

**BOARD OF PUBLIC ACCOUNTANCY**  
Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii

**AGENDA**

**DATE:** Friday, September 27, 2024

**TIME:** 8:30 a.m.

**IN-PERSON MEETING LOCATION:** King Kalakaua Conference Room  
King Kalakaua Building, First Floor  
335 Merchant Street  
Honolulu, Hawaii 96813

**VIRTUAL:** Virtual Videoconference Meeting – Zoom Webinar (use link below)  
<https://dcca-hawaii-gov.zoom.us/j/83322309885?pwd=V2JFDcNp4KBYkilre1CCUpyvCrJjwH.1>

**ZOOM PHONE NUMBER:**  
**MEETING ID:** 833 2230 9885  
**PASSCODE:** 594419

**AGENDA:** The agenda was posted on the State electronic calendar as required by Hawaii Revised Statutes (“HRS”) section 92-7(b).

If you wish to submit written testimony on any agenda item, please submit your testimony to [accountancy@dcca.hawaii.gov](mailto:accountancy@dcca.hawaii.gov) or by hard-copy mail to Attn: Board of Public Accountancy, P.O. Box 3469, Honolulu, HI 96801. We request submission of testimony at least 24 hours prior to the meeting to ensure that it can be distributed to the Board members.

**INTERNET ACCESS:**

To view the meeting and provide live oral testimony, please use the link at the top of the agenda. You will be asked to enter your name. The Board requests that you enter your full name, but you may use a pseudonym or other identifier if you wish to remain anonymous. You will also be asked for an email address. You may fill in this field with any entry in an email format, e.g., \*\*\*\*\*@\*\*\*mail.com.

Your microphone will be automatically muted. When the Chairperson asks for public testimony, you may click the Raise Hand button found on your Zoom screen to indicate that you wish to testify about that agenda item. The Chairperson will individually enable each testifier to unmute their microphone. When recognized by the Chairperson, please unmute your microphone before speaking and mute your microphone after you finish speaking.

**PHONE ACCESS:**

If you cannot get internet access, you may get audio-only access by calling the Zoom Phone Number listed at the top on the agenda.

Upon dialing the number, you will be prompted to enter the Meeting ID which is also listed at the top of the agenda. After entering the Meeting ID, you will be asked to either enter your panelist number or wait to be admitted into the meeting. You will not have a panelist number. So, please wait until you are admitted into the meeting.

When the Chairperson asks for public testimony, you may indicate you want to testify by entering “\*” and then “9” on your phone’s keypad. After entering “\*” and then “9”, a voice prompt will let you know that the host of the meeting has been notified. When recognized by the Chairperson, you may unmute yourself by pressing “\*” and then “6” on your phone. A voice prompt will let you know that you are unmuted. Once you are finished speaking, please enter “\*” and then “6” again to mute yourself.

For both internet and phone access, when testifying, you will be asked to identify yourself and the organization, if any, that you represent. Each testifier will be limited to five minutes of testimony per agenda item.

If connection to the meeting is lost for more than 30 minutes, the meeting will be continued on a specified date and time. This information will be provided on the Board’s website at <https://cca.hawaii.gov/pvl/boards/accountancy/meeting-schedule/> .

Instructions to attend State of Hawaii virtual board meetings may be found online at <https://cca.hawaii.gov/pvl/files/2020/08/State-of-Hawaii-Virtual-Board-Attendee-Instructions.pdf>.

1. Roll Call, Quorum, Call to Order – HRS §92-3 Open Meetings and HAR §16-89-70 Oral testimony
2. Chair’s Report
  - i. Announcements
  - ii. AICPA & NASBA Seek Input on Proposed Additional Pathway to CPA Licensure
  - iii. A Bill for an Act Relating to Education Requirements for Certified Public Accountants. Authorizes the Board of Public Accountancy to accept at least twelve months of accountancy experience in addition to a baccalaureate degree that was completed with 120 credits or less.

- iv. A Bill for an Act Relating to Peer Review Process for Certified Public Accountancy Firm.  
Deletes references to Hawaii Society of Certified Public Accountants as an approved Peer Reviewer as they no longer meet the requirements.
- 3. Approval of the Minutes of the July 26, 2024 Minutes  
  
The Board may enter into Executive Session to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities in accordance with HRS section 92-5(a)(4) to review the executive session minutes.
- 4. Executive Officer's Report
  - i. Audit letters – mailed out August 22, 2024
    - CPA without PTP – 4 credit Ethics Course
    - CPA with PTP – 80 credits of Continuing Professional Education (CPE)
    - FFTP – Peer Review Compliance Reporting Form (CPA-PR4)
- 5. Formation of Permitted Interaction Group (PIG) to evaluate the significance of reducing the educational requirements for licensure from one hundred fifty semester hours to one hundred twenty semester hours for CPA applicants
- 6. CPA Scores Extension Request
  - i. Abdallah Seko
- 7. Applications: The Board may move into Executive Session in accordance with HRS §92-4 and §92-5(a)(1) and (4) "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;" and "To consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities;" (Board will vote in Open Meeting.)
  - a. Ratification of CPA Permit to Practice

Cheryl L Collins	CPA6277
Kristina W L Tommee	CPA6159
Paul C Kiley Jr	CPA6296
Derek K Yang	CPA6027
Sara E Anderson	CPA6147
Marie Lyn Stiegel	CPA6357
Erin K T Wong	CPA6172
Rumzei Atef Abdallah	CPA6351
Jennifer Munemitsu	CPA4638
Wataru Ito	CPA6082
Funinori Matsubara	CPA6350
  - b. Approval of Firm and Trade Names
    - 1. Salvator, Goldhamer & Company, CPA PC
    - 2. MH Miles Company, CPA, PC
    - 3. CBIZ CPAs P.C.
    - 4. GTS C.P.A. Inc.

1. Srinivasa Venkat
2. Trevor K Kaiama
3. Christina Shigeko Rivers
4. Yu Hunt
5. Dennis Matthew Gardiner
6. Shuang Wu Wolf
7. Spencer Tawa
8. Jaclyn Morrocco
9. Eddis William Watkins
10. Dipika H Nagin
11. Xiuqi Li
12. Jennifer Lee Brown
13. Dawn Colt
14. Kylie M Yamamoto
15. Mark H Erwin
16. Tammy M Lei
17. Mika Yoshimura
18. Mark Joseph Vuono
19. You Lin
20. Sheri Ann M Tengan
21. Fred K Barats
22. Roger W Mills
23. Lori J Fenstemaker
24. Louis J Collins
25. Risa M Oue
26. Matthew G Medlin

1. Laulima Tax Advisory Group, LLC
2. Kwock & Company CPAs

- |    |               |           |   |
|----|---------------|-----------|---|
| 8. | Next Meeting: | Date:     | Friday, November 15, 2024   |
|    |               | Time:     | 8:30 a.m.   |
|    |               | Location: | King Kalakaua Conference Room<br>King Kalakaua Building, 1st Floor<br>335 Merchant Street<br>Honolulu, Hawaii 96813 |
|    |               | Virtual:  | Zoom Meeting  |

## 9. Adjournment

***If you need an auxiliary aid/service or other accommodation due to a disability, contact Hector West at (808)586-2692 or [accountancy@dcca.hawaii.gov](mailto:accountancy@dcca.hawaii.gov) as soon as possible, preferably by September 25, 2024. Requests made as early as possible have a greater likelihood of being fulfilled. Upon request, this notice is available in alternate/accessable formats.***

## AICPA and NASBA Seek Input on Proposed Additional Pathway to CPA Licensure

*Comment period on the competency-based experience pathway will remain open through December 6.*

**NEW YORK and NASHVILLE (Sept. 12, 2024)** – In a joint effort to support the next generation of accountants while maintaining accounting’s rigorous public protection mandate, the American Institute of CPAs (AICPA) and the National Association of State Boards of Accountancy (NASBA) have proposed an initiative aimed at helping Certified Public Accountant (CPA) candidates meet initial licensure requirements. The [CPA Competency-Based Experience Pathway](#) would provide an additional option for candidates to demonstrate their professional and technical skills after earning a bachelor’s degree and meeting their state’s requirements for accounting and business courses.

Designed to increase flexibility for candidates, respond to market conditions, and protect the public, the pathway allows candidates to meet the final stretch of licensure requirements by exhibiting competencies according to a model framework that has been developed by AICPA and NASBA. The framework was developed with significant input and advice from a diverse cross-section of the profession, including members of an AICPA and NASBA working group made up of practitioners, regulators, academics, and state society leaders.

“The proposed pathway encompasses the perfect mix of flexibility for CPA candidates while maintaining rigor for public protection,” said NASBA President and CEO Daniel J. Dustin, CPA. “We look forward to the input and direction from the 55 U.S. Boards of Accountancy on this important and necessary framework to strengthen the CPA pipeline.”

Attaining the competencies is expected to take most candidates a year but there is flexibility in the timing for completion. Candidates pursuing this additional pathway would also be required to complete a separate year of general experience and pass the CPA Exam. Competencies would be verified in the workplace by licensed CPAs.

Public input on the proposed model competency framework and other aspects of the potential additional pathway can be submitted through December 6.

“Our goal is to ensure that accounting professionals have the necessary experience, knowledge, and competencies to handle the complex nature of CPA work, while also providing paths to licensure that reflect market conditions and make licensure as accessible as possible,” said Susan Coffey, CPA, CGMA, the CEO of Public Accounting for AICPA. “Feedback from the profession is essential to building a workable pathway.”

The competency framework at the heart of the proposal includes seven professional and three technical competencies. Candidates would be required to exhibit all professional competencies and at least one of the three technical competencies, which would be verified by one or more evaluators in their organization.

Professional competencies are spelled out in areas such as ethical behavior, critical thinking, and communication. Technical skills are in audit and assurance, tax, and financial reporting.

\_\_\_\_.B. NO.\_\_\_\_

---

# A BILL FOR AN ACT

RELATING TO EDUCATION REQUIREMENTS FOR CERTIFIED PUBLIC  
ACCOUNTS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 PART I

2 SECTION 1. The Legislature finds that business and  
3 commerce continue to grow more complicated, increasing the need  
4 for well-qualified certified public accountants in Hawaii and  
5 nationwide. At the same time, however, a declining percentage  
6 of students in accounting classes are deciding to pursue CPA  
7 licenses. In part, this decline is due to the requirement of 30  
8 additional semester hours of education, beyond the requirements  
9 of a bachelor's degree, to obtain a CPA license. The cost - in  
10 both time and money - of obtaining this additional education can  
11 be a serious obstacle for many students. Thus, the additional  
12 education requirement effectively blocks many persons from  
13 obtaining CPA licenses, at a time when more qualified CPAS are  
14 needed.

15 This bill establishes an alternative pathway to CPA  
16 licensure, where additional relevant work experience, working  
17 under a licensed CPA and learning relevant skills, can be

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 substituted for the additional hours of education that is beyond  
2 the basic requirements of a bachelor's degree.

3 The ultimate purpose of this Act is to allow Hawaii  
4 businesses and consumers greater access to qualified certified  
5 public accountants, by increasing the number of persons  
6 obtaining CPA licenses, while maintaining high standards and  
7 rigorous requirements for CPA licensure.

8 SECTION 2. Chapter 466, Hawaii Revised Statutes, is  
9 amended to read as follows:

10 **"§466-5 License of certified public account.** (a) A license  
11 and a permit are required to practice public accountancy. The  
12 board may license and grant the designation of "certified public  
13 accountant" to any person who has met the following:

- 14 (1) Attained eighteen years of age;
- 15 (2) Possesses a history of competence,  
16 trustworthiness, and fair dealing;
- 17 (3) Educational requirements of this section ~~or~~  
18 ~~section 466-5.5;~~
- 19 (4) Experience requirements of subsection (d);
- 20 (5) Examination requirements of subsection (e); and
- 21 (6) Paid the appropriate fees and assessments.



.B. NO.          

(b) The educational requirement for a license shall include a baccalaureate degree conferred by a college or university recognized by the board and:

(1) ~~Completion of not less than thirty semester hours of study in addition to those semester hours required for a baccalaureate degree. The baccalaureate degree and the thirty semester hours of additional study shall include~~ Include a minimum of eighteen semester hours of upper division or graduate level accounting or auditing subjects. The content of the additional qualifying hours of study shall be determined by rules adopted by the board pursuant to chapter 91; or

(2) If the applicant has a minimum of eighteen semester hours of upper division or graduate level accounting and auditing subjects, the applicant may elect to replace the thirty semester hours of additional credit with an additional ~~[thirty]~~ twelve months of professional experience in a public accounting practice. This additional experience shall meet the requirements set forth in subsection (d) and may ~~not~~ be credited toward the experience requirements in subsection (d).

(c) A person shall be exempt from the requirements in subsection (b) ~~or section 466-5.5~~ if that person:

\_\_\_\_.B. NO.\_\_\_\_

1           (1) Holds a current license as a public accountant  
2 under section 466-6; or

3           (2) Holds, and has continued to hold, a valid  
4 comparable certificate, registration, or license of certified  
5 public accountant of another state for a period of not less than  
6 ten years preceding the date of the person's application under  
7 this section, and has been in active practice of public  
8 accountancy in one or more states for a period of not less than  
9 five years preceding the date of the application.

10           (d) Each applicant shall present satisfactory  
11 evidence in the form of a certified statement from present or  
12 former employer(s) that the applicant has met one of the  
13 following experience requirements for license:

14           (1) Completion of one thousand five hundred  
15 chargeable hours in the performance of audits involving the  
16 application of generally accepted accounting principles and  
17 auditing standards earned while in public accounting practice;  
18 or

19           (2) Completion of two years of professional  
20 experience in public accountancy practice as defined in section  
21 466-3. Completion of experience in private or government  
22 accounting or auditing work, deemed by the board to be

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 equivalent to professional experience in public accountancy  
2 practice as defined in section 466-3, may be substituted for all  
3 or part of the two years of professional experience in public  
4 accounting practice. The nature, variety, and depth of  
5 acceptable private or government accounting or auditing  
6 experience shall be defined by the board in its rules.

7 (e) The examination required to be passed for  
8 licensure shall test the applicant's knowledge of the subjects  
9 of accounting theory, accounting practice, auditing, and other  
10 related subjects as the board may specify by rule. The board  
11 shall prescribe the methods of applying for and conducting the  
12 examination, including methods for grading papers and  
13 determining a passing grade required by an applicant for a  
14 license; provided that the board shall, to the extent possible,  
15 see to it that the grading of the examination and the passing  
16 grades are uniform with those applicable in all other  
17 states. The board may use the Uniform Certified Public  
18 Accountant Examination and Advisory Grading Service of the  
19 American Institute of Certified Public Accountants, and may  
20 contract with third parties to perform the administrative  
21 services with respect to the examination as the board deems  
22 appropriate to assist it in performing its duties herein.

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 (f) The board may allow an applicant to sit for the  
2 Uniform Certified Public Accountant Examination, if the  
3 applicant has met at least one of the following:

4 (1) Baccalaureate degree in accounting conferred by a  
5 college or university acceptable to the board; or

6 (2) A baccalaureate or higher degree conferred by a  
7 college or university acceptable to the board ~~Baccalaureate~~  
8 ~~degree~~ with a major in a subject other than in accounting, plus  
9 eighteen semester hours of upper division or graduate level  
10 accounting or auditing subjects, conferred by a college or  
11 university acceptable to the board; or

12 (3) Baccalaureate degree or its equivalent in  
13 accounting, conferred by a college or university outside of the  
14 United States, and submission of a letter of acceptance from an  
15 accredited United States college or university to its advanced  
16 degree program or an educational equivalency report prepared by  
17 an evaluator approved by the board.

18 (g) The board shall prescribe the terms and  
19 conditions under which an applicant who has taken the  
20 examination prescribed in subsection (e), but who has not  
21 satisfactorily completed the examination, may be given credit  
22 for any part thereof that the applicant has satisfactorily

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 completed. The board may also provide a specific length of time  
2 for an applicant to apply for reexamination.

3 (h) A person who passed the Uniform Certified Public  
4 Accountant Examination under the laws of another state may be  
5 exempted from taking the examination required pursuant to  
6 subsections (a) (5) and (e). The board shall prescribe the  
7 methods and requirements for exemption from examination  
8 requirements. The board shall prescribe the methods and  
9 requirements for exemption for the holder of a valid comparable  
10 certificate, registration, or license and a degree from a  
11 foreign country.

12 (i) A person who, on January 1, 1974, holds a license  
13 of certified public accountant issued under the laws of this  
14 State theretofore existing shall not be required to obtain an  
15 additional license of certified public accountant under this  
16 chapter, but shall otherwise be subject to all the provisions of  
17 this chapter; and the license theretofore issued shall, for all  
18 purposes, be considered a license issued under this chapter and  
19 subject to the provisions herein.

20 (j) Licenses shall be effective for a period not  
21 exceeding two years and shall be renewable biennially on or

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 before December 31 of every odd-numbered year upon application  
2 to the board.

3 (k) The board may renew the license of a certified  
4 public accountant who completes a renewal application and  
5 fulfills the following requirements:

6 (1) Holds a valid and current license; and

7 (2) Paid appropriate fees and assessments.

8 (l) Failure to renew a license on or before December  
9 31 of every odd-numbered year, shall constitute a forfeiture of  
10 license. Continued practice in public accountancy without  
11 renewing or restoring a license and permit shall constitute  
12 unlicensed activity. Any person engaged in unlicensed activity  
13 shall be subject to sections 466-9, 466-11, 487-13, and 26-9.

14 (m) The board shall specify the method and  
15 requirements of application for restoration of a forfeited  
16 license. The date of restoration of the license shall be the  
17 date of board approval of the restoration. Restorations shall  
18 not be retrospective.

19 SECTION 3. Section 466-5.5 is being deleted.

20 ~~§466-5.5 Educational requirements for licensure, effective~~  
21 ~~December 31, 2000.] [Effective December 31, 2000, an applicant~~  
22 ~~for licensure shall have at least one hundred-fifty semester~~

~~2 semester hours, the applicant shall have:~~

~~(1) A baccalaureate or higher degree conferred  
by a college or university acceptable to the  
board; and~~

~~(2) An accounting concentration or its equivalent as specified in the rules of the board;~~

~~except that applicants for licensure who have successfully completed the Uniform Certified Public Accountant Examination before December 31, 2000, or held conditional credit before December 31, 2000, and subsequently completed the examination before the conditional credit expired, may continue to meet the educational requirements of section 466-5(b)].~~

15           SECTION 4. New statutory material is underscored. Deleted

16 text is struck through.

**17** SECTION 5. This Act shall take effect upon approval.

19 INTRODUCED BY:

20 BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Education requirements for certified public accountants.

**Description:**

Authorizes the Board of Public Accountancy to accept at least twelve months of accountancy experience in addition to a baccalaureate degree that was completed with 120 credits or less.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*



\_\_\_\_.B. NO.\_\_\_\_

---

---

# A BILL FOR AN ACT

RELATING TO PEER REVIEW PROCESS FOR CERTIFIED PUBLIC ACCOUNTANCY  
FIRMS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

PART I

SECTION 1.

SECTION 2. Chapter 466, Hawaii Revised Statutes, is  
amended to read as follows:

**§466-33 Standards for peer reviews and sponsoring**

**organizations.** (a) Except as otherwise provided by section  
466-36, the board shall adopt the Standards for Performing and  
Reporting on Peer Reviews and any applicable ethical  
requirements adopted by the American Institute of Certified  
Public Accountants and the public company accounting oversight  
board firm inspection standards for public company audit firms  
required under the Sarbanes-Oxley Act of 2002, as amended, as  
its minimum standards for peer reviews.

(b) Subject to sections 466-40 and 466-41, qualified  
sponsoring organizations shall be the American Institute of  
Certified Public Accountants peer review program, ~~the Hawaii~~  
~~Society of Certified Public Accountants peer review program,~~

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 state certified public accountant societies fully involved in  
2 the administration of the American Institute of Certified Public  
3 Accountants peer review program, the public company accounting  
4 oversight board, the board, and other entities that are approved  
5 by the board.

6       **§466-38 Reporting to the board.** (a) A firm shall submit  
7 to the board:

8               (1) A copy of the peer review report and the final  
9 letter of acceptance from the sponsoring organization, if the  
10 report has a rating of "pass";

11              (2) A copy of the peer review report, the firm's  
12 letter of response, the corrective action letter, and the final  
13 letter of acceptance if the report has a rating of "pass with  
14 deficiency" or "fail"; or

15              (3) A copy of any report or Part I and any other  
16 public portion of the report resulting from any inspection by  
17 the public company accounting oversight board firm inspection  
18 program together with documentation of any significant  
19 deficiencies, findings, and the firm's response.

20              (b) For peer reviews scheduled after December 31,  
21 2014, any report or document required to be submitted under  
22 subsection (a) shall be filed with the board as follows:

.B. NO.          

1                   (1) Firms enrolled in the American Institute of  
2 Certified Public Accountants ~~and Hawaii Society of Certified~~  
3 ~~Public Accountants~~ peer review program ~~programs and administered~~  
4 ~~by the Hawaii Society of Certified Public Accountants, within~~  
5 ~~thirty calendar days of receipt of the notice of completion from~~  
6 ~~the Hawaii Society of Certified Public Accountants,~~ shall  
7 complete the peer review compliance reporting form under section  
8 466-35 and submit the form to the board along with the required  
9 documents;

10                   (2) Firms otherwise enrolled in the American  
11 Institute of Certified Public Accountants peer review program,  
12 including those whose peer reviews are administered by the  
13 National Peer Review Committee, within thirty calendar days of  
14 receipt of the notice of completion from the sponsoring  
15 organization, shall complete the peer review compliance  
16 reporting form under section 466-35 and submit the form to the  
17 board along with the required documents;

18                   (3) Firms enrolled in the public company accounting  
19 oversight board inspection program shall, within thirty calendar  
20 days of receipt of the issuance of the Part I report from the  
21 public company accounting oversight board, complete the peer  
22 review compliance reporting form required by section 466-35 and

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 submit the form to the board along with the required documents;  
2 and

3 (4) Firms enrolled in any other peer review program  
4 approved by this part shall submit the report generated by that  
5 review process and all associated documentation to the board in  
6 a form acceptable to the board.

7 (c) Any report or document submitted to the board  
8 under this section, including the board's peer review compliance  
9 reporting form, shall be confidential.

10 **§466-42 Peer review oversight committee.** (a) The board  
11 shall establish a peer review oversight committee for the  
12 purpose of:

13 (1) Monitoring sponsoring organizations to ensure  
14 that peer reviews are being conducted and reported in accordance  
15 with standards for performing and reporting on peer reviews  
16 adopted by the American Institute of Certified Public  
17 Accountants Peer Review Board;

18 (2) Reviewing the policies and procedures of  
19 sponsoring organization applicants as to their conformity with  
20 the peer review standards of any applicable peer review  
21 organization and this part; and

## .B. NO.

1           (3) Reporting to the board on the conclusions and  
2 recommendations reached as a result of performing the functions  
3 in paragraphs (1) and (2).

4           (b) Except to the extent otherwise required under  
5 this section and section 466-41(b), information concerning a  
6 specific firm or reviewer obtained by the peer review oversight  
7 committee during oversight activities shall be confidential and  
8 shall not be subject to discovery, pursuant to section 466-32,  
9 and reports submitted to the board by the peer review oversight  
10 committee shall not contain information concerning specific  
11 firms or reviewers. Members of the peer review oversight  
12 committee shall be required to execute confidentiality  
13 statements for the sponsoring organization that they oversee.

14           (c) The peer review oversight committee shall consist  
15 of three individuals approved by the board who hold permits to  
16 practice under section 466-7 and who are currently in the  
17 practice of public accountancy at the partner or equivalent  
18 level. No member of the peer review oversight committee shall  
19 be a current member of the board, the Hawaii Society of  
20 Certified Public Accountants Peer Review or Professional Ethics  
21 Committees, or the American Institute of Certified Public  
22 Accountants Professional Ethics Executive Committee. In

**.B. NO.**           

1 selecting committee members, the board shall consider, among  
2 other things, the prospective member's experience with attest  
3 engagements and the peer review rating of the prospective  
4 member's firm.

5 (d) The peer review oversight committee shall make an  
6 annual recommendation to the board as to the qualifications of  
7 an approved sponsoring organization to continue as an approved  
8 sponsoring organization on the basis of the results of the  
9 following procedures:

10 (1) Where the sponsoring organization is:

11 (A) The American Institute of Certified Public  
12 Accountants;

13 (B) A state certified public accountant society,  
14 ~~including the Hawaii Society of Certified Public Accountants,~~  
15 fully involved in administering the American Institute of  
16 Certified Public Accountants peer review program; or

17 (C) The public company accounting oversight  
18 board,

19 the peer review oversight committee shall review  
20 the published reports of the entity or the entity's successor to  
21 determine whether there is an acceptable level of oversight; and

.B. NO.          

1           (2) Where the sponsoring organization is other than  
2 any organization listed in paragraph (1), the peer review  
3 oversight committee shall perform the following functions:

4                   (A) At least one member of the peer review  
5 oversight committee shall attend at least one meeting of the  
6 sponsoring organization's peer review committee; and

7                   (B) During these visits, the peer review  
8 oversight committee members shall:

9                           (i) Meet with the organization's peer review  
10 committee during the committee's consideration of peer review  
11 documents;

12                           (ii) Evaluate the organization's procedures  
13 for administering the peer review program;

14                           (iii) Examine, on the basis of a random  
15 selection, a number of reviews performed by the organization to  
16 include, at a minimum, a review of the report on the peer  
17 review, the firm's response to the matters discussed, the  
18 sponsoring organization's letter of acceptance outlining any  
19 additional corrective or monitoring procedures, and the required  
20 technical documentation maintained by the sponsoring  
21 organization on the selected reviews; and

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 (iv) Expand the examination of peer review  
2 documents if significant deficiencies, problems, or  
3 inconsistencies are encountered during the analysis of the  
4 materials.

5 (e) In the evaluation of policies and procedures of  
6 sponsoring organization applicants, the peer review oversight  
7 committee shall:

8 (1) Examine the policies as drafted by the applicant  
9 to determine whether the policies provide reasonable assurance  
10 of conforming to the standards for peer reviews;

11 (2) Evaluate the procedures proposed by the applicant  
12 to determine whether:

13 (A) Assigned reviewers are appropriately  
14 qualified to perform the review for the specific firm;

15 (B) Reviewers are provided with appropriate  
16 materials;

17 (C) The applicant has provided for consultation  
18 with the reviewers on problems arising during the review and  
19 that specified occurrences requiring consultation are outlined;

20 (D) The applicant has provided for the  
21 assessment of the results of the review; and



.B. NO.          

1                   (E)   The applicant has provided for an  
2 independent report acceptance body that considers and accepts  
3 the reports of the review and requires corrective actions by  
4 firms with significant deficiencies; and

5                   (3)   Make recommendations to the board as to approval  
6 of the applicant as a sponsoring organization.

7                   (f)   Annually, the peer review oversight committee  
8 shall provide the board with a report on the continued  
9 reliability of sponsoring organizations' peer reviews. The peer  
10 review oversight committee report shall provide reasonable  
11 assurance that peer reviews are being conducted and reported on  
12 consistently and in accordance with the Standards for Performing  
13 and Reporting on Peer Review adopted by the American Institute  
14 of Certified Public Accountants. A summary of oversight visits  
15 shall be included with the annual report.

16                   (g)   The members of the peer review oversight  
17 committee shall serve without compensation, but shall be  
18 reimbursed for necessary expenses, including travel expenses,  
19 that are incurred in the performance of their duties.

20                   (h)   No member of the peer review oversight committee  
21 shall bear any civil liability for any action taken as a member  
22 of the peer review oversight committee in furtherance of the

\_\_\_\_\_.B. NO.\_\_\_\_\_

1 purposes for which the peer review oversight committee was  
2 established.

3 SECTION 4. New statutory material is underscored. Deleted  
4 text is striked through.

5 SECTION 5. This Act shall take effect upon approval.

6

7 INTRODUCED BY: \_\_\_\_\_

8 BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Firm Permit-to-Practice Peer Review Program.

**Description:**

Deletes reference to Hawaii Society of Certified Public Accounts as an approved Peer Reviewer as they no longer meet the requirements.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

**Date:** 23.08.2024

**From:**

Abdallah Seko

**To:**

Hawaii Board of Public Accountancy

I would like to humbly request and seek Hawaii Board of Public Accountancy to consider extending my expired credit scores for the 4 parts of the CPA exam. There are various incidents that occurred to me which I would like to bring to your kind attention. Firstly, I have not had career stability and that negatively impacted me financially and I was working excessively to cover minimum usual life expenses, CAP examination cost, and multiple travel (6 times) expenses to destinations where testing centers were made available (UAE, Kuwait, and Lebanon) in 2017 & 2018.

I live and work in a part of the world where there is no minimum wage exists, no pension is granted, no guaranteed job, no unemployment benefits, because I'm an expat. I had to switch jobs between 2017 and 2018 and I had to focus on the new job because of the level of work required by the sponsor and for myself to survive and that resulted in not being able to freely select the exam dates. [REDACTED]

[REDACTED]

[REDACTED]

The only chance I have is within your hands to grant me the credit extension to lift me up and support me to better my situation. I really had to cut down my expenses, save money, and get a loan most of the time to achieve my CPA. I'm really hoping to get the credit extension as with all the said hardship I was able to pass all the four parts in 22 months instead of 18 months for reasons out of my control.

I really have an enormous respect and admiration for the CPA, and I hope your decision will give me the relief I look for.

Regards,

**Abdallah Seko**

[REDACTED]

[REDACTED]

*Abdallah Seko*