

**SUBSTITUTE FOR
HOUSE BILL NO. 5236**

A bill to amend 1980 PA 299, entitled "Occupational code," by amending sections 720, 721, 724, 727a, 728, 729, and 734a (MCL 339.720, 339.721, 339.724, 339.727a, 339.728, 339.729, and 339.734a), sections 720 and 728 as amended by 2016 PA 76, section 721 as amended by 2012 PA 566, section 724 as amended and sections 727a and 734a as added by 2008 PA 161, and section 729 as amended by 2010 PA 215.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

2 (a) "Attest" means providing any of the following services,
3 but does not include providing a compilation:

4 (i) An audit or other engagement to be performed in accordance
5 with the statements on auditing standards.

1 (ii) A review of a financial statement to be performed in
2 accordance with the statements on standards for accounting and
3 review services.

4 (iii) An examination of prospective financial information to
5 be performed in accordance with the statements on standards for
6 attestation engagements.

7 (iv) An engagement to be performed in accordance with the
8 public company accounting oversight board auditing standards.

9 (v) An examination, review, or agreed-upon procedures
10 engagement to be performed in accordance with the statements on
11 standards for attestation engagements, other than an examination
12 described in subparagraph (iii).

13 (b) "Certified public accountant" means an individual who is
14 either of the following:

15 (i) Qualified by education, examination, and experience to
16 engage or offer to engage in the practice of public accounting as
17 evidenced by the issuance of a certificate as a certified public
18 accountant under section 725 or 726 and a license or registration
19 issued under section 727.

20 (ii) An individual whose principal place of business is not in
21 this state and who satisfies the requirements set forth in section
22 727a.

23 (c) "Client" means an individual or entity that engages a
24 licensee or licensee's employer to receive any service in the
25 practice of public accounting.

26 (d) "Compilation" means providing a service to be performed in
27 accordance with statements on standards for accounting and review

1 services that are presenting, in the form of financial statements,
2 information that is the representation of management or owners
3 without undertaking to express any assurance on the statements.

4 (e) "Firm" means a corporation, partnership, limited liability
5 company, unincorporated association, sole proprietorship operating
6 under an assumed name, or other legal entity.

7 ~~(f) "Home office" means the location specified by the client
8 as the address to which a service described in subdivision (a) or
9 (d) is directed.~~

10 (F) "LICENSE CYCLE" MEANS THE TERM OF A LICENSE ISSUED UNDER
11 THIS ARTICLE.

12 (G) "NONRESIDENT LICENSEE" MEANS AN INDIVIDUAL LICENSEE WHOSE
13 PRINCIPAL PLACE OF BUSINESS IS NOT LOCATED IN THIS STATE.

14 (H) ~~(g)~~ Subject to subsection (2), "practice of public
15 accounting" means rendering or offering to render an opinion on or
16 attesting to or offering to attest to the reliability of a
17 representation or estimate, including, but not limited to, the
18 giving of an opinion in substance that 1 or more of the following
19 types of information concerning the entity that is the subject of
20 the opinion present fairly the condition of the entity:

21 (i) Financial or other information about which the opinion is
22 given.

23 (ii) Facts respecting the entity's compliance with conditions
24 established by law or contract, including, but not limited to, a
25 statute, ordinance, regulation, grant, loan, or appropriation.

26 (iii) The scope of the accounting procedures rendered in
27 connection with the presentation of the entity's financial

1 statement.

2 (I) ~~(h)~~—"Principal place of business" means the office
3 location designated by the licensee for the purposes of substantial
4 equivalency and reciprocity.

5 (J) ~~(i)~~—"Report", when used with reference to an attest or
6 compilation service, means an opinion, report, or other form of
7 language that states or implies assurance as to the reliability of
8 attested information or compiled financial statements and that also
9 includes, or is accompanied by, any statement or implication that
10 the individual or firm issuing it has special knowledge or
11 competence in accounting or auditing. Such a statement or
12 implication of special knowledge or competence may arise from use
13 by the issuer of the report of names or titles indicating that the
14 individual or firm is an accountant or auditor or from the language
15 of the report itself. Report includes any form of language that
16 disclaims an opinion when that form of language is conventionally
17 understood to imply any positive assurance as to the reliability of
18 the attested information or compiled financial statements referred
19 to or special competence on the part of the individual or firm
20 issuing that language, or both, and includes any other form of
21 language that is conventionally understood to imply that assurance
22 or special knowledge and competence, or both.

23 (K) **"UNIFORM CPA EXAM" MEANS THE UNIFORM CPA EXAMINATION**
24 **DEVELOPED AND SCORED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC**
25 **ACCOUNTANTS OR A SUCCESSOR ORGANIZATION.**

26 (2) In addition to the definition set forth in subsection
27 ~~(1)(g)~~, **(1)(H)**, practice of public accounting includes 1 or more of

1 the following activities when performed or offered to be performed
2 by an individual who is holding himself or herself out as a
3 certified public accountant for a client or a potential client:

4 (a) The issuance of reports in connection with any attest or
5 compilation services.

6 (b) One or more kinds of management advisory, financial
7 advisory, or consulting services, including, but not limited to,
8 business valuation, forensic accounting, and fraud examination
9 services.

10 (c) The preparation of tax returns.

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

12 Sec. 721. (1) The state board of accountancy is created.

13 (2) Subject to subsection (3), the board shall consist of 9
14 members as follows:

15 (a) Six members who are certified public accountants who hold
16 a certificate as a certified public accountant, who are licensed
17 under section 727, and who have practiced in this state as
18 certified public accountants for not less than 5 years.

19 (b) Three members who represent the general public, 1 of whom
20 shall be an attorney who is a member in good standing in the bar of
21 this state.

22 (3) One of the 9 members of the board shall be a full-time
23 instructor of accounting above the elementary level at an
24 accredited college or university.

25 (4) The director may promulgate the following rules:

26 (a) Rules of professional conduct for establishing and
27 maintaining high standards of competence and integrity in the

1 practice of public accounting.

2 (b) Rules governing corporations practicing public accounting,
3 consistent with former 1962 PA 192 or chapter 2A of the business
4 corporation act, 1972 PA 284, MCL 450.1281 to 450.1289, as
5 applicable.

6 (C) **RULES GOVERNING EDUCATIONAL REQUIREMENTS THAT QUALIFY AN**
7 **APPLICANT TO SIT FOR THE UNIFORM CPA EXAM.**

8 (D) ~~(e)~~—Rules governing educational and experience
9 requirements for the issuance of a certificate as a certified
10 public accountant.

11 (E) ~~(d)~~—Rules of procedure governing the conduct of matters
12 before the board.

13 (F) ~~(e)~~—Rules governing the recognition of educational
14 institutions by the board.

15 (G) ~~(f)~~—Rules governing continuing education required under
16 section 729.

17 (H) ~~(g)~~—Any other rules considered necessary by the director
18 to implement and enforce this article.

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

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

26 (b) A licensed certified public accountant of another
27 licensing jurisdiction who does not meet the requirements of

1 section 727a, or an accountant who is licensed in a foreign country
2 for the practice of public accounting in that country, from
3 temporarily and periodically engaging in the practice of public
4 accounting in this state if all of the following requirements are
5 met:

6 (i) The individual is conducting a regular practice of public
7 accounting in another licensing jurisdiction or foreign country.

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

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

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

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

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

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

26 (g) An individual who may be employed by more than 1 ~~person~~
27 **INDIVIDUAL** or firm from keeping books, making trial balances or

1 statements, and preparing audits or reports, if the audits or
2 reports are not used or issued by the employer as having been
3 prepared by a certified public accountant.

4 (h) A firm that does not hold a valid license under section
5 728 and that does not have an office in this state from providing
6 its professional services in this state in the practice of public
7 accountancy and from using the certified public accountant
8 designation so long as it complies with the requirements of section
9 ~~728(5) or (6),~~ **728(4) OR (5)**, whichever is applicable.

10 Sec. 727a. (1) An individual whose principal place of business
11 is not in this state ~~shall be~~ **IS** considered to have qualifications
12 substantially equivalent to this state's requirements, ~~shall have~~
13 **HAS** all the privileges of licensees of this state, and may practice
14 public accountancy without the need to obtain a certificate,
15 license, or temporary practice permit under this article, if the
16 individual meets either or both of the following:

17 (a) Holds a valid license as a certified public accountant
18 from another licensing jurisdiction that requires, as a condition
19 of licensure, that the individual meets all of the following:

20 (i) Has at least 150 semester hours of college education
21 including a baccalaureate or higher degree conferred by a college
22 or university.

23 (ii) Achieves a passing grade on the uniform ~~certified public~~
24 ~~accountant examination.~~ **CPA EXAM.**

25 (iii) Possesses at least 1 year of experience including
26 providing any type of service or advice involving the use of
27 accounting, attest, compilation, management advisory, financial

1 advisory, tax, or consulting skills, all of which may be obtained
 2 through government, industry, academic, or public practice as
 3 verified by a licensee.

4 (b) Holds a valid license as a certified public accountant
 5 from another licensing jurisdiction that does not meet the
 6 requirements of subdivision (a), but ~~such individual's~~ **HAS**
 7 certified public accountant qualifications **THAT** are substantially
 8 equivalent to those requirements. Any individual who passed the
 9 uniform ~~certified public accountant examination~~ **CPA EXAM** and holds
 10 a valid license issued by another licensing jurisdiction ~~prior to~~
 11 **BEFORE** January 1, 2012 is exempt from the education requirement in
 12 subdivision (a) (i) for purposes of this subdivision.

13 (2) Notwithstanding any other provision of law, an individual
 14 who offers or renders professional services, whether in person or
 15 by mail, telephone, or electronic means under this section shall be
 16 granted practice privileges in this state, and no notice, fee, or
 17 other submission ~~shall be~~ **IS** required of ~~any such~~ **THAT** individual.
 18 ~~Such an~~ **AN** individual **DESCRIBED IN THIS SUBSECTION** is subject to
 19 the requirements of section 734a.

20 Sec. 728. (1) A firm ~~shall~~ **THAT ESTABLISHES OR MAINTAINS AN**
 21 **OFFICE IN THIS STATE MUST** apply for and obtain a Michigan license
 22 under this article in order to engage in the practice of public
 23 accounting in this state. ~~if either of the following apply:~~

24 ~~— (a) The firm establishes or maintains an office in this state.~~

25 ~~— (b) An individual who represents the firm performs any~~
 26 ~~engagement described in section 720(1)(a)(i), (iii), or (iv) for~~
 27 ~~any client that has its home office in this state.~~

1 ~~———— (2) A report produced pursuant to an engagement described in~~
 2 ~~subsection (1) (b) may be supervised or signed, or the report's~~
 3 ~~signature may be authorized for the firm, by an individual who is~~
 4 ~~practicing public accounting in Michigan under section 727a.~~

5 (2) ~~(3)~~—A firm that is applying for licensure under this
 6 article shall meet both of the following requirements:

7 (a) At least a simple majority of the equity and voting rights
 8 of the firm are held directly or beneficially by individuals who
 9 are licensed in good standing as certified public accountants of
 10 this state or another state or the equivalent in another licensing
 11 jurisdiction acceptable to the board. ~~Owners who are not~~ **EACH OWNER**
 12 **WHO IS NOT A** certified public accountants ~~ACCOUNTANT~~ must be **AN**
 13 active individual ~~participants~~ **PARTICIPANT** in the firm or **1 OR MORE**
 14 **OF** its affiliated entities. An individual with practice privileges
 15 under section 727a who performs services for which a firm license
 16 is required under this section is not required to obtain a
 17 certificate under section 726 or a registration or license under
 18 section 727.

19 (b) All attest and compilation services provided by the firm
 20 in this state are performed under the supervision of an individual
 21 who is licensed and in good standing as a certified public
 22 accountant in this state or another state or ~~the equivalent in~~
 23 **HOLDS AN EQUIVALENT AUTHORIZATION TO PRACTICE PUBLIC ACCOUNTING**
 24 **FROM** another licensing jurisdiction acceptable to the board.

25 (3) ~~(4)~~—A firm shall notify the department of any change in
 26 address within 30 days of the change.

27 (4) ~~(5)~~—A firm that is not required to obtain a Michigan

1 license under subsection (1) may perform a review engagement in
2 accordance with the statements on standards for accounting and
3 review services, perform an examination, ~~other than an engagement~~
4 ~~described in section 720(1)(a)(iii),~~ a review, or agreed-upon
5 procedures engagement in accordance with the statements on
6 standards for attestation engagements, or perform a compilation for
7 a client ~~that has its home office in this state, may use the title~~
8 ~~"CPA" or "CPA firm", and may practice public accountancy as~~
9 ~~authorized in this section without a license issued under~~
10 ~~subsection (1)~~ **IN THIS STATE**, only if it meets ~~both~~ **EACH** of the
11 following conditions:

12 (a) It has met the requirements in subsection ~~(3)(a)~~ **(2) (A)**
13 and (b) and section 729(2).

14 (b) It performs those services through an individual who has
15 practice privileges under section 727a.

16 **(C) IT IS AUTHORIZED OR PERMITTED TO PERFORM THOSE SERVICES IN**
17 **THE LICENSING JURISDICTION WHERE THE INDIVIDUAL DESCRIBED IN**
18 **SUBDIVISION (B) HAS HIS OR HER PRINCIPAL PLACE OF BUSINESS.**

19 **(5)** ~~(6)~~ A firm that is not required to obtain a Michigan
20 license under subsection (1) and that is not seeking to practice
21 under subsection ~~(5)~~ **(4)** may perform **ATTEST SERVICES, OR ANY** other
22 professional services within the practice of public accountancy,
23 while using the title "CPA" or "CPA firm" in this state without a
24 license issued under subsection (1) only if it meets ~~both~~ **ALL** of
25 the following conditions:

26 (a) It performs those services through an individual with
27 practice privileges under section 727a.

1 (b) It ~~can lawfully do so~~ **IS AUTHORIZED OR PERMITTED TO**
2 **PERFORM THOSE SERVICES** in the licensing jurisdiction where ~~these~~
3 ~~individuals with practice privilege have their~~ **THE INDIVIDUAL**
4 **DESCRIBED IN SUBDIVISION (A) HAS HIS OR HER** principal place of
5 business.

6 **(C) IT MEETS THE REQUIREMENTS IN SUBSECTION (2) (A) AND (B) AND**
7 **SECTION 729(2) .**

8 Sec. 729. (1) As a condition of license renewal, an individual
9 licensee ~~shall~~ **MUST SUCCESSFULLY** complete at least 40 hours of
10 continuing education for each year ~~since the issuance of the~~
11 ~~original license or the last renewal. Of the 40 hours of continuing~~
12 ~~education credits, the board shall not require more than 8 of those~~
13 ~~hours to be in the areas of auditing and accounting. The board may~~
14 ~~make exceptions from the continuing education requirements of this~~
15 ~~subsection for reasons of health, military service, or other good~~
16 ~~cause.~~ **OF A LICENSE CYCLE. ALL OF THE FOLLOWING APPLY TO THE**
17 **CONTINUING EDUCATION REQUIREMENT DESCRIBED IN THIS SUBSECTION:**

18 **(A) A LICENSEE IS NOT REQUIRED TO MEET THE CONTINUING**
19 **EDUCATION REQUIREMENTS FOR A PERIOD OF 12 MONTHS, BEGINNING ON THE**
20 **DATE OF HIS OR HER ORIGINAL LICENSE.**

21 **(B) AT LEAST 8 OF THE 40 HOURS OF CONTINUING EDUCATION FOR**
22 **EACH YEAR OF A LICENSE CYCLE MUST BE IN THE AREAS OF AUDITING AND**
23 **ACCOUNTING. HOWEVER, THE BOARD SHALL NOT REQUIRE COMPLETION OF MORE**
24 **THAN 8 HOURS OF EDUCATION IN THE AREAS OF AUDITING AND ACCOUNTING**
25 **IN 1 YEAR OF A LICENSE CYCLE.**

26 **(C) SUBJECT TO SUBDIVISION (D), AT LEAST 2 OF THE 40 HOURS OF**
27 **CONTINUING EDUCATION FOR EACH YEAR OF A LICENSE CYCLE MUST BE IN**

1 THE AREA OF PROFESSIONAL ETHICS. HOWEVER, THE BOARD SHALL NOT
2 REQUIRE COMPLETION OF MORE THAN 2 HOURS OF EDUCATION IN THE AREA OF
3 PROFESSIONAL ETHICS IN 1 YEAR OF A LICENSE CYCLE.

4 (D) THE CONTENT OF 1 HOUR OF THE 4 HOURS OF CONTINUING
5 EDUCATION IN PROFESSIONAL ETHICS REQUIRED IN A 2-YEAR LICENSE CYCLE
6 MUST BE THE STATUTES AND ADMINISTRATIVE RULES OF THIS STATE
7 APPLICABLE TO PUBLIC ACCOUNTANCY. A STATEWIDE PROFESSIONAL
8 ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS APPROVED BY THE
9 DEPARTMENT SHALL CREATE THE CONTENT FOR THIS 1 HOUR OF PROFESSIONAL
10 ETHICS EDUCATION.

11 (E) A LICENSEE WHO EARNS MORE THAN THE REQUIRED 40 HOURS OF
12 CONTINUING EDUCATION IN A YEAR MAY CARRY OVER THOSE EXCESS HOURS TO
13 THE NEXT YEAR, BUT NOT TO ANY SUBSEQUENT YEAR, SUBJECT TO ALL OF
14 THE FOLLOWING:

15 (i) THE MAXIMUM NUMBER OF EXCESS HOURS A LICENSEE MAY CARRY
16 OVER INTO THE NEXT YEAR IS 40 HOURS.

17 (ii) A LICENSEE MAY NOT CARRY OVER MORE THAN 8 HOURS TO MEET
18 THE MINIMUM ACCOUNTING AND AUDITING EDUCATION REQUIREMENTS
19 DESCRIBED IN SUBDIVISION (B) FOR THE NEXT YEAR.

20 (iii) A LICENSEE MAY NOT CARRY OVER MORE THAN 2 HOURS TO MEET
21 THE MINIMUM PROFESSIONAL ETHICS REQUIREMENT DESCRIBED IN
22 SUBDIVISION (C) FOR THE NEXT YEAR.

23 (iv) A LICENSEE MAY NOT CARRY OVER MORE THAN 1 HOUR OF
24 EDUCATION IN PUBLIC ACCOUNTANCY DESCRIBED IN SUBDIVISION (D) TO
25 MEET THE MINIMUM ETHICS REQUIREMENTS FOR THE NEXT LICENSE CYCLE.

26 (F) EXCEPT AS PROVIDED IN SUBDIVISION (G), A NONRESIDENT
27 LICENSEE MUST CERTIFY IN HIS OR HER RENEWAL APPLICATION THAT HE OR

1 SHE HAS MET THE CONTINUING EDUCATION REQUIREMENTS UNDER THIS
2 SUBSECTION.

3 (G) A NONRESIDENT LICENSEE WHO IS APPLYING FOR RENEWAL OF HIS
4 OR HER LICENSE IS CONSIDERED TO HAVE MET THE CONTINUING EDUCATION
5 REQUIREMENTS UNDER THIS SUBSECTION IF HE OR SHE MEETS THE
6 CONTINUING EDUCATION REQUIREMENTS FOR RENEWAL OF AN INDIVIDUAL
7 LICENSE IN THE STATE IN WHICH HIS OR HER PRINCIPAL PLACE OF
8 BUSINESS IS LOCATED. IF THE STATE IN WHICH A NONRESIDENT LICENSEE'S
9 PRINCIPAL PLACE OF BUSINESS IS LOCATED DOES NOT HAVE CONTINUING
10 EDUCATION REQUIREMENTS FOR RENEWAL OF A LICENSE, THE NONRESIDENT
11 LICENSEE MUST COMPLY WITH ALL CONTINUING EDUCATION REQUIREMENTS FOR
12 RENEWAL OF A LICENSE UNDER THIS SUBSECTION.

13 (H) ON REQUEST, A LICENSEE MUST PROVIDE THE DEPARTMENT WITH 1
14 OF THE FOLLOWING, AS APPLICABLE:

15 (i) FOR A LICENSEE WITH A PRINCIPAL PLACE OF BUSINESS LOCATED
16 IN THIS STATE, PROOF ACCEPTABLE TO THE DEPARTMENT THAT THE LICENSEE
17 MEETS THE CONTINUING EDUCATION REQUIREMENTS FOR LICENSE RENEWAL IN
18 THIS STATE.

19 (ii) FOR A NONRESIDENT LICENSEE, PROOF ACCEPTABLE TO THE
20 DEPARTMENT, FROM THE STATE BOARD OR OTHER LICENSING AUTHORITY IN
21 THE LICENSING JURISDICTION IN WHICH HIS OR HER PRINCIPAL PLACE OF
22 BUSINESS IS LOCATED, THAT THE NONRESIDENT LICENSEE MEETS THE
23 CONTINUING EDUCATION REQUIREMENTS FOR LICENSE RENEWAL IN THAT
24 LICENSING JURISDICTION.

25 (2) Each licensed firm and sole practitioner that performs any
26 of the following services shall participate in a peer review
27 program established by rule of the department and approved by the

1 board:

2 (a) Audit.

3 (b) Review.

4 (c) Compilations that are relied upon by third parties.

5 (3) An applicant for renewal shall submit to the department,
6 on a form prescribed by the department and at the time of renewal,
7 proof of peer review obtained within the 3 years immediately
8 preceding the application.

9 (4) A firm or sole practitioner required to participate in a
10 peer review program under this subsection shall notify the
11 department within 30 days after receipt of a fail rating or second
12 consecutive pass with deficiencies rating. Verbal testimony or
13 documents, or both, pertaining to a peer review shall be considered
14 confidential and shall be exempt from disclosure to the department,
15 except in the case of a fail or second consecutive pass with
16 deficiencies rating.

17 ~~—— (5) The peer review requirements under subsection (2) for~~
18 ~~licensees become effective as follows:~~

19 ~~—— (a) For licensed firms and sole practitioners whose attest~~
20 ~~services include audits, beginning March 1, 2008.~~

21 ~~—— (b) For licensed firms and sole practitioners whose attest~~
22 ~~services include compilation with disclosures relied upon by third~~
23 ~~parties, or review, or both compilation with disclosures and~~
24 ~~review, but not audits under subdivision (a), beginning March 1,~~
25 ~~2009.~~

26 ~~—— (c) For licensed firms and sole practitioners whose attest~~
27 ~~services include compilation without disclosures relied upon by~~

1 ~~third parties, but not audits under subdivision (a) or any~~
 2 ~~compilation with disclosures relied upon by third parties, or~~
 3 ~~review, or both compilation with disclosures and review under~~
 4 ~~subdivision (b), beginning March 1, 2010.~~

5 Sec. 734a. (1) An individual ~~, having met~~ **WHO MEETS** the
 6 requirements of, and **IS** exercising the practice privilege granted
 7 by, section 727a, and the firm ~~employing~~ **THAT EMPLOYS** that
 8 individual, ~~simultaneously consent~~ **EACH AGREE** to all of the
 9 following as a condition of the exercise of that privilege:

10 (a) To the personal and subject matter jurisdiction and
 11 disciplinary authority of the board and the department.

12 (b) To comply with this act and the applicable rules.

13 (c) ~~In the event~~ **IF** the license from the licensing
 14 jurisdiction of the individual's principal place of business is no
 15 longer valid, **THAT** the individual will cease offering or rendering
 16 professional services in this state individually and on behalf of a
 17 firm.

18 (d) To the appointment of the state board or other licensing
 19 authority ~~issuing~~ **THAT ISSUED** his or her license as the agent ~~upon~~
 20 ~~whom~~ **ON WHICH** process may be served in any action or proceeding by
 21 this board against the individual or the firm ~~employing~~ **THAT**
 22 **EMPLOYS** that individual.

23 ~~—— (2) An individual having met the requirements as described by~~
 24 ~~section 727a may perform an engagement described in section~~
 25 ~~720(1)(a)(i), (iii), or (iv) for an entity with its home office in~~
 26 ~~this state only through a firm that has obtained a license under~~
 27 ~~section 728.~~

1 (2) ~~(3)~~ A licensee of ~~this state offering or rendering~~ **UNDER**
2 **THIS ARTICLE WHO OFFERS OR RENDERS PUBLIC ACCOUNTING** services or
3 ~~using~~ **USES** the certified public accountant title in another
4 licensing jurisdiction or before a state or federal agency is
5 subject to ~~the disciplinary action in this state~~ **UNDER THIS ARTICLE**
6 for an act committed in another licensing jurisdiction or before a
7 state or federal agency for which the licensee would be subject to
8 discipline for an act committed in another licensing jurisdiction
9 or before a state or federal agency. The department is required to
10 examine any complaint made by ~~the~~ **A** state **LICENSING** board or other
11 licensing jurisdictional authority and may accept, as prima facie
12 evidence of a violation of this act, ~~the~~ **A** final order of violation
13 issued by another state **LICENSING** board or other licensing
14 jurisdictional authority.

15 Enacting section 1. This amendatory act takes effect 90 days
16 after the date it is enacted into law.