

## Department of Planning and Budget 2006 Fiscal Impact Statement

**1. Bill Number** SB108

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input checked="" 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 (CPA) 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 of Accountancy to issue a permit to a CPA firm that has issued shares of its stock to an eligible employee stock ownership plan. The employee stock ownership plan may permit individuals who are not duly licensed or otherwise legally authorized to render professional services of public accounting or certified public accounting to participate in such a plan, provided that (1) such individuals are employees of the corporation and hold less than a majority of the beneficial interests in such plan; (2) at least 51 percent of the total of allocated and unallocated equity interests in the corporation sponsoring such employee stock ownership plan are held (i) by the trustees of the plan for the benefit of persons holding a valid CPA certificate, or (ii) by individual employees holding a valid CPA certificate separate from any interests held by such employee stock ownership plan.

The second enactment clause requires the Board of Accountancy to promulgate regulations to implement the provisions of this act to be effective within 280 days of its enactment.

**6. Fiscal Impact:** According to the Board of Accountancy, 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

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

**11. Other comments:** None.

**Date:** 03/02/06 / dma

**Document:** G:\2006 Fis\Sb108h1.Doc

cc: Secretary of Commerce and Trade