

TITLE 4: ECONOMIC RESOURCES
DIVISION 3: BUSINESSES AND PROFESSIONS

§ 3421. Qualifications for a Certificate as a Certified Public Accountant.

(a) The certificate of “certified public accountant” shall be granted to persons of good character who meet the education, experience and examination requirements of the following subsections of this section and who make application therefor pursuant to section 3422 of this Act.

(b) Good character for purposes of this section means lack of a history of dishonest or felonious acts. The Board may refuse to grant a certificate on the ground of failure to satisfy this requirement only if there is a substantial connection between the lack of good character of the applicant and the professional responsibilities of a licensee and if the finding by the Board of lack of good character is supported by clear and convincing evidence. When an applicant is found to be unqualified for a certificate because of a lack of good character, the Board shall furnish the applicant a statement containing the findings of the Board, a complete record of the evidence upon which the determination was based, and a notice of the applicant’s right of appeal.

(c) The education requirement for a certificate, which must be met before an applicant is eligible to apply for the examination prescribed in subsection (d), shall be as follows:

(1) During the four-year period immediately following the effective date of this Act, a baccalaureate degree or its equivalent conferred by a college or university acceptable to the Board, with an accounting concentration or equivalent as determined by Board rule to be appropriate;

(2) After the expiration of the four-year period immediately following the effective date of this Act, at least 150 semester hours of college education including a baccalaureate or higher degree conferred by a college or university acceptable to the Board, the total educational program to include an accounting concentration or equivalent as determined by Board rule to be appropriate.

(d) The examination required to be passed as a condition for the granting of a certificate shall be in writing, shall be held twice a year, and shall test the applicant’s knowledge of the subjects of accounting and auditing, and such other related subjects as the Board may specify by rule. The time for holding such examination shall be fixed by the Board and may be changed from time to time. The Board shall prescribe by rule the methods of applying for and conducting the examination, including methods for grading papers and determining a passing grade required of an applicant for a certificate provided, however, that the Board shall to the extent possible see to it that the grading of the examination, and the passing grades, are uniform with those applicable in all other states. The Board may make such use of all or any part of the Uniform Certified Public Accountant Examination and Advisory Grading Service of the American Institute of Certified Public Accountants and may contract with third parties to perform such administrative services with respect to the examination as it deems appropriate to assist it in performing its duties hereunder.

(e) An applicant shall be required to pass all sections of the examination provided for in subsection (d) in order to qualify for a certificate. A passing grade for each section shall be 75. If at a given sitting of the examination an applicant

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passes two or more but not all sections, then the applicant shall be given credit for those sections that the applicant has passed and need not sit for reexamination in those sections, provided that:

(1) At that sitting the applicant wrote all sections of the examination for which the applicant does not have credit;

(2) The applicant attained a minimum grade of 50 on each section taken at that sitting;

(3) The applicant passes the remaining sections of the examination within six consecutive examinations given after the one at which the first sections were passed;

(4) At each subsequent sitting at which the applicant seeks to pass any additional sections, the applicant writes all sections for which the applicant does not have credit; and

(5) In order to receive credit for passing additional sections in any such subsequent sitting, the applicant attains a minimum grade of 50 on each section taken at that sitting, in addition to the required 75 grade for each section passed.

(f) An applicant shall be given credit for any and all sections of an examination passed in another state if such credit would have been given, under then applicable requirements, if the applicant had taken the examination in the CNMI.

(g) The Board may in particular cases waive or defer any of the requirements of subsections (e) and (f) regarding the circumstances in which the various sections of the examination must be passed, upon a showing that, by reason of circumstances beyond the applicant's control, the applicant was unable to meet such requirement.

(h) The Board may charge, or provide for a third party administering the examination to charge each applicant a fee, in an amount prescribed by the Board by rule, for each section of the examination or reexamination taken by the applicant.

(i) An applicant for initial issuance of a certificate under this section shall show that the applicant has had two years of experience, providing one or more kinds of services involving the use of accounting or auditing skills, including the issuance of reports on financial statements, or one or more kinds of management advisory, financial advisory, or consulting services, or the preparation of tax returns or the furnishing of advice on tax matters, or the equivalent, all of which was under the direction of a licensee or a person licensed within another state, meeting requirements prescribed by the Board by rule.

Source: PL 13-52, § 5, modified.

Commission Comment: The Commission made conforming changes to the above subsection pursuant to 1 CMC § 3806. See the comment to 4 CMC § 3401 regarding PL 13-52.