

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Regulatory Sunset Act is amended by changing
5 Section 4.24, and by adding Section 4.34 as follows:

6 (5 ILCS 80/4.24)

7 Sec. 4.24. Acts and Section repealed on January 1, 2014.

8 The following Acts and Section of an Act are repealed on
9 January 1, 2014:

10 The Electrologist Licensing Act.

11 The Illinois Certified Shorthand Reporters Act of 1984.

12 The Illinois Occupational Therapy Practice Act.

13 ~~The Illinois Public Accounting Act.~~

14 The Private Detective, Private Alarm, Private Security,
15 Fingerprint Vendor, and Locksmith Act of 2004.

16 The Registered Surgical Assistant and Registered Surgical
17 Technologist Title Protection Act.

18 Section 2.5 of the Illinois Plumbing License Law.

19 The Veterinary Medicine and Surgery Practice Act of 2004.

20 (Source: P.A. 97-1139, eff. 12-28-12.)

21 (5 ILCS 80/4.34 new)

22 Sec. 4.34. Act repealed on January 1, 2024. The following

1 Act is repealed on January 1, 2024:

2 The Illinois Public Accounting Act.

3 Section 10. The Illinois Public Accounting Act is amended
4 by changing Sections 0.02, 0.03, 1, 2, 2.05, 2.1, 4, 5.2, 7, 8,
5 9, 9.2, 9.3, 13, 14, 14.1, 14.2, 16, 17, 17.1, 17.2, 20.01,
6 20.1, 20.2, 20.3, 20.4, 20.5, 20.6, 21, 27, 28, 30, 30.1, 30.2,
7 30.3, 30.4, 30.5, 30.6, 31, and 32 and by adding Sections 8.05,
8 14.4, 17.3, 20.7, 20.8, and 30.8 as follows:

9 (225 ILCS 450/0.02) (from Ch. 111, par. 5500.02)

10 (Section scheduled to be repealed on January 1, 2014)

11 Sec. 0.02. Declaration of public policy. It is the policy
12 of this State and the purpose of this Act:

13 (a) To promote the dependability of information which is
14 used for guidance in financial transactions or for accounting
15 for or assessing the status or performance of commercial and
16 noncommercial enterprises, whether public, private, or
17 governmental; and

18 (b) To protect the public interest by requiring that
19 persons engaged in the practice of public accounting be
20 qualified; that a public authority competent to prescribe and
21 assess the qualifications of public accountants be
22 established; and that

23 (c) Preparing, auditing or examining financial statements
24 and issuing a report expressing or disclaiming an opinion on

1 such statements or expressing assurance on such statements be
2 reserved to persons who demonstrate their ability and fitness
3 to observe and apply the standards of the accounting
4 profession; and that the use of accounting titles likely to
5 confuse the public be prohibited.

6 (Source: P.A. 85-1209.)

7 (225 ILCS 450/0.03) (from Ch. 111, par. 5500.03)

8 (Section scheduled to be repealed on January 1, 2014)

9 Sec. 0.03. Definitions. As used in this Act, unless the
10 context otherwise requires:

11 "Accountancy activities" means the services as set forth in
12 Section 8.05 of the Act.

13 "Address of record" means the designated address recorded
14 by the Department in the applicant's, licensee's, or
15 registrant's application file or license file maintained by the
16 Department's licensure maintenance unit. It is the duty of the
17 applicant, licensee, or registrant to inform the Department of
18 any change of address, and those changes must be made either
19 through the Department's website or by directly contacting the
20 Department.

21 "Certificate" means a certificate issued by the Board or
22 University or similar jurisdictions specifying an individual
23 has successfully passed all sections and requirements of the
24 Uniform Certified Public Accountant Examination. A certificate
25 issued by the Board or University or similar jurisdiction does

1 not confer the ability to use the CPA title and is not
2 equivalent to a registration or license under this Act.

3 "Compilation" means providing a service to be performed in
4 accordance with Statements on Standards for Accounting and
5 Review Services that is presented in the form of financial
6 statements or information that is the representation of
7 management or owners without undertaking to express any
8 assurance on the statements.

9 "CPA" or "C.P.A." means a certified public accountant who
10 holds a license or registration issued by the Department or an
11 individual authorized to use the CPA title under Section 5.2 of
12 this Act.

13 "CPA firm" means a sole proprietorship, a corporation,
14 registered limited liability partnership, limited liability
15 company, partnership, professional service corporation, or any
16 other form of organization issued a license in accordance with
17 this Act.

18 "CPA (inactive)" means a licensed certified public
19 accountant who elects to have the Department place his or her
20 license on inactive status pursuant to Section 17.2 of this
21 Act.

22 "Financial statement" means a structured presentation of
23 historical financial information, including, but not limited
24 to, related notes intended to communicate an entity's economic
25 resources and obligations at a point in time or the changes
26 therein for a period of time in accordance with generally

1 accepted accounting principles (GAAP) or other comprehensive
2 basis of accounting (OCBOA).

3 "Other attestation engagements" means an engagement
4 performed in accordance with the Statements on Standards for
5 Attestation Engagements.

6 ~~(a)~~ "Registered Certified Public Accountant" or
7 "registered CPA" means any person who has been issued a
8 registration under this Act as a Registered Certified Public
9 Accountant.

10 "Report", when used with reference to financial
11 statements, means an opinion, report, or other form of language
12 that states or implies assurance as to the reliability of any
13 financial statements and that also includes or is accompanied
14 by any statement or implication that the person or firm issuing
15 it has special knowledge or competence in accounting or
16 auditing. Such a statement or implication of special knowledge
17 or competence may arise from use by the issuer of the report of
18 names or titles indicating that the person or firm is an
19 accountant or auditor, or from the language of the report
20 itself. "Report" includes any form of language that disclaims
21 an opinion when the form of language is conventionally
22 understood to imply any positive assurance as to the
23 reliability of the financial statements referred to or special
24 competence on the part of the person or firm issuing such
25 language; it includes any other form of language that is
26 conventionally understood to imply such assurance or such

1 special knowledge or competence.

2 ~~(b)~~ "Licensed Certified Public Accountant" or "licensed
3 CPA" means any person licensed under this Act as a Licensed
4 Certified Public Accountant.

5 ~~(c)~~ "Committee" means the Public Accountant Registration
6 and Licensure Committee appointed by the Secretary ~~Director~~.

7 ~~(d)~~ "Department" means the Department of Financial and
8 Professional Regulation.

9 ~~(e)~~ ~~"Director"~~ means ~~the Director of Professional~~
10 ~~Regulation.~~

11 ~~(f)~~ "License", "licensee" and "licensure" refers to the
12 authorization to practice under the provisions of this Act.

13 ~~(g)~~ "Peer review ~~program~~" means a study, appraisal, or
14 review of one or more aspects of a CPA firm's or sole
15 practitioner's compliance with applicable accounting,
16 auditing, and other attestation standards adopted by generally
17 recognized standard-setting bodies ~~the professional work of a~~
18 ~~firm or sole practitioner in the practice of public accounting~~
19 ~~to determine the degree of compliance by the firm or sole~~
20 ~~practitioner with professional standards and practices,~~
21 ~~conducted by persons who hold current licenses to practice~~
22 ~~public accounting under the laws of this or another state and~~
23 ~~who are not affiliated with the firm or sole practitioner being~~
24 ~~reviewed.~~

25 "Principal place of business" means the office location
26 designated by the licensee from which the person directs,

1 controls, and coordinates his or her professional services.

2 ~~(h)~~ "Review committee" means any person or persons
3 conducting, reviewing, administering, or supervising a peer
4 review program.

5 "Secretary" means the Secretary of the Department of
6 Financial and Professional Regulation.

7 ~~(i)~~ "University" means the University of Illinois.

8 ~~(j)~~ "Board" means the Board of Examiners established under
9 Section 2.

10 ~~(k)~~ "Registration", "registrant", and "registered" refer
11 to the authorization to hold oneself out as or use the title
12 "Registered Certified Public Accountant" or "Certified Public
13 Accountant", unless the context otherwise requires.

14 ~~(l)~~ "Peer Review Administrator" means an organization
15 designated by the Department that meets the requirements of
16 subsection (f) of Section 16 of this Act and other rules that
17 the Department may adopt.

18 (Source: P.A. 93-683, eff. 7-2-04; 94-779, eff. 5-19-06.)

19 (225 ILCS 450/1) (from Ch. 111, par. 5501)

20 (Section scheduled to be repealed on January 1, 2014)

21 Sec. 1. No person shall hold himself or herself out to the
22 public in this State in any manner by using the title
23 "Certified Public Accountant", "Licensed Certified Public
24 Accountant", "Registered Certified Public Accountant", "Public
25 Accountant", or use the abbreviation "C.P.A." ~~or~~ "CPA" ~~or~~

1 "LCPA", "RCPA", "PA", or any words or letters to indicate that
2 the person using the same is a licensed CPA or registered CPA
3 ~~certified public accountant,~~ unless he or she has been issued a
4 license or registration by the Department under this Act or is
5 exercising the practice privilege afforded under Section 5.2 of
6 this Act.

7 (Source: P.A. 95-386, eff. 1-1-08.)

8 (225 ILCS 450/2) (from Ch. 111, par. 5502)

9 (Section scheduled to be repealed on January 1, 2014)

10 Sec. 2. Board of Examiners. The Governor shall appoint a
11 Board of Examiners that shall determine the qualifications of
12 persons applying for certificates and shall make rules for and
13 conduct examinations for determining the qualifications.

14 The Board shall consist of 11 examiners, including 2 public
15 members. The remainder shall be certified public accountants in
16 this State who have been residents of this State for at least 5
17 years immediately preceding their appointment, except that one
18 shall be either a certified public accountant of the grade
19 herein described or an attorney licensed and residing in this
20 State and one shall be a certified public accountant who is an
21 active or retired educator residing in this State. The term of
22 office of each examiner shall be 3 years, ~~except that upon the~~
23 ~~enactment of this amendatory Act of the 93rd General Assembly,~~
24 ~~those members currently serving on the Board shall continue to~~
25 ~~serve the duration of their terms, one additional examiner~~

1 ~~shall be appointed for a term of one year, and one additional~~
2 ~~examiner for a term of 2 years.~~ As the term of each examiner
3 expires, the appointment shall be filled for a term of 3 years
4 from the date of expiration. Any Board member who has served as
5 a member for 6 consecutive years shall not be eligible for
6 reappointment until 2 years after the end of the term in which
7 the sixth consecutive year of service occurred, except that
8 members of the Board serving on the effective date of this
9 Section shall be eligible for appointment to one additional
10 3-year term. Where the expiration of any member's term shall
11 result in less than 11 members then serving on the Board, the
12 member shall continue to serve until his or her successor is
13 appointed and has qualified. Except as otherwise provided in
14 this Section, no ~~No~~ Board member shall serve more than 2 full
15 consecutive terms. Anyone appointed to the Board shall be
16 ineligible to be appointed to the Illinois Public Accountants
17 Registration and Licensure Committee appointed by the
18 Secretary ~~Director~~. Appointments to fill vacancies shall be
19 made in the same manner as original appointments for the
20 unexpired portion of the vacated term. The membership of the
21 Board shall reasonably reflect representation from the
22 geographic areas in this State. The members of the Board
23 appointed by the Governor shall receive reasonable
24 compensation for their necessary, legitimate, and authorized
25 expenses in accordance with the Governor's Travel Control Board
26 rules and the Travel Regulation Rules. The Governor may

1 terminate the term of any member of the Board at any time for
2 cause.

3 Information regarding educational requirements, the
4 application process, the examination, and fees shall be
5 available on the Board's Internet web site as well as in
6 printed documents available from the Board's office.

7 The Board shall adopt all necessary and reasonable rules
8 and regulations for the effective administration of this Act.
9 Without limiting the foregoing, the Board shall adopt and
10 prescribe rules and regulations for a fair and impartial method
11 of determining the qualifications of applicants for
12 examination and for a fair and impartial method of examination
13 of persons under Section 2 and may establish rules for subjects
14 conditioned and for the transfer of credits from other
15 jurisdictions with respect to subjects passed.

16 The Board shall make an annual report of its activities to
17 the Governor and the Secretary ~~Director~~. This report shall
18 include a complete operating and financial statement covering
19 its operations during the year, the number of examinations
20 given, the pass/fail ratio for examinations, and any other
21 information deemed appropriate. The Board shall have an audit
22 of its books and accounts every 2 years by the Auditor General.
23 (Source: P.A. 92-457, eff. 7-1-04; 93-629, eff. 12-23-03;
24 93-683, eff. 7-2-04.)

25 (225 ILCS 450/2.05)

1 (Section scheduled to be repealed on January 1, 2014)

2 Sec. 2.05. Public Accountant Registration and Licensure
3 Committee. The Secretary ~~Director~~ shall appoint a Public
4 Accountant Registration and Licensure Committee consisting of
5 7 persons, who shall be appointed by and shall serve in an
6 advisory capacity to the Secretary ~~Director~~. A majority of the
7 ~~Six~~ members must be licensed CPAs ~~public accountants or~~
8 ~~Licensed Certified Public Accountants~~ in good standing and must
9 be actively engaged in the practice of public accounting in
10 this State. The remaining members must include registered CPAs
11 in good standing in this State and one ~~member must be~~ a member
12 of the public who is not licensed or registered under this Act
13 or a similar Act of another jurisdiction and who has no
14 connection with the accounting or public accounting
15 profession. Four members of the Committee shall constitute a
16 quorum. A quorum is required for all Committee decisions.
17 Members shall serve 4-year terms and until their successors are
18 appointed and qualified. No member shall be reappointed to the
19 Committee for more than 2 full consecutive terms. Appointments
20 to fill vacancies shall be made in the same manner as original
21 appointments for the unexpired portion of the vacated term. ~~The~~
22 ~~membership of the Committee shall reasonably reflect~~
23 ~~representation from the geographic areas in this State.~~ The
24 members of the Committee appointed by the Secretary ~~Director~~
25 shall receive reasonable compensation, as determined by the
26 Department, for the necessary, legitimate, and authorized

1 expenses approved by the Department. All expenses shall be paid
2 from the Registered Certified Public Accountants'
3 Administration and Disciplinary Fund. The Secretary ~~Director~~
4 may terminate the appointment of any member for cause. The
5 Secretary ~~Director~~ shall consider the advice and
6 recommendations of the Committee on questions involving
7 standards of professional conduct, discipline, and
8 qualifications of applicants ~~candidates~~ and licensees under
9 this Act.

10 (Source: P.A. 93-683, eff. 7-2-04.)

11 (225 ILCS 450/2.1) (from Ch. 111, par. 5503)

12 (Section scheduled to be repealed on January 1, 2014)

13 Sec. 2.1. Administrative Procedure Act. The Illinois
14 Administrative Procedure Act is hereby expressly adopted and
15 incorporated herein as if all of the provisions of that Act
16 were included in this Act, except that the provision of
17 subsection (d) of Section 10-65 of the Illinois Administrative
18 Procedure Act that provides that at hearings the licensee has
19 the right to show compliance with all lawful requirements for
20 retention, continuation or renewal of the license is
21 specifically excluded. For the purposes of this Act the notice
22 required under Section 10-25 of the Administrative Procedure
23 Act is deemed sufficient when mailed to the licensee's address
24 of record ~~last known address of a party~~.

25 (Source: P.A. 88-45.)

1 (225 ILCS 450/4) (from Ch. 111, par. 5505)

2 (Section scheduled to be repealed on January 1, 2014)

3 Sec. 4. Transitional language.

4 (a) The provisions of this Act shall not be construed to
5 invalidate any certificates as certified public accountants
6 issued by the University under "An Act to regulate the
7 profession of public accountants", approved May 15, 1903, as
8 amended, or any certificates as Certified Public Accountants
9 issued by the University or the Board under Section 4 of "An
10 Act to regulate the practice of public accounting and to repeal
11 certain acts therein named", approved July 22, 1943, as
12 amended, which certificates shall be valid and in force as
13 though issued under the provisions of this Act.

14 (b) Before July 1, 2012, persons who have received a
15 Certified Public Accountant (CPA) Certificate issued by the
16 Board or University ~~of Examiners~~ or holding similar
17 certifications from other jurisdictions with equivalent
18 educational requirements and examination standards may apply
19 to the Department on forms supplied by the Department for and
20 may be granted a registration as a registered CPA ~~Registered~~
21 ~~Certified Public Accountant~~ from the Department upon payment of
22 the required fee.

23 (c) Beginning with the 2006 renewal, the Department shall
24 cease to issue a license as a Public Accountant. Any person
25 holding a valid license as a Public Accountant prior to

1 September 30, 2006 who meets the conditions for renewal of a
2 license under this Act, shall be issued a license as a licensed
3 CPA ~~Licensed Certified Public Accountant~~ under this Act and
4 shall be subject to continued regulation by the Department
5 under this Act. The Department may adopt rules to implement
6 this Section.

7 (d) The Department shall not issue any new registrations as
8 a registered CPA on or ~~Registered Certified Public Accountant~~
9 after July 1, 2012. After that date, any applicant for
10 licensure under this Act shall apply for a license as a
11 licensed CPA ~~Licensed Certified Public Accountant~~ and shall
12 meet the requirements set forth in this Act. Any person ~~issued~~
13 ~~a Certified Public Accountant certificate~~ who has been issued a
14 registration as a registered CPA ~~Registered Certified Public~~
15 ~~Accountant~~ may renew the registration under the provisions of
16 this Act and that person may continue to renew or restore the
17 registration during his or her lifetime, subject only to the
18 renewal or restoration requirements for the registration under
19 this Act. Such registration shall be subject to the
20 disciplinary provisions of this Act.

21 (e) (Blank). ~~On and after October 1, 2006, no person shall~~
22 ~~hold himself or herself out to the public in this State in any~~
23 ~~manner by using the title "certified public accountant" or use~~
24 ~~the abbreviation "C.P.A." or "CPA" or any words or letters to~~
25 ~~indicate that the person using the same is a certified public~~
26 ~~accountant unless he or she maintains a current registration or~~

1 ~~license issued by the Department or is exercising the practice~~
2 ~~privilege afforded under Section 5.2 of this Act. It shall be a~~
3 ~~violation of this Act for an individual to assume or use the~~
4 ~~title "certified public accountant" or use the abbreviation~~
5 ~~"C.P.A." or "CPA" or any words or letters to indicate that the~~
6 ~~person using the same is a certified public accountant in this~~
7 ~~State unless he or she maintains a current registration or~~
8 ~~license issued by the Department or is exercising the practice~~
9 ~~privilege afforded under Section 5.2 of this Act.~~

10 (Source: P.A. 95-386, eff. 1-1-08; 96-945, eff. 6-25-10.)

11 (225 ILCS 450/5.2)

12 (Section scheduled to be repealed on January 1, 2014)

13 Sec. 5.2. Substantial equivalency.

14 (a) An individual whose principal place of business is not
15 in this State shall have all the privileges of a person
16 licensed under this Act as a licensed CPA ~~certified public~~
17 ~~accountant~~ without the need to obtain a license ~~or registration~~
18 from the Department or to file notice with the Department, if
19 the individual:

20 (1) holds a valid license as a certified public
21 accountant issued by another state that the National
22 Qualification Appraisal Service of the National
23 Association of State Boards of Accountancy has verified to
24 be in substantial equivalence with the CPA licensure
25 requirements of the Uniform Accountancy Act of the American

1 Institute of Certified Public Accountants and the National
2 Association of State Boards of Accountancy; or

3 (2) holds a valid license as a certified public
4 accountant issued by another state and obtains from the
5 National Qualification Appraisal Service of the National
6 Association of State Boards of Accountancy verification
7 that the individual's CPA qualifications are substantially
8 equivalent to the CPA licensure requirements of the Uniform
9 Accountancy Act of the American Institute of Certified
10 Public Accountants and the National Association of State
11 Boards of Accountancy; however, any individual who has
12 passed the Uniform CPA Examination and holds a valid
13 license issued by any other state prior to January 1, 2012
14 shall be exempt from the education requirements of Section
15 3 of this Act for the purposes of this item (2).

16 (b) Notwithstanding any other provision of law, an
17 individual who offers or renders professional services under
18 this Section, whether in person or by mail, telephone, or
19 electronic means, shall be granted practice privileges in this
20 State and no notice or other submission must be provided by any
21 such individual.

22 (c) An individual licensee of another state who is
23 exercising the privilege afforded under this Section and the
24 CPA firm that employs such individual, if any, as a condition
25 of the grant of this privilege, hereby simultaneously consents:

26 (1) to the personal and subject matter jurisdiction and

1 disciplinary authority of the Department;

2 (2) to comply with this Act and the Department's rules
3 adopted under this Act;

4 (3) that in the event that the license from the state
5 of the individual's principal place of business is no
6 longer valid, the individual shall cease offering or
7 rendering accountancy activities as outlined in paragraphs
8 (1) and (2) of Section 8.05 ~~professional services~~ in this
9 State individually or on behalf of a CPA firm; and

10 (4) to the appointment of the state board that issued
11 the individual's or the CPA firm's license as the agent
12 upon which process may be served in any action or
13 proceeding by the Department against the individual.

14 (d) An individual licensee who qualifies for practice
15 privileges under this Section who, for any entity headquartered
16 in this State, performs (i) a financial statement audit or
17 other engagement in accordance with Statements on Auditing
18 Standards; (ii) an examination of prospective financial
19 information in accordance with Statements on Standards for
20 Attestation Engagements; or (iii) an engagement in accordance
21 with Public Company Accounting Oversight Board Auditing
22 Standards may only do so through a CPA firm licensed under this
23 Act.

24 (Source: P.A. 95-386, eff. 1-1-08.)

25 (225 ILCS 450/7) (from Ch. 111, par. 5508)

1 (Section scheduled to be repealed on January 1, 2014)

2 Sec. 7. Licensure. A holder of a certificate or
3 registration as a certified public accountant issued by the
4 Board or Department shall not be entitled to practice public
5 accounting, as defined in Section 8, in this State until the
6 person has been licensed as a licensed CPA ~~certified public~~
7 ~~accountant~~ by the Department.

8 ~~The Department may refuse to issue or may suspend the~~
9 ~~license of any person who fails to file a return, or to pay the~~
10 ~~tax, penalty or interest shown in a filed return, or to pay any~~
11 ~~final assessment of tax, penalty or interest, as required by~~
12 ~~any tax Act administered by the Illinois Department of Revenue,~~
13 ~~until such time as the requirements of any such tax Act are~~
14 ~~satisfied.~~

15 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

16 (225 ILCS 450/8) (from Ch. 111, par. 5509)

17 (Section scheduled to be repealed on January 1, 2014)

18 Sec. 8. Practicing as a licensed CPA ~~public accountant or~~
19 ~~licensed certified public accountant~~. Persons, either
20 individually, as members of a partnership or limited liability
21 company, or as officers of a corporation, who sign, affix or
22 associate their names or any trade or assumed names used by
23 them in a profession or business to any report expressing or
24 disclaiming an opinion on a financial statement based on an
25 audit or examination of that statement, or expressing assurance

1 on a financial statement, shall be deemed to be in practice as
2 licensed CPAs and are performing accountancy activities as
3 outlined in paragraph (1) of subsection (a) of Section 8.05
4 ~~licensed public accountants or licensed certified public~~
5 ~~accountants within the meaning and intent of this Act.~~

6 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

7 (225 ILCS 450/8.05 new)

8 Sec. 8.05. Accountancy activities.

9 (a) Accountancy activities are services performed by a CPA,
10 including:

11 (1) signing, affixing, or associating the names used by
12 a person or CPA firm to any report expressing an assurance
13 on a financial statement or disclaiming an opinion on a
14 financial statement based on an audit or examination of
15 that statement or to express assurance on a financial
16 statement;

17 (2) other attestation engagements not otherwise
18 defined in paragraph (1); or

19 (3) offering to perform or performing one or more types
20 of the following services involving the use of professional
21 skills or competencies: accounting, management, financial
22 or consulting services, compilations, internal audit,
23 preparation of tax returns, furnishing advice on tax
24 matters, bookkeeping, or representations of taxpayers;
25 this includes the teaching of any of these areas at the

1 college or university level.

2 (b) If offering or performing accountancy activities using
3 the CPA title set forth in paragraphs (1), (2), and (3) of
4 subsection (a) of this Section, then:

5 (1) the activities identified in paragraph (1) of
6 subsection (a) may only be performed by licensed CPAs;

7 (2) the activities identified in paragraph (2) of
8 subsection (a) may only be performed by licensed or
9 registered CPAs; and

10 (3) the activities identified in paragraph (3) of
11 subsection (a) are not restricted to licensed or registered
12 CPAs, subject to the provisions of Section 9.02 of this
13 Act.

14 (225 ILCS 450/9) (from Ch. 111, par. 5510)

15 (Section scheduled to be repealed on January 1, 2014)

16 Sec. 9. Unlicensed practice; violation; civil penalty.

17 (a) Offering, attempting, or holding oneself out to
18 practice as a licensed CPA or a registered CPA in this State
19 without being licensed or registered under this Act or
20 qualifying for the practice privilege set forth in Section 5.2
21 of this Act is prohibited. ~~No person shall practice in this~~
22 ~~State or hold himself or herself out as being able to practice~~
23 ~~in this State as a licensed certified public accountant, unless~~
24 ~~he or she is licensed in accordance with the provisions of this~~
25 ~~Act or is exercising the practice privilege afforded under~~

1 ~~Section 5.2 of this Act. Any person who is the holder of a~~
2 ~~license as a public accountant heretofore issued, under any~~
3 ~~prior Act licensing or registering public accountants in this~~
4 ~~State, valid on the effective date of this amendatory Act shall~~
5 ~~be deemed to be licensed under this Act shall be subject to the~~
6 ~~same rights and obligations as persons originally licensed~~
7 ~~under this Act.~~

8 (b) The use of the title "certified public accountant",
9 "Licensed Certified Public Accountant", "Registered Certified
10 Public Accountant", "public accountant", or abbreviation
11 "C.P.A." or any similar terms that may be misleading to the
12 public indicating that an individual or the members of a firm
13 are licensed or registered CPAs is prohibited unless (1) the
14 individual or members are holders of an effective unrevoked
15 license or registration or qualify for the practice privilege
16 under Section 5.2 of this Act and (2) the firm is licensed as a
17 CPA firm by the Department and is performing accounting
18 activities as outlined in Section 8.05.

19 (c) In addition to any other penalty provided by law, any
20 individual or person violating subsection (a) or (b) of this
21 Section shall pay a civil penalty to the Department in an
22 amount not to exceed \$10,000 for each offense as determined by
23 the Department. The civil penalty shall be assessed by the
24 Department after a hearing is held in accordance with the
25 provisions set forth in this Act regarding the provision of a
26 hearing for the discipline of a licensee.

1 (d) The Department has the authority and power to
2 investigate any and all alleged improper use of the certified
3 public accountant title or CPA designation and any unlicensed
4 activity.

5 (e) The civil penalty shall be paid within 60 days after
6 the effective date of the order imposing the civil penalty. The
7 order shall constitute a judgment and may be filed and
8 execution had thereon in the same manner as any judgment from
9 any court of record.

10 (Source: P.A. 95-386, eff. 1-1-08.)

11 (225 ILCS 450/9.2) (from Ch. 111, par. 5510.2)

12 (Section scheduled to be repealed on January 1, 2014)

13 Sec. 9.2. Powers and duties of the Department.

14 (a) The Department shall exercise the powers and duties
15 prescribed by "The Civil Administrative Code of Illinois" for
16 the administration of licensing acts and shall exercise such
17 other powers and duties invested by this Act.

18 (b) The Secretary ~~Director~~ may promulgate rules consistent
19 with the provisions of this Act for the administration and
20 enforcement of the provisions of this Act for which the
21 Department is responsible and for the payment of fees connected
22 therewith and may prescribe forms which shall be issued in
23 connection therewith. The rules shall include standards and
24 criteria for licensure and professional conduct and
25 discipline.

1 (c) The Department may solicit the advice and expert
2 knowledge of the Committee or the Board on any matter relating
3 to the administration and enforcement of this Act.

4 The Department may, in its discretion, employ or use the
5 legal services of outside counsel and the investigative
6 services of outside personnel to assist the Department, and the
7 Department is authorized to pay for such services from the
8 Registered Certified Public Accountants' Administration and
9 Disciplinary Fund.

10 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

11 (225 ILCS 450/9.3)

12 (Section scheduled to be repealed on January 1, 2014)

13 Sec. 9.3. Sharing of information. Notwithstanding any
14 other provision of this Act, for the purpose of carrying out
15 their respective duties and responsibilities under this Act and
16 to effectuate the purpose of this Act, both the Board ~~of~~
17 ~~Examiners~~ and the Department ~~of Financial and Professional~~
18 ~~Regulation~~ are authorized and directed to share information
19 with each other regarding those individuals and entities
20 licensed or certified or applying for licensure or
21 certification under this Act.

22 (Source: P.A. 94-779, eff. 5-19-06.)

23 (225 ILCS 450/13) (from Ch. 111, par. 5514)

24 (Section scheduled to be repealed on January 1, 2014)

1 Sec. 13. Application for licensure.

2 (a) A person or CPA firm that wishes to perform accountancy
3 activities, ~~partnership, limited liability company, or~~
4 ~~corporation desiring to practice public accounting~~ in this
5 State, as defined in paragraph (1) of subsection (a) of Section
6 8.05 of this Act, or use the CPA title shall make application
7 to the Department ~~for licensure as a licensed certified public~~
8 ~~accountant~~ and shall pay the fee required by rule.

9 Applicants have 3 years from the date of application to
10 complete the application process. If the process has not been
11 completed in 3 years, the application shall be denied, the fee
12 forfeited and the applicant must reapply and meet the
13 requirements in effect at the time of reapplication.

14 (b) Any CPA firm, ~~whether organized as a partnership,~~
15 ~~limited liability company, corporation, or other entity,~~ that
16 (i) has an office in this State that uses the title "CPA" or
17 "CPA firm"; (ii) has an office in this State that performs
18 accountancy activities ~~public accounting services,~~ as defined
19 in paragraph (1) of subsection (a) of Section 8.05 ~~of~~ of this
20 Act; or (iii) does not have an office in this State, but
21 performs ~~attest~~ services, as set forth in subsection (d) of
22 Section 5.2 of this Act, for a client that is headquartered ~~has~~
23 ~~its home office~~ in this State must hold a license as a CPA firm
24 issued under this Act.

25 (c) A CPA firm that does not have an office in this State
26 may perform a review of a financial statement in accordance

1 with the Statements on Standards for Accounting and Review
2 Services for a client with its headquarters ~~home office~~ in this
3 State and may use the title "CPA" or "CPA firm" without
4 obtaining a license as a CPA firm under this Act, only if the
5 firm (i) performs such services through individuals with
6 practice privileges under Section 5.2 of this Act; (ii)
7 satisfies any peer review requirements in those states in which
8 the individuals with practice privileges under Section 5.2 have
9 their principal place of business; and (iii) meets the
10 qualifications set forth in paragraph (1) of Section 14.4 ~~item~~
11 ~~(2) of subsection (b) of Section 14~~ of this Act.

12 (d) A CPA firm that is not subject to the requirements of
13 subsection (b) or (c) of this Section may perform professional
14 services that are not regulated under subsection (b) or (c) of
15 this Section while using the title "CPA" or "CPA firm" in this
16 State without obtaining a license as a CPA firm under this Act
17 if the firm (i) performs such services through individuals with
18 practice privileges under Section 5.2 of this Act and (ii) may
19 lawfully perform such services in the state where those
20 individuals with practice privileges under Section 5.2 of this
21 Act have their principal place of business.

22 (Source: P.A. 95-386, eff. 1-1-08.)

23 (225 ILCS 450/14) (from Ch. 111, par. 5515)

24 (Section scheduled to be repealed on January 1, 2014)

25 Sec. 14. Qualifications for licensure as a licensed CPA.

1 The Department may license as licensed CPAs individuals meeting
2 the following requirements ~~licensed certified public~~
3 ~~accountants the following:~~

4 (a) All persons who have received certificates as certified
5 public accountants from the Board or who hereafter received
6 ~~receive~~ registrations as registered CPAs ~~certified public~~
7 ~~accountants~~ from the Department who have had at least one year
8 of full-time experience, or its equivalent, providing any type
9 of service or advice involving the use of accounting, audit
10 ~~attest~~, management advisory, financial advisory, tax, ~~or~~
11 consulting skills, or other attestation engagements which may
12 be gained through employment in government, industry,
13 academia, or public practice.

14 (a-5) If the applicant's certificate as a certified public
15 accountant from the Board or the applicant's registration as a
16 registered CPA ~~certified public accountant~~ from the Department
17 was issued more than 4 years prior to the application for a
18 license as a licensed CPA under this Section, the applicant
19 shall submit any evidence the Department may require showing
20 the applicant has completed not less than 90 hours of
21 continuing professional education acceptable to the Department
22 within the 3 years immediately preceding the date of
23 application.

24 (b) (Blank). ~~All partnerships, limited liability~~
25 ~~companies, or corporations, or other entities engaged in the~~
26 ~~practice of public accounting in this State and meeting the~~

1 ~~following requirements:~~

2 ~~(1) (Blank).~~

3 ~~(2) A majority of the ownership of the firm, in terms~~
4 ~~of financial interests and voting rights of all partners,~~
5 ~~officers, shareholders, members, or managers, belongs to~~
6 ~~persons licensed in some state, and the partners, officers,~~
7 ~~shareholders, members, or managers whose principal place~~
8 ~~of business is in this State and who practice public~~
9 ~~accounting in this State, as defined in Section 8 of this~~
10 ~~Act, hold a valid license issued by this State. An~~
11 ~~individual exercising the practice privilege afforded~~
12 ~~under Section 5.2 who performs services for which a firm~~
13 ~~license is required under subsection (d) of Section 5.2~~
14 ~~shall not be required to obtain an individual license under~~
15 ~~this Act.~~

16 ~~(3) It shall be lawful for a nonprofit cooperative~~
17 ~~association engaged in rendering an auditing and~~
18 ~~accounting service to its members only, to continue to~~
19 ~~render that service provided that the rendering of auditing~~
20 ~~and accounting service by the cooperative association~~
21 ~~shall at all times be under the control and supervision of~~
22 ~~licensed certified public accountants.~~

23 ~~(4) The Department may adopt rules and regulations as~~
24 ~~necessary to provide for the practice of public accounting~~
25 ~~by business entities that may be otherwise authorized by~~
26 ~~law to conduct business in Illinois.~~

1 (Source: P.A. 95-386, eff. 1-1-08.)

2 (225 ILCS 450/14.1)

3 (Section scheduled to be repealed on January 1, 2014)

4 Sec. 14.1. Foreign accountants. The Department may ~~shall~~
5 issue a license as a licensed CPA to a holder of a foreign
6 designation, granted in a foreign country ~~entitling the holder~~
7 ~~thereof to engage in the practice of public accounting,~~
8 provided that:

9 (a) the applicant is the holder of a certificate as a
10 certified public accountant from the Board or a
11 registration as a registered CPA ~~certified public~~
12 ~~accountant~~ from the Department issued under this Act;

13 (b) (Blank) ~~the foreign authority that granted the~~
14 ~~designation makes similar provision to allow a person who~~
15 ~~holds a valid license issued by this State to obtain a~~
16 ~~foreign authority's comparable designation;~~

17 (c) the foreign designation (i) was duly issued by a
18 foreign authority that regulates the practice of public
19 accounting and the foreign designation has not expired or
20 been revoked or suspended; (ii) entitles the holder to
21 issue reports upon financial statements; and (iii) was
22 issued upon the basis of educational, examination, and
23 experience requirements established by the foreign
24 authority or by law; and

25 (d) the applicant (i) received the designation based on

1 standards substantially equivalent to those in effect in
2 this State at the time the foreign designation was granted;
3 and (ii) completed an experience requirement,
4 substantially equivalent to the requirement set out in
5 Section 14, in the jurisdiction that granted the foreign
6 designation ~~or has completed 5 years of experience in the~~
7 ~~practice of public accounting in this State,~~ or meets
8 equivalent requirements prescribed by the Department by
9 rule, within the 10 years immediately preceding the
10 application.

11 Applicants have 3 years from the date of application to
12 complete the application process. If the process has not been
13 completed in 3 years, the application shall be denied, the fee
14 shall be forfeited, and the applicant must reapply and meet the
15 requirements in effect at the time of reapplication.

16 (Source: P.A. 95-331, eff. 8-21-07.)

17 (225 ILCS 450/14.2)

18 (Section scheduled to be repealed on January 1, 2014)

19 Sec. 14.2. Licensure by endorsement.

20 (a) The Department shall issue a license as a licensed CPA
21 ~~certified public accountant~~ to any applicant who holds a
22 current, valid, and unrevoked license ~~certificate~~ as a
23 certified public accountant issued from another state ~~by the~~
24 ~~Board of Examiners or similar certification from another~~
25 ~~jurisdiction~~ with equivalent educational requirements and

1 examination standards, applies to the Department on forms
2 supplied by the Department, and pays the required fee,
3 provided:

4 (1) the individual applicant is determined by the
5 Department to possess qualifications substantially
6 equivalent to this State's current licensing requirements;

7 (2) at the time the applicant received his or her
8 ~~current valid and unrevoked license or permit~~, the
9 applicant possessed qualifications substantially
10 equivalent to the qualifications for licensure then in
11 effect in this State; or

12 (3) the applicant has, after passing the examination
13 upon which his or her license ~~or other permit~~ to practice
14 was based, not less than 4 years of experience as outlined
15 in Section 14 of this Act ~~in the practice of public~~
16 ~~accounting~~ within the 10 years immediately before the
17 application.

18 (b) In determining the substantial equivalency of any
19 state's requirements to Illinois' requirements, the Department
20 may rely on the determinations of the National Qualification
21 Appraisal Service of the National Association of State Boards
22 of Accountancy or such other qualification appraisal service as
23 it deems appropriate.

24 (c) Applicants have 3 years from the date of application to
25 complete the application process. If the process has not been
26 completed in 3 years, the application shall be denied, the fee

1 shall be forfeited, and the applicant must reapply and meet the
2 requirements in effect at the time of reapplication.

3 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

4 (225 ILCS 450/14.4 new)

5 Sec. 14.4. Qualifications for licensure as a CPA firm. The
6 Department may license as licensed CPA firms individuals or
7 entities meeting the following requirements:

8 (1) A majority of the ownership of the firm, in terms
9 of financial interests and voting rights of all partners,
10 officers, shareholders, members, or belongs to persons
11 licensed or registered in some state. All partners,
12 officers, shareholders, or members, whose principal place
13 of business is in this State and who have overall
14 responsibility for accountancy activities in this State,
15 as defined in paragraph (1) of subsection (a) of Section
16 8.05 of this Act, must hold a valid license as a licensed
17 CPA issued by this State. An individual exercising the
18 practice privilege afforded under Section 5.2 who performs
19 services for which a firm license is required under
20 subsection (d) of Section 5.2 shall not be required to
21 obtain an individual license under this Act.

22 (2) All owners of the CPA firm, whether licensed as a
23 licensed CPA or not, shall be active participants in the
24 CPA firm or its affiliated entities and shall comply with
25 the rules adopted under this Act.

1 (3) It shall be lawful for a nonprofit cooperative
2 association engaged in rendering an auditing and
3 accounting service to its members only to continue to
4 render that service provided that the rendering of auditing
5 and accounting service by the cooperative association
6 shall at all times be under the control and supervision of
7 licensed CPAs.

8 (4) An individual who supervises services for which a
9 license is required under paragraph (1) of subsection (a)
10 of Section 8.05 of this Act, who signs or authorizes
11 another to sign any report for which a license is required
12 under paragraph (1) of subsection (a) of Section 8.05 of
13 this Act, or who supervises services for which a CPA firm
14 license is required under subsection (d) of Section 5.2 of
15 this Act shall hold a valid, active licensed CPA license
16 from this State or another state considered to be
17 substantially equivalent under paragraph (1) of subsection
18 (a) of Section 5.2.

19 (5) The CPA firm shall designate to the Department in
20 writing an individual licensed as a licensed CPA under this
21 Act or, in the case of a firm that must have a CPA firm
22 license pursuant to subsection (b) of Section 13 of this
23 Act, a licensee of another state who meets the requirements
24 set out in paragraph (1) or (2) of subsection (a) of
25 Section 5.2 of this Act, who shall be responsible for the
26 proper licensure of the CPA firm.

1 (225 ILCS 450/16) (from Ch. 111, par. 5517)

2 (Section scheduled to be repealed on January 1, 2014)

3 Sec. 16. Expiration and renewal of licenses; renewal of
4 registration; continuing education.

5 (a) The expiration date and renewal period for each license
6 or registration issued under this Act shall be set by rule.

7 (b) Every holder of a license or registration under this
8 Act may renew such license or registration before the
9 expiration date upon payment of the required renewal fee as set
10 by rule.

11 (c) Every application for renewal of a license by a
12 licensed CPA ~~certified public accountant~~ who has been licensed
13 under this Act for 3 years or more shall be accompanied or
14 supported by any evidence the Department shall prescribe, in
15 satisfaction of completing, each 3 years, not less than 120
16 hours of continuing professional education as prescribed by
17 Department rules ~~programs in subjects given by continuing~~
18 ~~education sponsors registered by the Department upon~~
19 ~~recommendation of the Committee~~. Of the 120 hours, not less
20 than 4 hours shall be courses covering the subject of
21 professional ethics. All continuing education sponsors
22 applying to the Department for registration shall be required
23 to submit an initial nonrefundable application fee set by
24 Department rule. Each registered continuing education sponsor
25 shall be required to pay an annual renewal fee set by

1 Department rule. Publicly supported colleges, universities,
2 and governmental agencies located in Illinois are exempt from
3 payment of any fees required for continuing education sponsor
4 registration. Failure by a continuing education sponsor to be
5 licensed or pay the fees prescribed in this Act, or to comply
6 with the rules and regulations established by the Department
7 under this Section regarding requirements for continuing
8 education courses or sponsors, shall constitute grounds for
9 revocation or denial of renewal of the sponsor's registration.

10 (d) Licensed CPAs ~~Certified Public Accountants~~ are exempt
11 from the continuing professional education requirement for the
12 first renewal period following the original issuance of the
13 license.

14 ~~Notwithstanding the provisions of subsection (c), the~~
15 ~~Department may accept courses and sponsors approved by other~~
16 ~~states, by the American Institute of Certified Public~~
17 ~~Accountants, by other state CPA societies, or by national~~
18 ~~accrediting organizations such as the National Association of~~
19 ~~State Boards of Accountancy.~~

20 Failure by an applicant for renewal of a license as a
21 licensed CPA ~~certified public accountant~~ to furnish the
22 evidence shall constitute grounds for disciplinary action,
23 unless the Department in its discretion shall determine the
24 failure to have been due to reasonable cause. The Department,
25 in its discretion, may renew a license despite failure to
26 furnish evidence of satisfaction of requirements of continuing

1 education upon condition that the applicant follow a particular
2 program or schedule of continuing education. In issuing rules
3 and individual orders in respect of requirements of continuing
4 education, the Department in its discretion may, among other
5 things, use and rely upon guidelines and pronouncements of
6 recognized educational and professional associations; may
7 prescribe rules for the content, duration, and organization of
8 courses; shall take into account the accessibility to
9 applicants of such continuing education as it may require, and
10 any impediments to interstate practice of public accounting
11 that may result from differences in requirements in other
12 states; and may provide for relaxation or suspension of
13 requirements in regard to applicants who certify that they do
14 not intend to engage in the performance of accountancy
15 activities ~~practice of public accounting~~, and for instances of
16 individual hardship.

17 The Department shall establish by rule a means for the
18 verification of completion of the continuing education
19 required by this Section. This verification may be accomplished
20 through audits of records maintained by licensees; by requiring
21 the filing of continuing education certificates with the
22 Department; or by other means established by the Department.

23 The Department may establish, by rule, guidelines for
24 acceptance of continuing education on behalf of licensed CPAs
25 ~~certified public accountants~~ taking continuing education
26 courses in other jurisdictions.

1 (e) For renewals on and after July 1, 2012, as a condition
2 for granting a renewal license to CPA firms and sole
3 practitioners who perform accountancy activities outlined in
4 paragraph (1) of subsection (a) of Section 8.05 ~~provide~~
5 ~~services requiring a license~~ under this Act, the Department
6 shall require that the CPA firm or sole practitioner
7 satisfactorily complete a peer review during the immediately
8 preceding 3-year period, accepted by a Peer Review
9 Administrator in accordance with established standards for
10 performing and reporting on peer reviews, unless the CPA firm
11 or sole practitioner is exempted under the provisions of
12 subsection (i) of this Section. A CPA firm or sole practitioner
13 shall, at the request of the Department, submit to the
14 Department a letter from the Peer Review Administrator stating
15 the date on which the peer review was satisfactorily completed.

16 A new CPA firm or sole practitioner ~~not subject to~~
17 ~~subsection (1) of this Section~~ shall not be required to comply
18 with the peer review requirements for the first license
19 renewal. A CPA firm or sole practitioner shall undergo its
20 first peer review during the first full renewal cycle after it
21 is granted its initial license.

22 The requirements of this subsection (e) shall not apply to
23 any person providing services requiring a license under this
24 Act to the extent that such services are provided in the
25 capacity of an employee of the Office of the Auditor General or
26 to a nonprofit cooperative association engaged in the rendering

1 of licensed service to its members only under paragraph (3) of
2 Section 14.4 ~~subsection (b) of Section 14~~ of this Act or any of
3 its employees to the extent that such services are provided in
4 the capacity of an employee of the association.

5 (f) The Department shall approve only Peer Review
6 Administrators that the Department finds comply with
7 established standards for performing and reporting on peer
8 reviews. The Department may adopt rules establishing
9 guidelines for peer reviews, which shall do all of the
10 following:

11 (1) Require that a peer review be conducted by a
12 reviewer that is independent of the CPA firm reviewed and
13 approved by the Peer Review Administrator under
14 established standards.

15 (2) Other than in the peer review process, prohibit the
16 use or public disclosure of information obtained by the
17 reviewer, the Peer Review Administrator, or the Department
18 during or in connection with the peer review process. The
19 requirement that information not be publicly disclosed
20 shall not apply to a hearing before the Department that the
21 CPA firm or sole practitioner requests be public or to the
22 information described in paragraph (3) of subsection (i) of
23 this Section.

24 (g) If a CPA firm or sole practitioner fails to
25 satisfactorily complete a peer review as required by subsection
26 (e) of this Section or does not comply with any remedial

1 actions determined necessary by the Peer Review Administrator,
2 the Peer Review Administrator shall notify the Department of
3 the failure and shall submit a record with specific references
4 to the rule, statutory provision, professional standards, or
5 other applicable authority upon which the Peer Review
6 Administrator made its determination and the specific actions
7 taken or failed to be taken by the licensee that in the opinion
8 of the Peer Review Administrator constitutes a failure to
9 comply. The Department may at its discretion or shall upon
10 submission of a written application by the CPA firm or sole
11 practitioner hold a hearing under Section 20.1 of this Act to
12 determine whether the CPA firm or sole practitioner has
13 complied with subsection (e) of this Section. The hearing shall
14 be confidential and shall not be open to the public unless
15 requested by the CPA firm or sole practitioner.

16 (h) The CPA firm or sole practitioner reviewed shall pay
17 for any peer review performed. The Peer Review Administrator
18 may charge a fee to each firm and sole practitioner sufficient
19 to cover costs of administering the peer review program.

20 (i) A CPA firm or sole practitioner shall not be required
21 to comply with the peer review requirements ~~be exempt from the~~
22 ~~requirement to undergo a peer review~~ if:

23 (1) Within 3 years before the date of application for
24 renewal licensure, the sole practitioner or CPA firm has
25 undergone a peer review conducted in another state or
26 foreign jurisdiction that meets the requirements of

1 paragraphs (1) and (2) of subsection (f) of this Section.
2 The sole practitioner or CPA firm shall, at the request of
3 the Department, submit to the Department a letter from the
4 organization administering the most recent peer review
5 stating the date on which the peer review was completed; or

6 (2) Within 2 years before the date of application for
7 renewal licensure, the ~~The~~ sole practitioner or CPA firm
8 satisfies all of the following conditions:

9 (A) has not accepted or performed any accountancy
10 activities outlined in paragraph (1) of subsection (a)
11 of Section 8.05 of this Act; and ~~during the preceding 2~~
12 ~~years, the firm or sole practitioner has not accepted~~
13 ~~or performed any services requiring a license under~~
14 ~~this Act;~~

15 (B) the firm or sole practitioner agrees to notify
16 the Peer Review Administrator ~~Department~~ within 30
17 days of accepting an engagement for services requiring
18 a license under this Act and to undergo a peer review
19 within 18 months after the end of the period covered by
20 the engagement; or

21 (3) For reasons of personal health, military service,
22 or other good cause, the Department determines that the
23 sole practitioner or firm is entitled to an exemption,
24 which may be granted for a period of time not to exceed 12
25 months.

26 (j) If a peer review report indicates that a CPA firm or

1 sole practitioner complies with the appropriate professional
2 standards and practices set forth in the rules of the
3 Department and no further remedial action is required, the Peer
4 Review Administrator shall, after issuance of the final letter
5 of acceptance, destroy all working papers and documents related
6 to the peer review, other than report-related documents and
7 documents evidencing completion of remedial actions, if any, in
8 accordance with rules established by the Department.

9 (k) (Blank).

10 (Source: P.A. 96-945, eff. 6-25-10.)

11 (225 ILCS 450/17) (from Ch. 111, par. 5518)

12 (Section scheduled to be repealed on January 1, 2014)

13 Sec. 17. Fees; returned checks; fines. The fees for the
14 administration and enforcement of this Act, including, but not
15 limited to, original licensure, registration, renewal, and
16 restoration fees, shall be set by the Department by rule. The
17 fees shall be nonrefundable. Each person, partnership, limited
18 liability company, and corporation, to which a license or
19 registration is issued, shall pay a fee to be established by
20 the Department which allows the Department to pay all costs and
21 expenses incident to the administration of this Act. Interim
22 licenses shall be at full rates.

23 ~~The Department, by rule, shall establish fees to be paid~~
24 ~~for certification of records, and copies of this Act and the~~
25 ~~rules issued for administration of this Act.~~

1 Any person who delivers a check or other payment to the
2 Department that is returned to the Department unpaid by the
3 financial institution upon which it is drawn shall pay to the
4 Department, in addition to the amount already owed to the
5 Department, a fine of \$50. The fines imposed by this Section
6 are in addition to any other discipline provided under this Act
7 for unlicensed practice or practice on a nonrenewed license or
8 registration. The Department shall notify the person that
9 payment of fees and fines shall be paid to the Department by
10 certified check or money order within 30 calendar days of the
11 notification. If, after the expiration of 30 days from the date
12 of the notification, the person has failed to submit the
13 necessary remittance, the Department shall automatically
14 terminate the license or registration or deny the application,
15 without hearing. If, after termination or denial, the person
16 seeks a license or registration, he or she shall apply to the
17 Department for restoration or issuance of the license or
18 registration and pay all fees and fines due to the Department.
19 The Department may establish a fee for the processing of an
20 application for restoration of a license or registration to pay
21 all expenses of processing this application. The Department may
22 waive the fines due under this Section in individual cases
23 where the Department finds that the fines would be unreasonable
24 or unnecessarily burdensome.

25 (Source: P.A. 92-146, eff. 1-1-02; 92-457, eff. 7-1-04; 92-651,
26 eff. 7-11-02; 93-683, eff. 7-2-04.)

1 (225 ILCS 450/17.1) (from Ch. 111, par. 5518.1)

2 (Section scheduled to be repealed on January 1, 2014)

3 Sec. 17.1. Restoration.

4 (a) Any registered CPA ~~certified public accountant~~ who has
5 permitted his or her registration to expire or who has had his
6 or her registration on inactive status may have his or her
7 registration restored by making application to the Department
8 and filing proof acceptable to the Department as defined by
9 rule of his or her fitness to have his or her registration
10 restored, which may include sworn evidence certifying to active
11 practice in another jurisdiction satisfactory to the
12 Department and by paying the required restoration fee.

13 (b) Any licensed CPA ~~certified public accountant~~ who has
14 permitted his or her license to expire or who has had his or
15 her license on inactive status may have his or her license
16 restored by making application to the Department and filing
17 proof acceptable to the Department as defined by rule of his or
18 her fitness to have his or her license restored, including
19 sworn evidence certifying to active practice in another
20 jurisdiction satisfactory to the Department and by paying the
21 required restoration fee and by submitting proof of the
22 required continuing education.

23 (c) If the licensed CPA ~~certified public accountant~~ or
24 registered CPA ~~certified public accountant~~ has not maintained
25 an active practice in another jurisdiction satisfactory to the

1 Department, the Department shall determine, by an evaluation
2 program established by rule, fitness to resume active status
3 and may require the applicant to complete a period of
4 supervised experience.

5 Any licensed CPA ~~However, any licensed certified public~~
6 ~~accountant~~ or registered CPA ~~certified public accountant~~ whose
7 license or registration expired while he or she was (1) in
8 Federal Service on active duty with the Armed Forces of the
9 United States, or the State Militia called into service or
10 training, or (2) in training or education under the supervision
11 of the United States preliminary to induction into the military
12 service, may have his or her license or registration renewed
13 reinstated or restored without paying any lapsed renewal and
14 restoration fees if within 2 years after honorable termination
15 of such service, training or education except under conditions
16 other than honorable, he or she furnished the Department with
17 satisfactory evidence to the effect that he or she has been so
18 engaged and that his or her service, training, or education has
19 been so terminated.

20 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

21 (225 ILCS 450/17.2) (from Ch. 111, par. 5518.2)

22 (Section scheduled to be repealed on January 1, 2014)

23 Sec. 17.2. Inactive status.

24 (a) Any licensed or registered CPA with an active,
25 unencumbered license or registration ~~licensed certified public~~

1 ~~accountant or Registered Certified Public Accountant~~ who
2 notifies the Department in writing on forms prescribed by the
3 Department, may elect to place his or her license or
4 registration on an inactive status and shall, subject to rules
5 of the Department, be excused from payment of renewal fees and
6 completion of continuing education hours until he or she
7 notifies the Department in writing of his or her desire to
8 resume active status.

9 (b) Any licensed CPA ~~licensed certified public accountant~~
10 requesting restoration from inactive status shall be required
11 to pay the current renewal fee, shall be required to submit
12 proof of the required continuing education, and shall be
13 required to comply with any requirements established by rule
14 ~~restore his license, as provided in this Act.~~

15 (c) Any registered CPA ~~Registered Certified Public~~
16 ~~Accountant~~ requesting restoration from inactive status shall
17 be required to pay the current renewal fee and shall be
18 required to comply with any requirements established by rule.

19 (d) Any licensed CPA or registered CPA ~~licensed certified~~
20 ~~public accountant~~ whose license is in an inactive status shall
21 not perform accountancy activities outlined in Section 8.05 of
22 this Act ~~practice public accounting in this State of Illinois.~~

23 (e) Any licensed CPA or registered CPA ~~Registered Certified~~
24 ~~Public Accountant~~ whose license or registration is in an
25 inactive status shall not in any manner hold himself or herself
26 out to the public as a CPA, except in accordance with

1 subsection (f) of this Section C.P.A. or R.C.P.A.

2 (f) Any licensed CPA whose license is in inactive status
3 may use the title "CPA (inactive)" if:

4 (1) he or she is not performing accountancy activities
5 outlined in Section 8.05; or

6 (2) he or she is performing governance functions on a
7 non-profit volunteer board using his or her accountancy
8 skills and competencies and complies with the following
9 requirements:

10 (A) he or she discloses to the non-profit volunteer
11 board and respective committees that his or her license
12 is on inactive status; and

13 (B) he or she is not serving as an audit committee
14 financial expert as defined in Section 407 of the
15 federal Sarbanes-Oxley Act of 2002.

16 ~~The Department may, in its discretion, license as a~~
17 ~~licensed certified public accountant, on payment of the~~
18 ~~required fee, an applicant who is a licensed certified public~~
19 ~~accountant licensed under the laws of another jurisdiction if~~
20 ~~the requirements for licensure of licensed certified public~~
21 ~~accountants in the jurisdiction in which the applicant was~~
22 ~~licensed were, at the date of his licensure, substantially~~
23 ~~equivalent to the requirements in force in this State on that~~
24 ~~date.~~

25 ~~Applicants have 3 years from the date of application to~~
26 ~~complete the application process. If the process has not been~~

1 ~~completed in 3 years, the application shall be denied, the fee~~
2 ~~forfeited and the applicant must reapply and meet the~~
3 ~~requirements in effect at the time of reapplication.~~

4 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

5 (225 ILCS 450/17.3 new)

6 Sec. 17.3. Restoration of license from discipline. At any
7 time after the successful completion of a term of indefinite
8 probation, suspension, or revocation of a license or
9 registration, the Department may restore the license or
10 registration to active status, unless, after an investigation
11 and a hearing, the Secretary determines that restoration is not
12 in the public interest. No person or entity whose license,
13 certificate, or authority has been revoked as authorized in
14 this Act may apply for restoration of that license,
15 certification, or authority until such time as provided for in
16 the Civil Administrative Code of Illinois.

17 (225 ILCS 450/20.01) (from Ch. 111, par. 5521.01)

18 (Section scheduled to be repealed on January 1, 2014)

19 Sec. 20.01. Grounds for discipline; license or
20 registration.

21 (a) The Department may refuse to issue or renew, or may
22 revoke, suspend, or reprimand any registration or registrant,
23 any license or licensee, place a licensee or registrant on
24 probation for a period of time subject to any conditions the

1 Department may specify including requiring the licensee or
2 registrant to attend continuing education courses or to work
3 under the supervision of another licensee or registrant, impose
4 a fine not to exceed \$10,000 ~~\$5,000~~ for each violation,
5 restrict the authorized scope of practice, ~~or~~ require a
6 licensee or registrant to undergo a peer review program, assess
7 costs as provided for under Section 20.4, or take other
8 disciplinary or non-disciplinary action for any one or more of
9 the following:

10 (1) Violation of any provision of this Act or rule
11 adopted by the Department under this Act or violation of
12 professional standards.

13 (2) Dishonesty, fraud, or deceit in obtaining,
14 reinstating, or restoring a license or registration
15 ~~Attempting to procure a license or registration to practice~~
16 ~~under this Act by bribery or fraudulent~~
17 ~~misrepresentations.~~

18 (3) Cancellation, revocation, suspension, denial of
19 licensure or registration, or refusal to renew a license or
20 privileges under Section 5.2 for disciplinary reasons in
21 any other U.S. jurisdiction, unit of government, or
22 government agency for any cause ~~Having a license to~~
23 ~~practice public accounting or registration revoked,~~
24 ~~suspended, or otherwise acted against, including the~~
25 ~~denial of licensure or registration, by the licensing or~~
26 ~~registering authority of another state, territory, or~~

1 ~~country, including but not limited to the District of~~
2 ~~Columbia, or any United States territory. No disciplinary~~
3 ~~action shall be taken in Illinois if the action taken in~~
4 ~~another jurisdiction was based upon failure to meet the~~
5 ~~continuing professional education requirements of that~~
6 ~~jurisdiction and the applicable Illinois continuing~~
7 ~~professional education requirements are met.~~

8 (4) Failure, on the part of a licensee under Section 13
9 or registrant under Section 16, to maintain compliance with
10 the requirements for issuance or renewal of a license or
11 registration or to report changes to the Department ~~Being~~
12 ~~convicted or found guilty, regardless of adjudication, of a~~
13 ~~crime in any jurisdiction which directly relates to the~~
14 ~~practice of public accounting or the ability to practice~~
15 ~~public accounting or as a Registered Certified Public~~
16 ~~Accountant.~~

17 (5) Revocation or suspension of the right to practice
18 by or before any state or federal regulatory authority or
19 by the Public Company Accounting Oversight Board ~~Making or~~
20 ~~filing a report or record which the registrant or licensee~~
21 ~~knows to be false, willfully failing to file a report or~~
22 ~~record required by state or federal law, willfully impeding~~
23 ~~or obstructing the filing, or inducing another person to~~
24 ~~impede or obstruct the filing. The reports or records shall~~
25 ~~include only those that are signed in the capacity of a~~
26 ~~licensed certified public accountant or a registered~~

1 ~~certified public accountant.~~

2 (6) Dishonesty, fraud, deceit, or gross negligence in
3 the performance of services as a licensee or registrant or
4 individual granted privileges under Section 5.2 ~~Conviction~~
5 ~~in this or another State or the District of Columbia, or~~
6 ~~any United States Territory, of any crime that is~~
7 ~~punishable by one year or more in prison or conviction of a~~
8 ~~crime in a federal court that is punishable by one year or~~
9 ~~more in prison.~~

10 (7) Conviction by plea of guilty or nolo contendere,
11 finding of guilt, jury verdict, or entry of judgment or
12 sentencing, including, but not limited to, convictions,
13 preceding sentences of supervision, conditional discharge,
14 or first offender probation, under the laws of any
15 jurisdiction of the United States that is (i) a felony or
16 (ii) a misdemeanor, an essential element of which is
17 dishonesty, or that is directly related to the practice of
18 public accounting ~~Proof that the licensee or registrant is~~
19 ~~guilty of fraud or deceit, or of gross negligence,~~
20 ~~incompetency, or misconduct, in the practice of public~~
21 ~~accounting.~~

22 (8) Performance of any fraudulent act while holding a
23 license or privilege issued under this Act or prior law
24 ~~Violation of any rule adopted under this Act.~~

25 (9) Practicing on a revoked, suspended, or inactive
26 license or registration.

1 (10) Making or filing a report or record that the
2 registrant or licensee knows to be false, willfully failing
3 to file a report or record required by State or federal
4 law, willfully impeding or obstructing the filing or
5 inducing another person to impede or obstruct only those
6 that are signed in the capacity of a licensed CPA or a
7 registered CPA ~~Suspension or revocation of the right to~~
8 ~~practice before any state or federal agency.~~

9 ~~(11) Conviction of any crime under the laws of the~~
10 ~~United States or any state or territory of the United~~
11 ~~States that is a felony or misdemeanor and has dishonesty~~
12 ~~as an essential element, or of any crime that is directly~~
13 ~~related to the practice of the profession.~~

14 ~~(12) Making any misrepresentation for the purpose of~~
15 ~~obtaining a license, or registration or material~~
16 ~~misstatement in furnishing information to the Department.~~

17 (11) ~~(13)~~ Aiding or assisting another person in
18 violating any provision of this Act or rules promulgated
19 hereunder.

20 (12) ~~(14)~~ Engaging in dishonorable, unethical, or
21 unprofessional conduct of a character likely to deceive,
22 defraud, or harm the public.

23 (13) ~~(15)~~ Habitual or excessive use or abuse of drugs,
24 ~~addiction to~~ alcohol, narcotics, stimulants, or any other
25 substance ~~chemical agent or drug~~ that results in the
26 inability to practice with reasonable skill, judgment, or

1 safety.

2 (14) ~~(16)~~ Directly or indirectly giving to or receiving
3 from any person, firm, corporation, partnership, or
4 association any fee, commission, rebate, or other form of
5 compensation for any professional service not actually
6 rendered.

7 (15) ~~(17)~~ Physical illness ~~or mental disability~~,
8 including, but not limited to, deterioration through the
9 aging process or loss of motor skill ~~abilities and skills~~
10 that results in the licensee or registrant's inability to
11 practice under this Act ~~the profession~~ with reasonable
12 judgment, skill, or safety.

13 (16) ~~(18)~~ Solicitation of professional services by
14 using false or misleading advertising.

15 (17) Any conduct reflecting adversely upon the
16 licensee's fitness to perform services while a licensee or
17 individual granted privileges under Section 5.2 ~~(19)~~
18 ~~Failure to file a return, or pay the tax, penalty or~~
19 ~~interest shown in a filed return, or to pay any final~~
20 ~~assessment of tax, penalty or interest, as required by any~~
21 ~~tax Act administered by the Illinois Department of Revenue~~
22 ~~or any successor agency or the Internal Revenue Service or~~
23 ~~any successor agency.~~

24 (18) ~~(20)~~ Practicing or attempting to practice under a
25 name other than the full name as shown on the license or
26 registration or any other legally authorized name.

1 (19) ~~(21)~~ A finding by the Department that a licensee
2 or registrant has not complied with a provision of any
3 lawful order issued by the Department.

4 (20) ~~(22)~~ Making a false statement to the Department
5 regarding compliance with continuing professional
6 education or peer review requirements.

7 (21) ~~(23)~~ Failing to make a substantive response to a
8 request for information by the Department within 30 days of
9 the request.

10 (b) (Blank).

11 (b-5) All fines or costs imposed under this Section shall
12 be paid within 60 days after the effective date of the order
13 imposing the fine or costs or in accordance with the terms set
14 forth in the order imposing the fine or cost.

15 (c) In cases where the Department of Healthcare and Family
16 Services has previously determined a licensee or a potential
17 licensee is more than 30 days delinquent in the payment of
18 child support and has subsequently certified the delinquency to
19 the Department, the Department may refuse to issue or renew or
20 may revoke or suspend that person's license or may take other
21 disciplinary or non-disciplinary action against that person
22 based solely upon the certification of delinquency made by the
23 Department of Healthcare and Family Services in accordance with
24 item (5) of subsection (a) of Section 2105-15 of the Department
25 of Professional Regulation Law of the Civil Administrative Code
26 of Illinois. In rendering an order, the Department shall take

1 ~~into consideration the facts and circumstances involving the~~
2 ~~type of acts or omissions in subsection (a) including, but not~~
3 ~~limited to:~~

4 ~~(1) the extent to which public confidence in the public~~
5 ~~accounting profession was, might have been, or may be~~
6 ~~injured;~~

7 ~~(2) the degree of trust and dependence among the~~
8 ~~involved parties;~~

9 ~~(3) the character and degree of financial or economic~~
10 ~~harm which did or might have resulted; and~~

11 ~~(4) the intent or mental state of the person charged at~~
12 ~~the time of the acts or omissions.~~

13 (d) The Department may refuse to issue or may suspend
14 without hearing, as provided for in the Code of Civil
15 Procedure, the license or registration of any person who fails
16 to file a return, to pay a tax, penalty, or interest shown in a
17 filed return, or to pay any final assessment of tax, penalty,
18 or interest, as required by any tax Act administered by the
19 Illinois Department of Revenue, until such time as the
20 requirements of any such tax Act are satisfied in accordance
21 with subsection (g) of Section 2105-15 of the Department of
22 Professional Regulation Law of the Civil Administrative Code of
23 Illinois ~~The Department shall reissue the license or~~
24 ~~registration upon a showing that the disciplined licensee or~~
25 ~~registrant has complied with all of the terms and conditions~~
26 ~~set forth in the final order.~~

1 (e) The Department shall deny any application for a
2 license, registration, or renewal, without hearing, to any
3 person who has defaulted on an educational loan guaranteed by
4 the Illinois Student Assistance Commission; however, the
5 Department may issue a license, registration, or renewal if the
6 person in default has established a satisfactory repayment
7 record as determined by the Illinois Student Assistance
8 Commission.

9 (f) The determination by a court that a licensee or
10 registrant is subject to involuntary admission or judicial
11 admission as provided in the Mental Health and Developmental
12 Disabilities Code will result in the automatic suspension of
13 his or her license or registration. The licensee or registrant
14 shall be responsible for notifying the Department of the
15 determination by the court that the licensee or registrant is
16 subject to involuntary admission or judicial admission as
17 provided in the Mental Health and Developmental Disabilities
18 Code. The suspension shall end only upon a finding by a court
19 that the patient is no longer subject to involuntary admission
20 or judicial admission, the issuance of an order so finding and
21 discharging the patient, and the filing of a petition for
22 restoration demonstrating fitness to practice ~~The licensee or~~
23 ~~registrant shall also notify the Department upon discharge so~~
24 ~~that a determination may be made under item (17) of subsection~~
25 ~~(a) whether the licensee or registrant may resume practice.~~

26 (g) In enforcing this Section, the Department, upon a

1 showing of a possible violation, may compel, any licensee or
2 registrant or any individual who has applied for licensure
3 under this Act, to submit to a mental or physical examination
4 and evaluation, or both, which may include a substance abuse or
5 sexual offender evaluation, at the expense of the Department.
6 The Department shall specifically designate the examining
7 physician licensed to practice medicine in all of its branches
8 or, if applicable, the multidisciplinary team involved in
9 providing the mental or physical examination and evaluation, or
10 both. The multidisciplinary team shall be led by a physician
11 licensed to practice medicine in all of its branches and may
12 consist of one or more or a combination of physicians licensed
13 to practice medicine in all of its branches, licensed
14 chiropractic physicians, licensed clinical psychologists,
15 licensed clinical social workers, licensed clinical
16 professional counselors, and other professional and
17 administrative staff. Any examining physician or member of the
18 multidisciplinary team may require any person ordered to submit
19 to an examination and evaluation under this Section to submit
20 to any additional supplemental testing deemed necessary to
21 complete any examination or evaluation process, including, but
22 not limited to, blood testing, urinalysis, psychological
23 testing, or neuropsychological testing. The Department may
24 order the examining physician or any member of the
25 multidisciplinary team to provide to the Department any and all
26 records, including business records, that relate to the

1 examination and evaluation, including any supplemental testing
2 performed. The Department may order the examining physician or
3 any member of the multidisciplinary team to present testimony
4 concerning this examination and evaluation of the licensee,
5 registrant, or applicant, including testimony concerning any
6 supplemental testing or documents relating to the examination
7 and evaluation. No information, report, record, or other
8 documents in any way related to the examination and evaluation
9 shall be excluded by reason of any common law or statutory
10 privilege relating to communication between the licensee,
11 registrant, or applicant and the examining physician or any
12 member of the multidisciplinary team. No authorization is
13 necessary from the individual ordered to undergo an evaluation
14 and examination for the examining physician or any member of
15 the multidisciplinary team to provide information, reports,
16 records, or other documents or to provide any testimony
17 regarding the examination and evaluation.

18 The individual to be examined may have, at his or her own
19 expense, another physician of his or her choice present during
20 all aspects of the examination. Failure of any individual to
21 submit to mental or physical examination and evaluation, or
22 both, when directed, shall result in an automatic suspension,
23 without hearing, until such time as the individual submits to
24 the examination. If the Department finds a licensee,
25 registrant, or applicant unable to practice because of the
26 reasons set forth in this Section, the Department shall require

1 such licensee, registrant, or applicant to submit to care,
2 counseling, or treatment by physicians approved or designated
3 by the Department, as a condition for continued, reinstated, or
4 renewed licensure to practice.

5 When the Secretary immediately suspends a license or
6 registration under this Section, a hearing upon such person's
7 license or registration must be convened by the Department
8 within 15 days after such suspension and completed without
9 appreciable delay. The Department shall have the authority to
10 review the subject's record of treatment and counseling
11 regarding the impairment, to the extent permitted by applicable
12 federal statutes and regulations safeguarding the
13 confidentiality of medical records.

14 Individuals licensed or registered under this Act,
15 affected under this Section, shall be afforded an opportunity
16 to demonstrate to the Department that they can resume practice
17 in compliance with acceptable and prevailing standards under
18 the provisions of their license or registration.

19 (Source: P.A. 93-629, eff. 12-23-03; 93-683, eff. 7-2-04;
20 94-779, eff. 5-19-06.)

21 (225 ILCS 450/20.1) (from Ch. 111, par. 5522)

22 (Section scheduled to be repealed on January 1, 2014)

23 Sec. 20.1. Investigations; notice; hearing.

24 (a) The Department may, ~~upon its own motion, and shall,~~
25 ~~upon the verified complaint in writing of any person setting~~

1 ~~forth facts which, if proved, would constitute grounds for~~
2 ~~disciplinary action as set forth in Section 20.01,~~ investigate
3 the actions of an applicant, any person, or entity holding or
4 claiming to hold a license.

5 (b) The Department shall, before revoking, suspending,
6 placing on probation, reprimanding, or taking any other
7 disciplinary or non-disciplinary action under Section 20.01 of
8 this Act, at least 30 days before the date set for the hearing,
9 (i) notify the accused in writing of the charges made and the
10 time and place for the hearing on the charges, (ii) direct him
11 or her to file a written answer to the charges with the
12 Department under oath within 20 days after the service on him
13 or her of the notice, and (iii) inform the accused that, if he
14 or she fails to answer, default shall be taken against him or
15 her or that his or her license or registration may be
16 suspended, revoked, placed on probationary status, or other
17 disciplinary action taken with regard to the licensee,
18 including limiting the scope, nature, or extent of his or her
19 practice, as the Department may consider proper. The Department
20 ~~may refer complaints and investigations to a disciplinary body~~
21 ~~of the accounting profession for technical assistance. The~~
22 ~~results of an investigation and recommendations of the~~
23 ~~disciplinary body may be considered by the Department, but~~
24 ~~shall not be considered determinative and the Department shall~~
25 ~~not in any way be obligated to take any action or be bound by~~
26 ~~the results of the accounting profession's disciplinary~~

1 ~~proceedings. The Department, before taking disciplinary~~
2 ~~action, shall afford the concerned party or parties an~~
3 ~~opportunity to request a hearing and if so requested shall set~~
4 ~~a time and place for a hearing of the complaint.~~

5 (c) With respect to determinations by a Peer Review
6 Administrator duly appointed by the Department under
7 subsection (f) of Section 16 of this Act that a licensee has
8 failed to satisfactorily complete a peer review as required
9 under subsection (e) of Section 16, the Department may consider
10 the Peer Review Administrator's findings of fact as prima facie
11 evidence, and upon request by a licensee for a hearing the
12 Department shall review the record presented and hear arguments
13 by the licensee or the licensee's counsel but need not conduct
14 a trial or hearing de novo or accept additional evidence.

15 (d) At the time and place fixed in the notice, the
16 Department shall proceed to hear the charges and the parties or
17 their counsel shall be accorded ample opportunity to present
18 any pertinent statements, testimony, evidence, and arguments.
19 The Department may continue the hearing from time to time.

20 (e) In case the person, after receiving the notice, fails
21 to file an answer, his or her license or registration may, in
22 the discretion of the Department, be suspended, revoked, placed
23 on probationary status, or the Department may take whatever
24 disciplinary action considered proper, including limiting the
25 scope, nature, or extent of the person's practice or the
26 imposition of a fine, without a hearing, if the act or acts

1 charged constitute sufficient grounds for that action under
2 this Act. The written notice may be served by registered or
3 certified mail to the licensee or registrant's address of
4 record. ~~The Department shall notify the applicant or the~~
5 ~~licensed or registered person or entity of any charges made and~~
6 ~~the date and place of the hearing of those charges by mailing~~
7 ~~notice thereof to that person or entity by registered or~~
8 ~~certified mail to the place last specified by the accused~~
9 ~~person or entity in the last notification to the Department, at~~
10 ~~least 30 days prior to the date set for the hearing or by~~
11 ~~serving a written notice by delivery of the notice to the~~
12 ~~accused person or entity at least 15 days prior to the date set~~
13 ~~for the hearing, and shall direct the applicant or licensee or~~
14 ~~registrant to file a written answer to the Department under~~
15 ~~oath within 20 days after the service of the notice and inform~~
16 ~~the applicant or licensee or registrant that failure to file an~~
17 ~~answer will result in default being taken against the applicant~~
18 ~~or licensee or registrant and that the license or registration~~
19 ~~may be suspended, revoked, placed on probationary status, or~~
20 ~~other disciplinary action may be taken, including limiting the~~
21 ~~scope, nature or extent of practice, as the Director may deem~~
22 ~~proper. In case the person fails to file an answer after~~
23 ~~receiving notice, his or her license or registration may, in~~
24 ~~the discretion of the Department, be suspended, revoked, or~~
25 ~~placed on probationary status, or the Department may take~~
26 ~~whatever disciplinary action deemed proper, including limiting~~

1 ~~the scope, nature, or extent of the person's practice or the~~
2 ~~imposition of a fine, without a hearing, if the act or acts~~
3 ~~charged constitute sufficient grounds for such action under~~
4 ~~this Act. The Department shall afford the accused person or~~
5 ~~entity an opportunity to be heard in person or by counsel at~~
6 ~~the hearing. At the conclusion of the hearing the Committee~~
7 ~~shall present to the Director a written report setting forth~~
8 ~~its finding of facts, conclusions of law, and recommendations.~~
9 ~~The report shall contain a finding whether or not the accused~~
10 ~~person violated this Act or failed to comply with the~~
11 ~~conditions required in this Act. If the Director disagrees in~~
12 ~~any regard with the report, he or she may issue an order in~~
13 ~~contravention of the report. The Director shall provide a~~
14 ~~written explanation to the Committee of any such deviations and~~
15 ~~shall specify with particularity the reasons for the~~
16 ~~deviations.~~

17 ~~The finding is not admissible in evidence against the~~
18 ~~person in a criminal prosecution brought for the violation of~~
19 ~~this Act, but the hearing and findings are not a bar to a~~
20 ~~criminal prosecution brought for the violation of this Act.~~

21 (Source: P.A. 93-683, eff. 7-2-04; 94-779, eff. 5-19-06.)

22 (225 ILCS 450/20.2) (from Ch. 111, par. 5523)

23 (Section scheduled to be repealed on January 1, 2014)

24 Sec. 20.2. Subpoenas; depositions; oaths.

25 (a) The Department may subpoena and bring before it ~~at any~~

1 ~~hearing~~ any person ~~to in this State and~~ take the oral or
2 written testimony or compel the production of any books,
3 papers, records, or any other documents that the Secretary or
4 his or her designee deems relevant or material to any
5 investigation or hearing conducted by the Department ~~either~~
6 ~~orally or by deposition, or both,~~ with the same fees and
7 mileage ~~and in the same manner~~ as prescribed ~~by law in judicial~~
8 ~~proceedings~~ in civil cases in circuit courts of this State and
9 in the same manner as prescribed by this Act and its rules.

10 (b) The Secretary ~~Director~~, any member of the Committee
11 designated by the Secretary ~~Director~~, a certified shorthand
12 reporter, or any hearing officer appointed may administer oaths
13 ~~to witnesses~~ at any hearing which the Department conducts.
14 Notwithstanding any statute or Department rule to the contrary,
15 all requests for testimony, production of documents, or records
16 shall be in accordance with this Act ~~is authorized by law to~~
17 ~~conduct or any other oaths required or authorized in any Act~~
18 ~~administered by the Department.~~

19 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

20 (225 ILCS 450/20.3) (from Ch. 111, par. 5524)

21 (Section scheduled to be repealed on January 1, 2014)

22 Sec. 20.3. Required testimony. Any circuit court in the
23 State of Illinois, upon the application of the licensee,
24 registrant ~~accused person, partnership or corporation, of the~~
25 ~~complainant~~ or of the Department, may, by order duly entered,

1 require the attendance and testimony of witnesses and the
2 production of relevant documents, books, files, records, and
3 papers before the Department at any hearing relative to a
4 disciplinary action and the court may compel obedience to the
5 order by proceedings for contempt.

6 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

7 (225 ILCS 450/20.4) (from Ch. 111, par. 5525)

8 (Section scheduled to be repealed on January 1, 2014)

9 Sec. 20.4. Record of proceedings.

10 (a) The Department, at its expense, shall provide a
11 stenographer to take down the testimony and preserve a record
12 of all proceedings at formal ~~disciplinary~~ hearings. The
13 Department shall furnish a transcript of that record to any
14 person interested in that hearing upon payment of the
15 reasonable cost established by the Department.

16 (b) Any registrant or licensee who is found to have
17 violated this Act or who fails to appear for a hearing to
18 refuse to issue, restore, or renew a license or to discipline a
19 license may be required by the Department to pay for the costs
20 of the proceeding. These costs are limited to costs for court
21 reporters, transcripts, and witness attendance and mileage
22 fees. All costs imposed under this Section shall be paid within
23 60 days after the effective date of the order imposing the
24 fine.

25 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

1 (225 ILCS 450/20.5) (from Ch. 111, par. 5526)

2 (Section scheduled to be repealed on January 1, 2014)

3 Sec. 20.5. Rehearing; surrender of license.

4 (a) In any hearing to refuse to issue, restore, or renew a
5 license or to discipline a licensee or registrant disciplinary
6 proceeding, a copy of the Committee's report shall be served
7 upon the respondent by the Department, either personally or as
8 provided in this Act for the service of the notice of hearing.
9 Within 20 days after such service, the respondent may present
10 to the Department a motion in writing for a rehearing, which
11 motion shall specify the particular grounds therefor. If no
12 motion for rehearing is filed, then upon the expiration of the
13 time specified for filing such a motion, or if a motion or
14 rehearing is denied, then upon such denial the Secretary
15 ~~Director~~ may enter an order in accordance with recommendations
16 of the Committee except as provided in Section 20.7 ~~20.6~~. If
17 the respondent shall order from the reporting service, and pay
18 for a transcript of the record within the time for filing a
19 motion for rehearing, the 20 day period within which such a
20 motion may be filed shall commence upon the delivery of the
21 transcript to the respondent.

22 (b) Whenever the Secretary believes ~~Director is satisfied~~
23 that substantial justice has not been done in the disciplinary
24 proceeding, the Secretary ~~Director~~ may order a rehearing by the
25 same or different ~~Committee or designated~~ hearing officer. ~~The~~

1 ~~Director shall provide a written explanation to the Committee~~
2 ~~of any deviation from the recommendations of the Committee and~~
3 ~~shall specify with particularity the reasons for the deviation.~~

4 (c) Upon the suspension or revocation of a registration or
5 license ~~of a registrant or licensee~~, the registrant or licensee
6 shall be required to surrender to the Department the
7 registration or license issued by the Department, and upon
8 failure or refusal so to do, the Department may seize it.

9 ~~The Department may exchange information relating to~~
10 ~~proceedings resulting in disciplinary action against licensees~~
11 ~~or registrants with the regulatory bodies of other states, or~~
12 ~~with other public authorities or private organizations or with~~
13 ~~federal authorities having regulatory interest in such matter.~~

14 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

15 (225 ILCS 450/20.6) (from Ch. 111, par. 5526.6)

16 (Section scheduled to be repealed on January 1, 2014)

17 Sec. 20.6. Hearing officer. Notwithstanding the provisions
18 of Section 20.2 of this Act, the Secretary ~~Director~~ shall have
19 the authority to appoint any attorney duly licensed to practice
20 law in the State of Illinois to serve as the hearing officer in
21 any disciplinary action. ~~The Director shall notify the~~
22 ~~Committee of such appointment.~~

23 The hearing officer shall have full authority to conduct
24 the hearing. The hearing officer shall report his findings of
25 fact, conclusions of law and recommendations to the Committee

1 and the Secretary. ~~Director. The Committee shall have 60 days~~
2 ~~after receiving the report to review the report of the hearing~~
3 ~~officer and present its findings of fact, conclusions of law,~~
4 ~~and recommendations to the Director. If the Committee fails to~~
5 ~~present its report within the 60 day period, the Director shall~~
6 ~~issue an order based on the report of the hearing officer. If~~
7 ~~the Director disagrees in any regard with the report of the~~
8 ~~Committee or hearing officer, he or she may issue an order in~~
9 ~~contravention thereof. The Director shall provide a written~~
10 ~~explanation to the Committee of any such deviations and shall~~
11 ~~specify with particularity the reasons for said action in the~~
12 ~~final order.~~

13 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

14 (225 ILCS 450/20.7 new)

15 Sec. 20.7. Findings and recommendations.

16 (a) The Committee shall review the report of the hearing
17 officer and present its findings of fact, conclusions of law,
18 and recommendations to the Secretary. The report of the
19 findings and recommendations of the Committee shall be the
20 basis for the Secretary's order for refusing to issue, restore,
21 or renew a license or registration, or otherwise discipline a
22 licensee or registrant.

23 (b) If the Secretary disagrees in any regard with the
24 report of the Committee or hearing officer, he or she may issue
25 an order contrary to the report.

1 (c) The findings are not admissible in evidence against the
2 person in a criminal prosecution brought for the violation of
3 this Act, but the hearing and findings are not a bar to a
4 criminal prosecution brought for the violation of this Act.

5 (225 ILCS 450/20.8 new)

6 Sec. 20.8. Summary suspension. The Secretary may summarily
7 suspend the license or registration without a hearing,
8 simultaneously with the institution of proceedings for a
9 hearing under Section 20.1 of this Act, if the Secretary finds
10 the evidence indicates that continuation in practice would
11 constitute an imminent danger to the public. In the event that
12 the Secretary summarily suspends a license without a hearing, a
13 hearing by the Department shall be held within 30 days after
14 the suspension has occurred and shall be concluded as
15 expeditiously as possible.

16 (225 ILCS 450/21) (from Ch. 111, par. 5527)

17 (Section scheduled to be repealed on January 1, 2014)

18 Sec. 21. ~~Administrative~~ ~~Judicial~~ review; certification
19 ~~cost~~ of record; order as prima facie proof.

20 (a) All final administrative decisions of the Department
21 hereunder shall be subject to judicial review pursuant to the
22 provisions of the Administrative Review Law, and all amendments
23 and modifications thereof, and the rules adopted pursuant
24 thereto. The term "administrative decision" is defined as in

1 Section 3-101 of the Code of Civil Procedure.

2 Proceedings for judicial review shall be commenced in the
3 Circuit Court of the county in which the party applying for
4 review resides; provided, that if such party is not a resident
5 of this State, the venue shall be in Sangamon, Champaign, or
6 Cook County.

7 (b) The Department shall not be required to certify any
8 record to the court or file any answer in court or otherwise
9 appear in any court in a judicial review proceeding, unless and
10 until the Department has received from the plaintiff ~~there is~~
11 ~~filed in the court with the complaint a receipt from the~~
12 ~~Department acknowledging~~ payment of the costs of furnishing and
13 certifying the record, which costs shall be established by the
14 Department. Exhibits shall be certified without cost. Failure
15 on the part of the plaintiff to file such receipt in court
16 shall be grounds for dismissal of the action.

17 (c) An order of disciplinary action or a certified copy
18 thereof, over the seal of the Department and purporting to be
19 signed by the Secretary ~~Director~~ or authorized agent of the
20 Secretary ~~Director~~, shall be prima facie proof, subject to
21 being rebutted, that:

22 (1) the signature is the genuine signature of the
23 Secretary ~~Director~~ or authorized agent of the Secretary
24 ~~Director~~;

25 (2) the Secretary ~~Director~~ or authorized agent of the
26 Secretary ~~Director~~ is duly appointed and qualified; and

1 (3) the Committee and the members thereof are qualified
2 to act.

3 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

4 (225 ILCS 450/27) (from Ch. 111, par. 5533)

5 (Section scheduled to be repealed on January 1, 2014)

6 Sec. 27. Confidentiality of licensee's and registrant's
7 records. A licensed or registered CPA ~~certified public~~
8 ~~accountant~~ shall not be required by any court to divulge
9 information or evidence which has been obtained by him in his
10 confidential capacity as a licensed or registered CPA ~~certified~~
11 ~~public accountant~~. This Section shall not apply to any
12 investigation or hearing undertaken pursuant to this Act.

13 (Source: P.A. 94-779, eff. 5-19-06.)

14 (225 ILCS 450/28) (from Ch. 111, par. 5534)

15 (Section scheduled to be repealed on January 1, 2014)

16 Sec. 28. Criminal penalties ~~Penalties~~. Each of the
17 following acts perpetrated in the State of Illinois is a Class
18 A ~~B~~ misdemeanor.

19 (a) The practice of accountancy activities as defined
20 in paragraph (1) of subsection (a) of Section 8.05 without
21 an active CPA license ~~public accounting insofar as it~~
22 ~~consists in rendering service as described in Section 8,~~
23 ~~without licensure,~~ in violation of the provisions of this
24 Act;

1 (b) The obtaining or attempting to obtain licensure as
2 a licensed CPA ~~certified public accountant~~ or registration
3 as a registered CPA ~~certified public accountant~~ by fraud;

4 (c) The use of the title "Certified Public Accountant",
5 "public accountant", or the abbreviation "C.P.A.", "RCPA",
6 "LCPA", "PA" or use of any similar words or letters
7 indicating the user is a certified public accountant, or
8 the title "Registered Certified Public Accountant", ~~the~~
9 ~~abbreviation "R.C.P.A.", any similar words or letters~~
10 ~~indicating the user is a certified public accountant or a~~
11 ~~registered certified public accountant by any person in~~
12 ~~contravention of this Act;~~

13 (c-5) (Blank); ~~The use of the title "Certified Public~~
14 ~~Accountant" or "Licensed Certified Public Accountant" or~~
15 ~~the abbreviation "C.P.A." or "L.C.P.A." or any similar~~
16 ~~words or letters indicating the user is a certified public~~
17 ~~accountant by any person in contravention with this Act;~~

18 (d) The use of the title "Certified Public Accountant",
19 "public accountant", or the abbreviation "C.P.A.", "RCPA",
20 "LCPA", "PA" or any similar words or letters indicating
21 that the members are certified public accountants, by any
22 partnership, limited liability company, corporation, or
23 other entity in violation of this Act ~~unless all members~~
24 ~~thereof personally engaged in the practice of public~~
25 ~~accounting in this State are licensed as licensed certified~~
26 ~~public accountants by the Department, and are holders of an~~

1 ~~effective unrevoked license, and the partnership, limited~~
2 ~~liability company, corporation, or other entity is~~
3 ~~licensed as licensed certified public accountants by the~~
4 ~~Board with an effective unrevoked license;~~

5 (e) The unauthorized practice in the performance of
6 accountancy activities as defined in Section 8.05 and in
7 violation of this Act ~~The use of the title "Licensed~~
8 ~~Certified Public Accountant", or the abbreviation~~
9 ~~"L.C.P.A." or any similar words or letters indicating such~~
10 ~~person is a licensed certified public accountant, by any~~
11 ~~person not licensed as a licensed certified public~~
12 ~~accountant by the Department, and holding an effective~~
13 ~~unrevoked license; provided nothing in this Act shall~~
14 ~~prohibit the use of the title "Accountant" or "Bookkeeper"~~
15 ~~by any person;~~

16 (f) (Blank); ~~The use of the title "Licensed Certified~~
17 ~~Public Accountants", "Public Accountants" or the~~
18 ~~abbreviation "P.A.'s" or any similar words or letters~~
19 ~~indicating that the members are public accountants by any~~
20 ~~partnership, limited liability company, corporation, or~~
21 ~~other entity unless all members thereof personally engaged~~
22 ~~in the practice of public accounting in this State are~~
23 ~~licensed as licensed certified public accountants by the~~
24 ~~Department and are holders of effective unrevoked~~
25 ~~licenses, and the partnership is licensed as a public~~
26 ~~accounting firm by the Department with an effective~~

1 ~~unrevoked license;~~

2 (g) Making false statements to the Department
3 regarding compliance with continuing professional
4 education or peer review requirements;

5 (h) (Blank). ~~The use of the title "Certified Public~~
6 ~~Accountant" or the abbreviation "C.P.A." or any similar~~
7 ~~words or letters indicating that the members are certified~~
8 ~~public accountants, by any partnership unless all members~~
9 ~~thereof personally engaged in the practice of public~~
10 ~~accounting in this State have received certificates as~~
11 ~~certified public accountants from the Board, are licensed~~
12 ~~as public accountants by the Department, and are holders of~~
13 ~~an effective unrevoked license, and the partnership is~~
14 ~~licensed as public accountants by the Department with an~~
15 ~~effective unrevoked license.~~

16 ~~This Section does not prohibit a firm partnership, limited~~
17 ~~liability company, corporation, or other entity who does not~~
18 ~~practice public accounting as set forth in Section 8 of this~~
19 ~~Act and whose members residing in Illinois are registered with~~
20 ~~the Department from using the title "Certified Public~~
21 ~~Accountant" or the abbreviation "C.P.A." or "CPA" or similar~~
22 ~~words or letters indicating that the members are certified~~
23 ~~public accountants.~~

24 (Source: P.A. 95-331, eff. 8-21-07.)

25 (225 ILCS 450/30) (from Ch. 111, par. 5535)

1 (Section scheduled to be repealed on January 1, 2014)

2 Sec. 30. Injunctions; cease and desist.

3 (a) If any person or entity violates any provision of this
4 Act, the Secretary may, ~~The practice of public accounting, as~~
5 ~~described in Section 8 of this Act, by any person in violation~~
6 ~~of this Act is hereby declared to be inimical to the public~~
7 ~~welfare and to be a public nuisance. An action to perpetually~~
8 ~~enjoin from such unlawful practice any person who has been or~~
9 ~~is engaged therein may be maintained~~ in the name of the people
10 of the State of Illinois by the Attorney General of the State
11 of Illinois or ~~, by~~ the State's Attorney of any county in which
12 the violation is alleged to have occurred, petition for an
13 order enjoining the violation or for an order enforcing
14 compliance with this Act. Upon the filing of a verified
15 petition in court, the court may issue a temporary restraining
16 order, without notice or bond, and may preliminarily and
17 permanently enjoin the violation. If it is established that the
18 person has violated or is violating the injunction, the court
19 may punish the offender for contempt of court ~~action is~~
20 ~~brought, by the Department or by any resident citizen.~~ The
21 injunction proceeding shall be in addition to and not in lieu
22 of any penalties or other remedies provided by this Act. No
23 injunction shall issue under this section against any person
24 for any act exempted under Section 11 of this Act.

25 (b) If any person shall practice as a licensed CPA
26 ~~certified public accountant~~ or a registered CPA ~~certified~~

1 ~~public accountant~~ or hold himself or herself out as a licensed
2 CPA ~~certified public accountant~~ or registered CPA ~~certified~~
3 ~~public accountant~~ without being licensed or registered under
4 the provision of this Act then any licensed CPA ~~certified~~
5 ~~public accountant~~ or registered CPA ~~certified public~~
6 ~~accountant~~, any interested party, or any person injured thereby
7 may, in addition to the Department, petition for relief as
8 provided in subsection (a) of this Section.

9 (c) Whenever in the opinion of the Department any person
10 violates any provision of this Act, the Department may issue a
11 rule to show cause why an order to cease and desist should not
12 be entered against him. The rule shall clearly set forth the
13 grounds relied upon by the Department and shall provide a
14 period of 7 days from the date of the rule to file an answer to
15 the satisfaction of the Department. Failure to answer to the
16 satisfaction of the Department shall cause an order to cease
17 and desist to be issued forthwith.

18 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

19 (225 ILCS 450/30.1) (from Ch. 111, par. 5535.1)

20 (Section scheduled to be repealed on January 1, 2014)

21 Sec. 30.1. Liability. No person, partnership, corporation,
22 or other entity licensed or authorized to practice under this
23 Act or any of its employees, partners, members, officers or
24 shareholders shall be liable to persons not in privity of
25 contract with such person, partnership, corporation, or other

1 entity for civil damages resulting from acts, omissions,
2 decisions or other conduct in connection with professional
3 services performed by such person, partnership, corporation,
4 or other entity, except for:

5 (1) such acts, omissions, decisions or conduct that
6 constitute fraud or intentional misrepresentations, or

7 (2) such other acts, omissions, decisions or conduct, if
8 such person, partnership or corporation was aware that a
9 primary intent of the client was for the professional services
10 to benefit or influence the particular person bringing the
11 action; provided, however, for the purposes of this
12 subparagraph (2), if such person, partnership, corporation, or
13 other entity (i) identifies in writing to the client those
14 persons who are intended to rely on the services, and (ii)
15 sends a copy of such writing or similar statement to those
16 persons identified in the writing or statement, then such
17 person, partnership, corporation, or other entity or any of its
18 employees, partners, members, officers or shareholders may be
19 held liable only to such persons intended to so rely, in
20 addition to those persons in privity of contract with such
21 person, partnership, corporation, or other entity.

22 (Source: P.A. 92-457, eff. 7-1-04.)

23 (225 ILCS 450/30.2) (from Ch. 111, par. 5535.2)

24 (Section scheduled to be repealed on January 1, 2014)

25 Sec. 30.2. Contributory fault. Except in causes of action

1 based on actual fraud or intentional misrepresentation, the
2 principles of liability set forth in Sections 2-1115.05,
3 2-1116, and 2-1117 of the Code of Civil Procedure shall apply
4 to all claims for civil damages brought against any person,
5 partnership, corporation, or any other entity registered
6 ~~certified~~, licensed, or practicing under this Act, or any of
7 its employees, partners, members, officers, or shareholders
8 that are alleged to result from acts, omissions, decisions, or
9 other conduct in connection with professional services.

10 This Section applies to causes of action accruing on or
11 after the effective date of this amendatory Act of 1992. This
12 amendatory Act of 1995 applies to causes of action accruing on
13 or after its effective date.

14 (Source: P.A. 95-386, eff. 1-1-08.)

15 (225 ILCS 450/30.3)

16 (Section scheduled to be repealed on January 1, 2014)

17 Sec. 30.3. Confidentiality of peer review records.

18 (a) The proceedings, records, and work papers of a review
19 committee shall be privileged and shall not be subject to
20 discovery, subpoena, or other means of legal process or
21 introduction into evidence in any civil action, arbitration, or
22 administrative proceeding and no member of a review committee
23 or person involved in a peer review program shall be required
24 or permitted to testify in any civil action, arbitration, or
25 administrative proceeding regarding any matters produced,

1 presented, disclosed, or discussed during or in connection with
2 the peer review process, or regarding any findings,
3 recommendations, evaluations, opinions, or other actions of
4 those committees, or any member of a committee.

5 (b) Information, documents, or records that are otherwise
6 publicly available are not to be construed as immune from
7 discovery or use in any civil action, arbitration, or
8 administrative proceeding merely because they were presented
9 or considered in connection with a peer review. Subsection (a)
10 shall not be construed to protect materials prepared in
11 connection with a particular engagement merely because they
12 happen to subsequently be presented or considered as part of a
13 peer review; nor does the privilege apply to disputes between
14 review committees and persons or CPA firms subject to a peer
15 review arising from the performance of a review.

16 (Source: P.A. 88-36.)

17 (225 ILCS 450/30.4)

18 (Section scheduled to be repealed on January 1, 2014)

19 Sec. 30.4. Prohibited practice.

20 (a) No licensed CPA ~~public accountant, licensed certified~~
21 ~~public accountant,~~ or CPA ~~public accounting~~ firm may provide
22 contemporaneously with an audit those non-auditing services
23 referenced in subsection (g) of Section 10A of the federal
24 Securities Exchange Act of 1934, as amended, to a company,
25 excluding a not-for-profit organization, that (1) is not

1 required to file periodic information, documents, and reports
2 pursuant to the Securities Exchange Act of 1934 and (2) during
3 the previous fiscal year, had annual revenues exceeding
4 \$50,000,000 or more than 500 employees.

5 (b) (1) A licensed CPA ~~public accountant, licensed~~
6 ~~certified public accountant,~~ or CPA ~~public accounting~~ firm
7 is exempted from the prohibition in subsection (a) of this
8 Section 30.4 if:

9 (A) the licensed CPA ~~public accountant, licensed~~
10 ~~certified public accountant,~~ or CPA ~~public accounting~~
11 firm presents written notice of the contemporaneous
12 provision of auditing and non-auditing services to the
13 company prior to the commencement of the
14 contemporaneous provision of the services; and

15 (B) the president or chief executive officer of the
16 company to which the contemporaneous auditing and
17 non-auditing services are to be provided subsequently
18 signs an acknowledgement that the company is aware of
19 and agrees to the contemporaneous provision of the
20 auditing and non-auditing services.

21 (2) A licensed CPA ~~public accountant, licensed~~
22 ~~certified public accountant,~~ or CPA ~~public accounting~~ firm
23 waives the exemption provided for in paragraph (1) of this
24 subsection (b) if the licensed CPA ~~public accountant,~~
25 ~~certified public accountant,~~ or CPA ~~public accounting~~ firm
26 engages in criminal activity or willful or wanton

1 negligence regarding the provision of contemporaneous
2 auditing and non-auditing services to the company.

3 (c) A violation of this Section shall subject a licensed
4 CPA ~~public accountant, licensed certified public accountant,~~
5 or CPA ~~public accounting~~ firm to the provisions of Section
6 20.01 of this Act.

7 (d) Nothing in this Section shall be construed to authorize
8 or permit the provision of any services by a licensed CPA
9 ~~public accountant, licensed certified public accountant,~~ or
10 CPA ~~public accounting~~ firm that would result in a lack of
11 independence under applicable ethics standards of the
12 accounting profession.

13 (Source: P.A. 93-683, eff. 7-2-04.)

14 (225 ILCS 450/30.5)

15 (Section scheduled to be repealed on January 1, 2014)

16 Sec. 30.5. Improper influence on the conduct of audits.

17 (a) It shall be unlawful for any officer or director of a
18 company that is not required to file periodic information,
19 documents, and reports pursuant to the federal Securities
20 Exchange Act of 1934, or any other person acting under the
21 direction thereof, to take any action to fraudulently
22 influence, coerce, manipulate, or mislead any licensed CPA
23 ~~licensed public accountant or licensed certified public~~
24 ~~accountant~~ engaged in the performance of an audit of the
25 financial statements of that company for the purpose of

1 rendering the financial statements being audited materially
2 misleading.

3 (b) A person who, ~~with the intent to deceive,~~ violates this
4 Section is guilty of a Class 4 felony.

5 (Source: P.A. 93-683, eff. 7-2-04.)

6 (225 ILCS 450/30.6)

7 (Section scheduled to be repealed on January 1, 2014)

8 Sec. 30.6. Misleading behavior by licensees ~~certified~~
9 ~~public accountants~~.

10 (a) It shall be unlawful for any licensee ~~licensed public~~
11 ~~accountant or licensed certified public accountant~~ to
12 intentionally mislead a company that is not required to file
13 periodic information, documents, and reports pursuant to the
14 federal Securities Exchange Act of 1934 by falsifying records
15 it creates as part of an audit of the company.

16 (b) A person who ~~knowingly~~ violates this Section is guilty
17 of a Class 4 felony.

18 (Source: P.A. 93-683, eff. 7-2-04.)

19 (225 ILCS 450/30.8 new)

20 Sec. 30.8. Confidentiality. All information collected by
21 the Department in the course of an examination or investigation
22 of a licensee, registrant, or applicant, including, but not
23 limited to, any complaint against a licensee or registrant
24 filed with the Department and information collected to

1 investigate any such complaint, shall be maintained for the
2 confidential use of the Department and shall not be disclosed.
3 The Department shall not disclose the information to anyone
4 other than law enforcement officials, regulatory agencies that
5 have an appropriate regulatory interest as determined by the
6 Secretary, or a party presenting a lawful subpoena to the
7 Department. Information and documents disclosed to a federal,
8 State, county, or local law enforcement agency shall not be
9 disclosed by the agency for any purpose to any other agency or
10 person. A formal complaint filed against a licensee or
11 registrant by the Department or any other issued by the
12 Department against a licensee, registrant, or applicant shall
13 be a public record, except as otherwise prohibited by law.

14 (225 ILCS 450/31) (from Ch. 111, par. 5536)

15 (Section scheduled to be repealed on January 1, 2014)

16 Sec. 31. Home rule. Public Policy. The regulation,
17 licensing, and registration of accountants and CPA firms are
18 exclusive powers and functions of the State. A home rule may
19 not regulate or license accountants or CPA firms. This Section
20 is a denial and limitation of home rule powers and functions
21 under subsection (h) of Section 6 of Article VII of the
22 Illinois Constitution. It is declared to be the public policy
23 of this State, pursuant to paragraphs (h) and (i) of Section 6
24 of Article VII of the Illinois Constitution of 1970, that any
25 power or function set forth in this Act to be exercised by the

1 ~~State is an exclusive State power or function. Such power of~~
2 ~~function shall not be exercised concurrently, either directly~~
3 ~~or indirectly, by any unit of local government, including home~~
4 ~~rule units, except as otherwise provided in this Act.~~

5 (Source: P.A. 78-1219.)

6 (225 ILCS 450/32) (from Ch. 111, par. 5537)

7 (Section scheduled to be repealed on January 1, 2014)

8 Sec. 32. Fund. All moneys received by the Department of
9 Professional Regulation under this Act shall be deposited into
10 the Registered Certified Public Accountants' Administration
11 and Disciplinary Fund, which is hereby created as a special
12 fund in the State Treasury. The funds in the account shall be
13 used by the Department, as appropriated, exclusively for
14 expenses of the Department ~~of Professional Regulation~~, or the
15 ~~Public Accountants' Registration~~ Committee, in the
16 administration of this Act.

17 Moneys in the Registered Certified Public Accountants'
18 Administration and Disciplinary Fund may be invested and
19 reinvested, with all earnings received from the investments to
20 be deposited into the Registered Certified Public Accountants'
21 Administration and Disciplinary Fund.

22 Moneys from the Fund may also be used for direct and
23 allocable indirect costs related to the public purposes of the
24 Department of Professional Regulation. Moneys in the Fund may
25 be transferred to the Professions Indirect Cost Fund as

1 authorized by Section 2105-300 of the Department of
2 Professional Regulation Law (20 ILCS 2105/2105-300).

3 (Source: P.A. 92-457, eff. 8-21-01; 93-683, eff. 7-2-04.)

4 (225 ILCS 450/5 rep.)

5 (225 ILCS 450/9.01 rep.)

6 (225 ILCS 450/9.02 rep.)

7 (225 ILCS 450/14.3 rep.)

8 (225 ILCS 450/19 rep.)

9 Section 15. The Illinois Public Accounting Act is amended
10 by repealing Sections 5, 9.01, 9.02, 14.3, and 19.

11 Section 99. Effective date. This Act takes effect upon
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