

AMENDED IN SENATE APRIL 25, 2011

**SENATE BILL**

**No. 306**

---

---

**Introduced by Senator De León**

February 14, 2011

---

---

An act to ~~amend~~ *repeal and add* Section 5096.14 of the Business and Professions Code, relating to accountancy.

LEGISLATIVE COUNSEL'S DIGEST

SB 306, as amended, De León. Accountancy.

Existing law provides for the licensure and regulation of accountants by the California Board of Accountancy in the Department of Consumer Affairs. Existing law prohibits a person from engaging in the practice of public accountancy in this state unless he or she holds either a valid permit issued by the board or a practice privilege, as specified. A violation of this provision is a crime. Existing law requires the board to amend a specified regulation to extend from December 31, 2007, to December 31, 2010, a safe harbor pertaining to practicing accountancy without a practice privilege for up to 5 days prior to submitting a notification form to the board, as specified.

This bill would ~~require the board to amend the specified regulation to extend that safe harbor period from December 31, 2010, to December 31, 2013~~ *repeal the provision applicable to that regulation and instead set forth a 5-day safe harbor for a person practicing accountancy under a practice privilege, subject to specified requirements. The bill would authorize the board to fine an individual who notifies the board of his or her practice more than 5 days after beginning practice within the state.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 5096.14 of the Business and Professions  
2 Code is repealed.

3     5096.14. ~~The board shall amend Section 30 of Article 4 of~~  
4 ~~Division 1 of Title 16 of the California Code of Regulations to~~  
5 extend the current “safe harbor” period from December 31, 2007,  
6 to December 31, 2010.

7     SEC. 2. Section 5096.14 is added to the Business and  
8 Professions Code, to read:

9     5096.14. (a) An individual shall not be deemed to be in  
10 violation of this article solely because he or she begins the practice  
11 of public accounting in California prior to notifying the board as  
12 indicated in subdivision (c) of Section 5096, provided the notice  
13 is given within five business days of the date practice begins. An  
14 individual who properly notifies the board within the five-day  
15 period provided for in this section shall be deemed to have a  
16 practice privilege from the first day of practice in California unless  
17 the individual fails to timely submit the required fee pursuant to  
18 subdivision (c) of Section 5096.

19     (b) Subdivision (a) does not apply in those instances in which  
20 prior approval by the board is required pursuant to subdivision  
21 (g) of Section 5096.

22     (c) In addition to any other applicable sanction, the board may  
23 issue a fine pursuant to Section 5096.3 for notifying the board  
24 more than five business days after beginning practice in California.

25     SECTION 1. Section 5096.14 of the Business and Professions  
26 Code is amended to read:

27     5096.14. ~~The board shall amend Section 30 of Article 4 of~~  
28 ~~Division 1 of Title 16 of the California Code of Regulations to~~  
29 extend the current “safe harbor” period from December 31, 2010,  
30 to December 31, 2013.

O