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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1120

02/23/2015 Authored by Gunther, Atkins, Mahoney, Hoppe and Rosenthal

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to commerce; specifying certain criteria for issuance or renewal of
1.3 CPA firm permits; authorizing rulemaking; amending Minnesota Statutes 2014,
1.4 section 326A.05, subdivision 4.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 326A.05, subdivision 4, is amended to read:

1.7 Subd. 4. **Initial issuance or renewal.** (a) An applicant for initial issuance or renewal
1.8 of a permit to practice under this section shall register each office of the firm within this state
1.9 with the board and show that all attest and compilation services rendered in this state are
1.10 under the charge of a person holding a valid certificate issued by this state or another state.

1.11 (b) The board shall issue a permit to a firm or renew the permit of a firm that
1.12 meets other qualifications of this section if at least two-thirds of partners, members,
1.13 shareholders, directors, and officers who hold a certificate and whose principal place of
1.14 business in this state, including the firm managing partner and the signer of the firm
1.15 permit renewal application:

1.16 (1) individually hold nonexpired certificates with an active status issued under
1.17 section 326A.04, covering the term of the firm permit to be issued; or

1.18 (2) individually renew their certificates with an active status or hold nonexpired
1.19 certificates with an active status issued under section 326A.04, covering the term of the
1.20 firm permit to be renewed.

1.21 Sec. 2. **RULEMAKING.**

1.22 The Board of Accountancy must amend Minnesota Rules, part 1105.4000, and other
1.23 rules as necessary to comply with section 1. The board may use the good cause exemption

- 2.1 in Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt the amendment
2.2 under this section, and Minnesota Statutes, section 14.386, does not apply, except as
2.3 provided under Minnesota Statutes, section 14.388.