STAND. COM. REP. NO. 1916

Honolulu, Hawaii

APR 2 5 2007

RE: H.B. No. 91 H.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and Affordable Housing, to which was referred H.B. No. 91, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC ACCOUNTANCY,"

begs leave to report as follows:

The purpose of this measure is to remove private or governmental accounting experience as meeting the required professional experience for a license in public accountancy and to remove the requirement that a candidate have a baccalaureate degree in accounting prior to taking the certified public accountant (CPA) examination.

Your Committee received testimony in support of this measure from the Hawaii Association of Public Accountants; Sharon Courter, CPA, LLC; Deborah Daniells & Associates, CPAs, Inc.; Lloyd Y. Kimura, CPA, Inc.; Kobayashi, Doi & Lum CPAs LLC; Niwao & Roberts Certified Public Accountants, A Professional Corporation; and thirty six individuals. Testimony in opposition to this measure was submitted by the State Auditor, the Board of Public Accountancy, the Department of Taxation, the Hawaii Society of Certified Public Accountants, and one hundred twenty seven individuals.

Your Committee finds that the public is better served when candidates for a CPA license are required to obtain their work experience in public accounting rather than through private or government experience. In addition, your Committee finds that

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allowing all candidates with a baccalaureate degree other than in accounting to take the CPA exam does not change the CPA licensing requirements, but simply allows those candidates to take the exam at an earlier date. This would open the accounting profession to a larger pool of potential CPAs. This measure will also benefit potential CPA candidates who attended a school that did not offer a baccalaureate degree in accounting, by allowing them to take the exam earlier and encouraging them to stay in the accounting field.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 91, H.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Affordable Housing,

BRIAN T. TANIGUCHI, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Commerce, Consumer Protection and Affordable Housing CPH

Bill / Resolution No.:* HB 9/ HD/	CPH		Da	Date: 4/20/2007	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)					
IGE, David Y. (VC)			- V		
ESPERO, Will				√	Anna de la companya d
IHARA, Jr., Les			V		
SAKAMOTO, Norman		<u> </u>			
SLOM, Sam	1 ''O'T 1 1 1 2				
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TOTAL		a_	<u>a</u>		
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Y ow Pink File with Committee Report Clerk's Office Drafting Agency					

Revised: 12/18/06

^{*}Only one measure per Record of Votes