

## Department of Planning and Budget 2006 Fiscal Impact Statement

**1. Bill Number** SB108

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron** Stosch

**3. Committee** Commerce and Labor

**4. Title** CPA firms; issuance of shares of its stock to trustees of employee stock ownership plans.

**5. Summary/Purpose:** This bill authorizes a Certified Public Accounting firm to issue shares of its stock to the trustees of an eligible employee stock ownership plan. In addition, the bill also authorizes the Board for Accountancy to issue a permit to a CPA firm that has issued shares of its stock to an eligible employee stock ownership plan. An eligible employee stock ownership plan is a plan for which (i) the trustees are all licensed to render the services of accounting, (ii) a majority of the beneficiary interests in the plan are held by individuals duly licensed or otherwise legally authorized to render the services of accounting, and (iii) at least 51% of the total of allocated and unallocated equity interests in the firm sponsoring the plan are held in trust by the plan or by individuals holding a valid CPA certificate. The bill also requires the Board to promulgate emergency regulations.

**6. Fiscal Impact:** According to the Board of Accountancy and the State Corporation Commission, this bill will not have a fiscal impact.

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** See Item 6.

**9. Specific agency or political subdivisions affected:** Board of Accountancy and State Corporation Commission.

**10. Technical amendment necessary:** No.

**11. Other comments:** None.

**Date:** 01/17/06 / dma

**Document:** G:\2006 Fis\Sb108.Doc

cc: Secretary of Commerce and Trade