INDIVIDUAL MEETS EITHER OR BOTH OF THE FOLLOWING:

14 (A) HOLDS A VALID LICENSE AS A CERTIFIED PUBLIC ACCOUNTANT  
15 FROM ANOTHER LICENSING JURISDICTION THAT REQUIRES, AS A CONDITION  
16 OF LICENSURE, THAT THE INDIVIDUAL MEETS ALL OF THE FOLLOWING:

17 (i) HAS AT LEAST 150 SEMESTER HOURS OF COLLEGE EDUCATION  
18 INCLUDING A BACCALAUREATE OR HIGHER DEGREE CONFERRED BY A COLLEGE  
19 OR UNIVERSITY.

20 (ii) ACHIEVES A PASSING GRADE ON THE UNIFORM CERTIFIED PUBLIC  
21 ACCOUNTANT EXAMINATION.

22 (iii) POSSESSES AT LEAST 1 YEAR OF EXPERIENCE INCLUDING  
23 PROVIDING ANY TYPE OF SERVICE OR ADVICE INVOLVING THE USE OF  
24 ACCOUNTING, ATTEST, COMPILATION, MANAGEMENT ADVISORY, FINANCIAL  
25 ADVISORY, TAX, OR CONSULTING SKILLS, ALL OF WHICH MAY BE OBTAINED  
26 THROUGH GOVERNMENT, INDUSTRY, ACADEMIC, OR PUBLIC PRACTICE AS  
27 VERIFIED BY A LICENSEE.



1 (B) HOLDS A VALID LICENSE AS A CERTIFIED PUBLIC ACCOUNTANT  
2 FROM ANOTHER LICENSING JURISDICTION THAT DOES NOT MEET THE  
3 REQUIREMENTS OF SUBDIVISION (A), BUT SUCH INDIVIDUAL'S CERTIFIED  
4 PUBLIC ACCOUNTANT QUALIFICATIONS ARE SUBSTANTIALLY EQUIVALENT TO  
5 THOSE REQUIREMENTS. ANY INDIVIDUAL WHO PASSED THE UNIFORM CERTIFIED  
6 PUBLIC ACCOUNTANT EXAMINATION AND HOLDS A VALID LICENSE ISSUED BY  
7 ANOTHER LICENSING JURISDICTION PRIOR TO JANUARY 1, 2012 IS EXEMPT  
8 FROM THE EDUCATION REQUIREMENT IN SUBDIVISION (A) (i) FOR PURPOSES OF  
9 THIS SUBDIVISION.

10 (2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN INDIVIDUAL  
11 WHO OFFERS OR RENDERS PROFESSIONAL SERVICES, WHETHER IN PERSON OR  
12 BY MAIL, TELEPHONE, OR ELECTRONIC MEANS UNDER THIS SECTION SHALL BE  
13 GRANTED PRACTICE PRIVILEGES IN THIS STATE, AND NO NOTICE, FEE, OR  
14 OTHER SUBMISSION SHALL BE REQUIRED OF ANY SUCH INDIVIDUAL. SUCH AN  
15 INDIVIDUAL IS SUBJECT TO THE REQUIREMENTS OF SECTION 734A.

16 Sec. 728. (1) A firm organized for the practice of public  
17 accounting shall apply for and obtain a MICHIGAN license under this  
18 article in order to engage in the practice of public accounting in  
19 this state .~~The~~ IF EITHER OF THE FOLLOWING APPLY:

20 (A) THE FIRM ESTABLISHES OR MAINTAINS AN OFFICE IN THIS STATE.

21 (B) AN INDIVIDUAL REPRESENTING THE FIRM PERFORMS ANY  
22 ENGAGEMENT DESCRIBED IN SECTION 720(1) (A) (i), (iii), OR (iv) FOR ANY  
23 CLIENT HAVING ITS HOME OFFICE IN THIS STATE.

24 (2) REPORTS PRODUCED PURSUANT TO ENGAGEMENTS IN SUBSECTION  
25 (1) (B) MAY BE SUPERVISED OR SIGNED, OR THE REPORT'S SIGNATURE MAY  
26 BE AUTHORIZED FOR THE FIRM, BY AN INDIVIDUAL PRACTICING PUBLIC  
27 ACCOUNTING IN MICHIGAN PURSUANT TO SECTION 727A.

1           (3) A firm applying for licensure under this article shall  
2 meet ~~both~~ **ALL** of the following requirements:

3           (a) At least a simple majority of the equity and voting rights  
4 of the firm are held directly or beneficially by individuals who  
5 are licensed in good standing as certified public accountants of  
6 this or another state or the equivalent in another licensing  
7 jurisdiction acceptable to the board. **OWNERS WHO ARE NOT CERTIFIED**  
8 **PUBLIC ACCOUNTANTS AS DEFINED BY SECTION 720(1)(B) MUST BE ACTIVE**  
9 **INDIVIDUAL PARTICIPANTS IN THE FIRM OR ITS AFFILIATED ENTITIES. AN**  
10 **INDIVIDUAL WITH PRACTICE PRIVILEGES UNDER SECTION 727A WHO PERFORMS**  
11 **SERVICES FOR WHICH A FIRM PERMIT IS REQUIRED UNDER THIS SECTION IS**  
12 **NOT REQUIRED TO OBTAIN A CERTIFICATE UNDER SECTION 726 OR A**  
13 **REGISTRATION OR LICENSE UNDER SECTION 727.**

14           (b) The principal officer of the firm and each officer or  
15 director having authority for the practice of public accounting by  
16 the firm are licensed in good standing as certified public  
17 accountants in this or another state or the equivalent in another  
18 licensing jurisdiction acceptable to the board.

19           (c) **HAS FILED THE REQUIRED CERTIFICATE OF AUTHORITY WITH THE**  
20 **DEPARTMENT PURSUANT TO THE BUSINESS CORPORATIONS ACT, 1972 PA 284,**  
21 **MCL 450.2001 TO 450.2098, IF APPLICABLE.**

22           (4) ~~(2)~~ A firm shall provide a change in address to the  
23 department within 30 days of the change.

24           (5) **A FIRM NOT REQUIRED TO OBTAIN A MICHIGAN LICENSE UNDER**  
25 **SUBSECTION (1) MAY PERFORM A REVIEW ENGAGEMENT IN ACCORDANCE WITH**  
26 **THE STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES OR A**  
27 **COMPILATION FOR A CLIENT HAVING ITS HOME OFFICE IN THIS STATE, MAY**

1 USE THE TITLE "CPA" OR "CPA FIRM", AND MAY PRACTICE PUBLIC  
2 ACCOUNTANCY AS AUTHORIZED IN THIS SECTION WITHOUT A LICENSE ISSUED  
3 UNDER SUBSECTION (1) ONLY IF IT MEETS BOTH OF THE FOLLOWING  
4 CONDITIONS:

5 (A) IT HAS MET THE REQUIREMENTS IN SUBSECTION (3) (A) AND (B)  
6 AND SECTION 729(2) .

7 (B) IT PERFORMS SUCH SERVICES THROUGH AN INDIVIDUAL WITH  
8 PRACTICE PRIVILEGES UNDER SECTION 727A.

9 (6) A FIRM NOT REQUIRED TO OBTAIN A MICHIGAN LICENSE UNDER  
10 SUBSECTION (1) AND THAT IS NOT SEEKING TO PRACTICE UNDER SUBSECTION  
11 (5) MAY PERFORM OTHER PROFESSIONAL SERVICES WITHIN THE PRACTICE OF  
12 PUBLIC ACCOUNTANCY WHILE USING THE TITLE "CPA" OR "CPA FIRM" IN  
13 THIS STATE WITHOUT A LICENSE ISSUED UNDER SUBSECTION (1) ONLY IF IT  
14 MEETS BOTH OF THE FOLLOWING CONDITIONS:

15 (A) IT PERFORMS SUCH SERVICES THOUGH AN INDIVIDUAL WITH  
16 PRACTICE PRIVILEGES UNDER SECTION 727A.

17 (B) IT CAN LAWFULLY DO SO IN THE LICENSING JURISDICTION WHERE  
18 SUCH INDIVIDUALS WITH PRACTICE PRIVILEGE HAVE THEIR PRINCIPAL PLACE  
19 OF BUSINESS.

20 Sec. 734. (1) A holder of a certificate, **REGISTRATION, OR**  
21 **LICENSE** as a certified public accountant ~~, a registration, or a~~  
22 ~~license~~ **AN INDIVIDUAL EXERCISING THE PRACTICE PRIVILEGE GRANTED**  
23 **UNDER SECTION 727A AND THE FIRM EMPLOYING THAT INDIVIDUAL is**  
24 subject to the penalties of section 602 for 1 or more of the  
25 following:

26 (a) Fraud or deceit in obtaining a certificate **OR REGISTRATION**  
27 as a certified public accountant, a license to practice public

1 accounting, or a ~~registration~~ **PRACTICE PRIVILEGE** under this  
2 article.

3 (b) Dishonesty, fraud, or negligence in the practice of public  
4 accounting.

5 (c) Violation of a rule of professional conduct promulgated  
6 under this article.

7 (d) Conviction of a felony under the laws of this or another  
8 state or the United States or conviction of a crime, an element of  
9 which is dishonesty, fraud, or negligence, under the laws of this  
10 or another state or of the United States, including, but not  
11 limited to, the failure to file a personal federal, state, or local  
12 income tax return.

13 (e) Cancellation, revocation, suspension, or refusal to renew  
14 authority to practice as a certified public accountant by another  
15 state for a cause other than failure to pay a licensure or other  
16 required fee in that state.

17 (f) Suspension or revocation for cause of the right to engage  
18 in the practice of public accounting before a state or federal  
19 agency.

20 (g) Conduct discreditable to the public accounting profession.

21 (h) Determination of mental incompetency by a court of law.

22 (i) A violation of this article or a rule promulgated under  
23 this article.

24 (j) A violation of the provisions of section 604.

25 (k) A violation of professional standards regarding the  
26 issuance of reports on financial statements; 1 or more kinds of  
27 management advisory, financial advisory, or consulting services;

1 the preparation of tax returns; or the furnishing of advice on tax  
2 matters.

3 (2) Notwithstanding section 602(e), a person that violates  
4 this article or a rule or order promulgated or issued under or  
5 related to this article is liable for an administrative fine  
6 payable to the department of not more than \$25,000.00 per  
7 violation.

8 (3) Within 30 days after a final determination rendered by a  
9 federal or state administrative agency or a judgment or conviction  
10 issued by a federal court, a state court, or any other court of  
11 record, a licensee or registrant shall report to the department in  
12 writing or electronically a determination, order, judgment, or  
13 conviction regarding a violation in which dishonesty, fraud, or  
14 negligence is an element of that determination, order, judgment, or  
15 conviction.

16 **SEC. 734A. (1) AN INDIVIDUAL, HAVING MET THE REQUIREMENTS OF,**  
17 **AND EXERCISING THE PRACTICE PRIVILEGE GRANTED BY, SECTION 727A, AND**  
18 **THE FIRM EMPLOYING THAT INDIVIDUAL, SIMULTANEOUSLY CONSENT TO ALL**  
19 **OF THE FOLLOWING AS A CONDITION OF THE EXERCISE OF THAT PRIVILEGE:**

20 (A) TO THE PERSONAL AND SUBJECT MATTER JURISDICTION AND  
21 DISCIPLINARY AUTHORITY OF THE BOARD AND THE DEPARTMENT.

22 (B) TO COMPLY WITH THIS ACT AND THE APPLICABLE RULES.

23 (C) IN THE EVENT THE LICENSE FROM THE LICENSING JURISDICTION  
24 OF THE INDIVIDUAL'S PRINCIPAL PLACE OF BUSINESS IS NO LONGER VALID,  
25 THE INDIVIDUAL WILL CEASE OFFERING OR RENDERING PROFESSIONAL  
26 SERVICES IN THIS STATE INDIVIDUALLY AND ON BEHALF OF A FIRM.

27 (D) TO THE APPOINTMENT OF THE STATE BOARD OR OTHER LICENSING

1 AUTHORITY ISSUING HIS OR HER LICENSE AS THE AGENT UPON WHOM PROCESS  
2 MAY BE SERVED IN ANY ACTION OR PROCEEDING BY THIS BOARD AGAINST THE  
3 INDIVIDUAL OR THE FIRM EMPLOYING THAT INDIVIDUAL.

4 (2) AN INDIVIDUAL HAVING MET THE REQUIREMENTS AS DESCRIBED BY  
5 SECTION 727A MAY PERFORM AN ENGAGEMENT DESCRIBED IN SECTION  
6 720(1)(A)(i), (iii), OR (iv) FOR AN ENTITY WITH ITS HOME OFFICE IN  
7 THIS STATE ONLY THROUGH A FIRM THAT HAS OBTAINED A LICENSE UNDER  
8 SECTION 728.

9 (3) A LICENSEE OF THIS STATE OFFERING OR RENDERING SERVICES OR  
10 USING THE CERTIFIED PUBLIC ACCOUNTANT TITLE IN ANOTHER LICENSING  
11 JURISDICTION OR BEFORE A STATE OR FEDERAL AGENCY IS SUBJECT TO THE  
12 DISCIPLINARY ACTION IN THIS STATE FOR AN ACT COMMITTED IN ANOTHER  
13 LICENSING JURISDICTION OR BEFORE A STATE OR FEDERAL AGENCY FOR  
14 WHICH THE LICENSEE WOULD BE SUBJECT TO DISCIPLINE FOR AN ACT  
15 COMMITTED IN ANOTHER LICENSING JURISDICTION OR BEFORE A STATE OR  
16 FEDERAL AGENCY. THE DEPARTMENT IS REQUIRED TO EXAMINE ANY COMPLAINT  
17 MADE BY THE STATE BOARD OR OTHER LICENSING JURISDICTIONAL AUTHORITY  
18 AND MAY ACCEPT, AS PRIMA FACIE EVIDENCE OF A VIOLATION OF THIS ACT,  
19 THE FINAL ORDER OF VIOLATION ISSUED BY ANOTHER STATE BOARD OR OTHER  
20 LICENSING JURISDICTIONAL AUTHORITY.