

Section 1. The Department of Property and Supplies, with the approval of the Governor, is hereby authorized to purchase on behalf of the Commonwealth of Pennsylvania for use of the Norristown State Hospital a tract of land in the Borough of Norristown, Montgomery County, bounded and described as follows:

Department of Property and Supplies, with approval of Governor, authorized to purchase certain land in Norristown Borough, Montgomery County.

Beginning at a point on the northwest side of Stanbridge Street at a distance of approximately 1893.45 feet north from the northeast side of Sterigere Street; thence north 45 degrees 35 minutes west 1.7 feet to a point a corner of land of Norristown State Hospital; thence north 44 degrees 16 minutes east 878.80 feet to a point; thence extending southeasterly along the southeast side of the right of way of the Stoney Creek Branch of the Reading Railroad Company on a line curving to the right, having a radius of 1433.32 feet, the arc distance of 16.31 feet, to the northwest side of Stanbridge Street; thence extending along the northwest side of Stanbridge Street south 45 degrees west 869.28 feet to the place of beginning, containing 7913.54 square feet of land, more or less.

Description.

And being the same tract of land conveyed to Westingwood Inc., a Pennsylvania corporation, by deed of J. Herbert Weber and Montgomery County Bank and Trust Company, executors of the estate of Samuel H. Moyer, deceased, and Clara M. Becker, and Norman L. Becker, her husband, dated September 21, 1959, and recorded in Montgomery County Deed Book 3017, page 288.

Section 2. The land shall not be acquired until its title has been approved by the Department of Justice.

Approval of title.

Section 3. This act shall take effect immediately.

Act effective immediately.

APPROVED—The 2nd day of September, A. D. 1961.

DAVID L. LAWRENCE

No. 524

AN ACT

Amending the act of May 26, 1947 (P. L. 318), entitled "An act relating to the public practice of certified public accountants; providing for the certification of persons desiring to practice and the listing of persons engaged in practicing as certified public accountants, and for the suspension and revocation of such certificates, subject to appeal and for their reinstatement; prescribing the powers and duties of the State Board of Examiners of Public Accountants and the Department of Public Instruction; providing for ownership of working papers; defining unlawful acts and acts not unlawful; providing penalties, and repealing existing laws," further regulating the certification and public practice of certified public accountants.

The CPA Law.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 3, act of May 26, 1947, P. L. 318, amended July 29, 1953, P. L. 953, further amended.

Section 1. Section 3, act of May 26, 1947 (P. L. 318), known as "The CPA Law," amended July 29, 1953 (P. L. 953), is amended to read:

Section 3. General Powers of the Board.—The Board shall have the power:

[(1) To provide for and to regulate the issuance of certificates and to issue, upon passing the examination required by the board and meeting the educational and experience requirements provided herein, a certificate of certified public accountant to any person of good character and repute if such person resides or is engaged in public accounting in this Commonwealth, is a citizen of the United States, is at least twenty-one years of age, and speaks and writes the English language.

(2)] (1) *To provide for and to regulate the issuance of certificates and issue a certificate of certified public accountant to any person (a) who meets the general qualifications and education and experience requirements provided herein and who passes the examination required by the board, or (b) who meets the requirements for the issuance of a certificate by reciprocity.*

(2) *To provide for and to regulate registration and permits to practice as provided herein.*

(3) *To prescribe the subject, manner, time and place of examination for the certificate of certified public accountant [to collect fees for such examination and to issue certificates to such persons as pass examinations]: Provided, That an examination shall be held at least once in each calendar year, and simultaneously in at least two counties of the Commonwealth, and shall be a written examination [in commercial law as affecting public accounting, and] in general accounting, [including] theory of accounts, accounting practice, auditing and [taxation] such other subjects as the board shall determine to be appropriate. The board may make such use [the] of all or any part of the Uniform Certified Public Accountants' examination and/or Advisory Grading service of the American Institute of Certified Public Accountants as it deems appropriate to assist in performing its duties hereunder.*

[(3)] (4) *To keep a roster showing the names and the places of business of persons to whom the certificate of certified public accountant has been issued under this act and under prior laws and of persons registered under this act and of all persons holding permits under this act. The department shall publish such roster biennially in booklet form and shall mail copies thereof to*

[each certified public accountant] *all permit holders* listed and shall furnish the same to other persons upon request.

[(4)] (5) To suspend for a fixed term or revoke the certificate *and permit* of any certified public accountant [who is found guilty by the board, by a unanimous vote of all its members, of the practice of any fraud, deceit or wilful misrepresentation in obtaining his certificate, or of wilful gross neglect, fraud, deceit or wilful misrepresentation in practice as a certified public accountant, or who has under any state or Federal law pleaded guilty, entered a plea of nolo contendere, or has been found guilty by a judge or jury of a felony, and to reinstate certificates in all cases where a majority vote of the board shall determine the same to be just and proper.] *or the registration and permit of a person or to censure the holder of such certificate, registration or permit as provided for in this act.*

[(5)] (6) To collect fees as provided for in this act and to submit [biennially] *annually*, to the department an estimate of the financial requirements of the board for its administrative, investigative, legal and miscellaneous expenses.

[(6)] (7) To arrange for assistance in the performance of its duties, and to administer and enforce the laws of the Commonwealth relating to practice by certified public accountants, and to instruct and require its agents to seek an injunction, or bring a prosecution for a violation of this act.

[(7)] (8) To keep minutes and records of all its transactions and proceedings. Copies thereof duly certified by the Secretary of the board shall be received as evidence in all courts and elsewhere.

[(8)] (9) To become a member of the Association of Certified Public Accountant Examiners, or a similar organization, and pay such dues as said association shall establish and send delegates to the annual meeting of the association and defray their expenses.

[(9)] (10) To adopt, promulgate and enforce such administrative rules and regulations not inconsistent with this act, or other acts, as are necessary and proper to carry into effect the provisions of this act.

[(10)] To revoke or suspend, by unanimous vote of the board, the certificates of certified public accountants, or to censure or reprimand the holder of such certificate when the holder has been found guilty of unprofessional conduct, as defined in the rules established by the board, such rules to represent the consensus of the certified public accounting profession in Pennsylvania in respect to such conduct.]

(11) *To promulgate and amend rules of professional conduct appropriate to establish and maintain a high standard of integrity and dignity in the profession of public accountancy. At least sixty days prior to the promulgation of any such rule or amendment, the board shall mail copies of the proposed rule or amendment to each holder of a permit issued under this act with a notice advising him of the proposed effective date of the rule or amendment and requesting that he submit his comments thereon at least fifteen days prior to such effective date, such comments shall be advisory only. Failure to mail such rule, amendment or notice to all permit holders shall not affect the validity of any such rule or amendment. The board may, in its discretion, adopt as its rules of professional conduct the Canons of Professional Ethics of the Pennsylvania Institute of Certified Public Accountants.*

Act amended by adding a new section 3.1.

Section 2. The act is amended by adding, after section 3, a new section to read:

Section 3.1. General Qualifications.—The certificate of certified public accountant shall be granted by the board to any person (a) who is a citizen of the United States or has duly declared his intention of becoming such citizen, and (b) who is a resident of this Commonwealth or is engaged in public accounting therein, and (c) who has attained the age of twenty-one years, and (d) who is of good moral character, and (e) who meets the requirements of education and experience as hereinafter provided as a prerequisite for taking a written examination, and (f) who after complying with the education and experience requirements shall have passed a written examination in general accounting, theory of accounts, accounting practice, auditing and such other subjects as the board shall determine to be appropriate. Subject to such regulations as the board may adopt governing re-examinations, a candidate shall be entitled to retake the examination referred to under (f) above. A person who has previously taken the examination under the provisions of a prior CPA Law of this Commonwealth shall continue to be permitted to take the examination and receive a certificate subject to such prior provisions.

Sections 4 and 5 of the act, amended July 29, 1953, P. L. 953, further amended.

Section 3. Sections 4 and 5 of the act, amended July 29, 1953 (P. L. 953), are amended to read:

Section 4. Education and Experience Requirements.—[Before] (a) *During the six year period immediately following the effective date of this act, before any person is permitted to take the examination or is issued a certificate of certified public accountant, the board shall*

be satisfied that he has complied with the following requirements:

(1) Completed a four-year high school course or its equivalent and has had at least three (3) years of public accounting experience of a caliber satisfactory to the board; or

(2) Is a graduate of a college or university, approved by the State Council of Education, giving a four-year course, and has had at least two (2) years of public accounting experience of a caliber satisfactory to the board.

[The foregoing provisions shall not apply in the following cases:

(1) A person who has previously taken the examination under prior provisions of this act shall continue to be permitted to take the examination and receive his certificate, subject to such prior provisions.

(2)] The board may, in its discretion, issue its certificate to any honorably discharged veteran who served in the armed forces of the United States, without regard to his compliance with either of the experience requirements prescribed herein.

(b) After the expiration of six years from the effective date of this act, the education and experience requirements shall be as follows:

(1) Graduation with a baccalaureate degree from a college or university approved at the time of graduation by the State Council of Education, or an education which is the equivalent thereof, and satisfactory completion of at least twelve semester credits in accounting not necessarily as part of his undergraduate work, and at least two years of public accounting experience of a caliber satisfactory to the board; or

(2) Graduation with a Master's Degree in Accounting or Business Administration from a college or university approved at the time of graduation by the State Council of Education, and satisfactory completion of at least twelve semester credits in accounting not necessarily as part of his undergraduate or graduate work, and at least one year of public accounting experience of a caliber satisfactory to the board.

(c) Service in the Armed Forces of the United States subsequent to July 1, 1940, shall be substituted for the experience requirements in section 4 (a) (1) and (2) and section 4 (b) (1) above, on the basis of one month's experience credit for each six months' service: Provided, That the maximum credit for such service shall be six months.

Section 5. [Reciprocal Certificates] *Certificates Issued by Reciprocity.—Without requiring a written ex-*

amination [upon application to and upon the recommendation of the board, but subject to the payment of a fee to be fixed by the department, which fee is to accompany the application,] the board shall issue a certificate of certified public accountant to a holder of a certificate of certified public accountant *then in full force and effect* issued as the result of a written examination by any other state or political subdivision of the United States: Provided, That the applicant shall submit evidence satisfactory to the board that

[: (1) He is twenty-one years of age or over and of good moral character.

(2) He is a citizen of the United States.

(3) He resides within this Commonwealth and therein engages in public practice as an accountant, or he is a nonresident of this Commonwealth but maintains a bona fide office within this Commonwealth as an accountant in public practice, or is employed within this Commonwealth in the office of a certified public accountant or an accountant in public practice.

(4) He has been engaged in public practice as an accountant in one or more of the states or political subdivisions of the United States for at least two years since the issuance of the certificate upon which said reciprocal action is to be based.

(5) His certificate as a certified public accountant, issued by any state or political subdivision of the United States, is not revoked or suspended for improper conduct, and

(6) His education and experience are substantially equivalent to the requirements of this act for issuance of a certificate as a certified public accountant in this Commonwealth.]

he possesses the general qualifications specified in (a), (b), (c) and (d) of section 3.1 of this act, and that he possesses the equivalent of the education and experience requirements for issuance of a certificate of certified public accountant in this Commonwealth in effect at the time he received his original certificate under the laws of such other state or political subdivision of the United States.

Section 7 of the
act, amended.

Section 4. Section 7 of the act is amended to read :

Section 7. Status of Existing Certificates [of Certified Public Accountants] Preserved.—Any person legally authorized to practice as a certified public accountant in this Commonwealth at the time this act takes effect shall thereafter possess the same rights and privileges as persons to whom certificates of certified public accountant shall be issued pursuant to this act, subject, however, to the power of the board, as provided in this

act, to suspend or revoke the certificate of any such person or censure any such person for any of the causes set forth in this act and subject to the power of the board to provide for and to require permits to practice.

Section 5. Section 8 of the act is repealed.

Section 8 of the act, repealed.

Section 6. The act is amended by adding, after section 8, two new sections to read:

Act amended by adding two new sections 8.1 and 8.2.

Section 8.1. Registration of Foreign Accountants.—The board may, in its discretion, permit the registration of any person of good moral character, who is the holder of a certificate, license or degree in a foreign country, constituting a recognized qualification for the practice of public accounting in such country, provided (a) such country grants a similar right to practice to certified public accountants of this Commonwealth, and (b) the board determines that the standards under which the applicant received such certificate, license or degree are equivalent to the standards of this act for the issuance of a certificate as a certified public accountant in this Commonwealth. A person so registered shall use only the title under which he is permitted to practice in his own country, followed by the name of the country from which he received his certificate, license or degree.

Section 8.2. Permits to Practice.—Biennial permits to engage in practice in this Commonwealth as certified public accountants, or to practice as designated in section 8.1 of this act, shall be issued by the department to holders of the certificate of certified public accountant issued by this Commonwealth and to persons registered under section 8.1 of this act. There shall be a biennial permit fee in an amount to be determined, from time to time, by the department not to exceed ten dollars (\$10). Permits to practice shall expire on the last day of December of 1962 and on the last day of alternate years thereafter, or on such other biennial expiration dates as the department may fix. Permits may be renewed, biennially, for a period of two years by such certificate holders and registrants in good standing upon payment of the biennial fee. Failure of a certificate holder or registrant to apply for such permit to practice within (a) three years from the expiration date of the permit to practice last obtained or renewed, or (b) three years from the date upon which the certificate holder or registrant was granted his certificate or registration, if no permit was ever issued to him, shall deprive him of the right to such permit: Provided, That a certified public accountant who is not engaged in the practice of public accounting may request the board, in writing, to place his name on the inactive roll and thus protect his right to obtain a permit at such time as he may become en-

gaged in the practice of public accounting. The board, in its discretion, may also review each case of failure to apply for such biennial permit and determine whether such failure was due to excusable neglect. In such case the renewal fee or the fee for the issuance of the original permit, as the case may be, shall be such amount as the department shall, from time to time, determine.

Act amended by
adding two new
sections 9.1 and
9.2.

Section 7. The act is amended by adding, after section 9, two new sections to read:

Section 9.1. Revocation or Suspension of Certificate Registration or Permit.—In accordance with the procedure referred to in section 9 of this act, the board by unanimous vote may revoke or suspend any certificate of certified public accountant or registration under section 8.1 of this act, or may revoke, suspend or refuse to renew any permit issued under section 8.2 of this act, or may censure the holder of any such certificate, registration or permit, for any one or any combination of the following causes:

(1) Fraud or deceit in obtaining a certificate as certified public accountant or in obtaining registration under this act or in obtaining a permit to practice under this act.

(2) Dishonesty, fraud or gross negligence in the practice of public accounting.

(3) Violation of any of the provisions of section 12 of this act.

(4) Violation of a rule of professional conduct promulgated by the board under the authority granted by this act.

(5) Pleading guilty, entering a plea of nolo contendere, or being found guilty of a felony under the laws of any state or political subdivision of the United States or of the United States.

(6) Pleading guilty, entering a plea of nolo contendere, or being found guilty of any crime, an element of which is dishonesty or fraud under the laws of any state or political subdivision of the United States or of the United States.

(7) Cancellation, revocation, suspension or refusal to renew authority to practice as a certified public accountant by any other state or political subdivision of the United States for any cause other than failure to pay a registration or other fee.

(8) Suspension or revocation of the right to practice before any state or Federal agency.

(9) Failure to become a citizen of the United States within six years by any person not a citizen of the United

States when he or she received a certificate as certified public accountant under this act.

(10) *Failure of a certificate holder or registrant to obtain a biennial permit under section 8.2 within either (a) three years from the expiration date of the permit to practice last obtained or renewed by said certificate holder or registrant, or (b) three years from the date upon which the certificate holder or registrant was granted his certificate or registration if no permit was ever issued to him, unless under section 8.2, such failure shall have been excused by the board.*

(11) *Conduct discreditable to the public accounting profession.*

Section 9.2. Reinstatement.—Upon application in writing and after hearing pursuant to notice, the board may issue a new certificate to a certified public accountant whose certificate has been revoked, or may permit the re-registration of anyone whose registration has been revoked, or may reissue or modify the suspension of any permit to practice which has been revoked or suspended.

Section 8. The act is amended by adding, after section 11, a new section to read:

Act amended by adding a new section 11.1.

Section 11.1. Privileged Communication.—Except by permission of the client or person or firm or corporation engaging him or the heirs, successors or personal representatives of such client or person or firm or corporation, a certified public accountant or a person employed by a certified public accountant shall not be required to, and shall not voluntarily, disclose or divulge information of which he may have become possessed relative to and in connection with any professional services as a certified public accountant other than the examination of audit of or report on any financial statements, books, records or accounts, which he may be engaged to make or requested by a prospective client to discuss. The information derived from or as the result of such professional services shall be deemed confidential and privileged: Provided, however, That nothing herein shall be taken or construed as modifying, changing or affecting the criminal or bankruptcy laws of this Commonwealth or of the United States.

Section 9. Section 12 of the act, amended July 29, 1953 (P. L. 953), is amended to read:

Section 12 of the act, amended July 29, 1953, P. L. 953, further amended.

Section 12. Unlawful Acts.—(a) It is unlawful for any person [to use the title “certified public accountant” or any abbreviation thereof or the letters “CPA” in connection with his name unless he shall hold a certificate as a certified public accountant issued by this

Commonwealth.] (1) to assume or use the title or designation "certified public accountant," or the abbreviation "CPA," or any other title, designation, words, letters, abbreviation, sign, card or device, tending to indicate that such person is a certified public accountant unless such person has received, or has been notified in writing by the board that he has qualified to receive a certificate of certified public accountant issued by this Commonwealth, which is not revoked or suspended, or (2) to assume or use such title, designation or abbreviation in the practice of public accounting unless he also holds a permit issued under section 8.2 of this act, which is not revoked or suspended, hereinafter referred to as a "live permit": Provided, That a foreign accountant who has registered under the provisions of section 8.1 of this act, and who holds a live permit issued under section 8.2 of this act, may use the title under which he is permitted to practice in his country, followed by the name of the country from which he received his certificate, license or degree.

(b) It is unlawful for any person to use the title "certified public accountant" or any abbreviation thereof, or the letters "CPA" by virtue of any certificate or permit illegally or fraudulently obtained by such person, or issued unlawfully or through any fraudulent representation or deceit, or misstatement of material fact or fraudulent concealment of a material fact made or induced or aided or abetted by such person.

(c) It is unlawful for any [person to use the title "certified public accountant" or any abbreviation thereof or the letters "CPA" while his certificate as a certified public accountant shall be void, revoked or suspended pursuant to this act.

(d) It is unlawful for any member of a partnership to use the title "certified public accountants" or any abbreviation thereof in connection with the partnership name, unless (1) each partner resident or engaged within the United States in the performance of accounting work is in good standing as a certified public accountant of a state or political subdivision of the United States, and (2) each partner resident or personally active in the performance of accounting work within the State is a certified public accountant of this Commonwealth, and (3) there is at least one such partner.

(e) *partnership to assume or use the title or designation "certified public accountant," or the abbreviation "CPA," or any other title, designation, words, letters, abbreviation, sign, card or device, tending to indicate that such partnership is composed of certified public accountants, unless such partnership meets all of the following requirements:*

(1) *At least one partner thereof must be a certified public accountant of this Commonwealth in good standing and the holder of a live permit issued under section 8.2 of this act, and*

(2) *Each partner thereof personally engaged within this Commonwealth in the practice of public accounting as a member thereof (i) must be a certified public accountant of this Commonwealth in good standing and the holder of a live permit issued under section 8.2 of this act, or (ii) must be a certified public accountant of some state or political subdivision of the United States in good standing and must have filed with the board, but not have been refused by the board, application for a certificate of certified public accountant of this Commonwealth by reciprocity, and after having received such certificate, must have filed but not have been refused a permit under section 8.2 of this act;*

(3) *Each partner thereof must be a certified public accountant of some state or political subdivision of the United States in good standing, and*

(4) *Each manager in charge of an office of the firm in this Commonwealth must be a certified public accountant of this Commonwealth in good standing and the holder of a live permit issued under section 8.2 of this act.*

(d) *It is unlawful for any person to sell or offer to sell or fraudulently obtain, furnish or procure any certificate, registration or permit under the provisions of this act or cause or aid or abet another person so to do.*

[(f)] (e) *It is unlawful for any person or any corporation to sign or affix a corporate name with any wording indicating that it is a corporation performing services as certified public accountants or composed of certified public accountants to any accounting or financial statement or to any report on, or certificate to, any accounting or financial statement. "Corporation" and "corporate," as used in this paragraph, includes reference to any limited partnership, partnership, association or other organization providing for limited liability of the members or partners.*

[(g)] (f) *Except as prescribed in [subsection] subsections (a) and (c) in respect of certified public accountants, it is unlawful for any person or partnership to use a title, including the word "certified" as a part thereof, or any other title or designation likely to be confused with "certified public accountant," or any title or designation implying or connoting accreditation by a state or political subdivision of the United States, for the practice of any type of bookkeeping, accounting,*

auditing, tax or other professional practice related thereto, or to use any abbreviation of [the word "certified" or its initial letter in such a manner] *such title or designation.*

(g) It is unlawful for any person to assume or use the title or designation "certified public accountant" in conjunction with names indicating or implying that there is a partnership, or in conjunction with the designation "and Company" or "and Co" or a similar designation, if, in any such case, there is, in fact, no bona fide partnership: Provided, That a sole proprietor or partnership lawfully using such title or designation in conjunction with such names or designation on the effective date of this act may continue to do so if he, or it, otherwise complies with the provisions of this act.

Sections 13 and 15 of the act, amended.

Section 10. Sections 13 and 15 of the act are amended to read:

Section 13. Acts Not Unlawful.—Nothing contained in this act shall [be construed to] prohibit any [holder of a certified public accountant certificate of another state or political subdivision of the United States, from temporarily rendering services in this Commonwealth incident to his regular practice in such other state or political subdivision of the United States.] *person not a certified public accountant from serving as an employe of or an assistant to a certified public accountant holding a permit to practice issued under section 8.2 of this act, a partnership of certified public accountants, or a foreign accountant registered under section 8.1 of this act: Provided, That such employe or assistant shall not issue any accounting or financial statement over his name.*

Nothing contained in this act shall prohibit a certified public accountant of another state or political subdivision of the United States, or any accountant who holds a certificate, degree or license in a foreign country constituting a recognized qualification for the practice of public accounting in such country, from temporarily practicing in this Commonwealth on professional business incident to his regular practice outside this Commonwealth: Provided, That such temporary practice is conducted in conformity with the regulations and rules of professional conduct promulgated by the board.

Section 15. Single Act Evidence of Practice.—The wilful or knowing display or uttering by a person of a card, sign, advertisement or other printed, engraved or written instrument or device bearing a person's name in conjunction with the words "certified public accountant" or any abbreviation thereof or any designation prohibited by this act, shall be prima facie evidence in any prosecution, proceeding or hearing that the person

whose name is so displayed, caused or procured the display or uttering of such card, sign, advertisement or other printed, engraved, or written instrument or device and that such person is holding himself out to be a certified public accountant. In any prosecution or proceeding under this act, evidence of the commission of a single act prohibited by this act, shall be sufficient to justify *an injunction* or a conviction without evidence of a general course of conduct.

Section 11. The act is amended by adding, after section 16, a new section to read:

Act amended by adding a new section 16.1.

Section 16.1. Construction.—If any provision of this act or the application thereof to anyone or to any circumstances is held invalid, the remainder of the act and the application of such provision to others or other circumstances shall not be affected thereby.

APPROVED—The 2nd day of September, A. D. 1961.

DAVID L. LAWRENCE

No. 525

AN ACT

Fixing the salaries and compensation of members of certain boards and commissions, and repealing inconsistent acts.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Salaries of boards, commissions or groups.

Section 1. Annual salaries shall be payable in equal installments every other week, as follows:

Salaries, when and how payable.

To the Chairman of the Pennsylvania Board of Parole	\$15,500
To the Members of the Pennsylvania Board of Parole, other than the Chairman of the Board of Parole, each	\$14,500
To the Chairman of the Milk Control Commission	\$13,000
To the members of the Milk Control Commission, other than the Chairman, each	\$12,500
To the Chairman of the Pennsylvania Liquor Control Board	\$18,000
To the members of the Pennsylvania Liquor Control Board, other than the Chairman, each ..	\$17,000
To the Chairman of the Pennsylvania Turnpike Commission	\$17,000