

TITLE 4: ECONOMIC RESOURCES
DIVISION 3: BUSINESSES AND PROFESSIONS

§ 3422. Issuance and Renewal of Certificates.

(a) The Board shall grant or renew certificates to persons who make application and demonstrate that their qualifications, including where applicable the qualifications prescribed by section 3421, are in accordance with the following subsections of this section. The holder of a certificate issued under this section may only practice public accountancy in a firm that holds a permit issued under section 3423 of this Act.

(b) Certificates shall be initially issued, and renewed, for periods of not more than three years but in any event shall expire on the third year following issuance or renewal. Applications for such certificates shall be made in such form, and in the case of applications for renewal, between such dates, as the Board shall by rule specify, and the Board shall grant or deny any such application no later than 60 days after the application is filed in proper form. In any case where the applicant seeks the opportunity to show that issuance or renewal of a certificate was mistakenly denied, or where the Board is not able to determine whether it should be granted or denied, the Board may issue to the applicant a provisional certificate, which shall expire ninety days after its issuance or when the Board determines whether or not to issue or renew the certificate for which application was made, whichever shall first occur.

(c) The Board shall issue a certificate to a holder of a certificate, license, or permit issued by another state upon a showing that:

(1) The applicant passed the examination required for issuance of the applicant's certificate with grades that would have been passing grades in accordance with section 3421 of the Act.

(2) The applicant:

(A) Meets all current requirements in the CNMI for issuance of a certificate at the time application is made; or

(B) At the time of the issuance of the applicant's certificate in the other state, met all such requirements applicable in this Act;

(C) Had five years of experience outside of the CNMI in the practice of public accountancy or meets equivalent requirements prescribed by the Board by rule, after passing the examination upon which the applicant's certificate was based and within the ten years immediately preceding the application;

(3) The applicant has had experience in the practice of public accountancy meeting the requirements of section 3421(i); and

(4) If the applicant's certificate, license, or permit was issued more than four years prior to the application for issuance of an initial certificate under this section, the applicant has fulfilled the requirements of continuing professional education that would have been applicable under subsection (d) of this section.

(d) For renewal of a certificate under this section an applicant shall show that the applicant has completed 120 hours of continuing professional education which contribute to the general professional competence of the applicant during a three-year period with a minimum of twenty hours each year. The Board may

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prescribe by rule the content, duration and organization of continuing professional education courses that qualify for this requirement. The Board may also provide by rule for prorated continuing professional education requirements to be met by applicants whose initial certificates were issued substantially less than three years prior to the renewal date, and it may prescribe by rule special lesser requirements to be met by applicants for certificate renewal whose prior certificates lapsed substantially prior to their applications for renewal, and regarding whom it would in consequence be inequitable to require a full compliance with all requirements of continuing professional education that would otherwise have been applicable to the period of lapse.

(e) The Board shall charge a fee for each application for initial issuance or renewal of a certificate under this section in an amount prescribed by the Board by rule.

(f) Applicants for initial issuance or renewal of certificates under this section shall in their applications list all states in which they have applied for or hold certificates, licenses, or permits, and each holder of or applicant for a certificate under this section shall notify the Board in writing, within 30 days after its occurrence, of any issuance, denial, revocation, or suspension of a certificate, license or permit by another state.

(g) The Board shall issue a certificate to a holder of a foreign designation, granted in a foreign country entitling the holder thereof to engage in the practice of public accountancy, provided that:

(1) The foreign authority which granted the designation makes similar provision to allow a person who holds a valid certificate issued by the CNMI to obtain such foreign authority's comparable designation; and

(2) The foreign designation:

(A) Was duly issued by a foreign authority that regulates the practice of public accountancy and the foreign designation has not expired or been revoked or suspended;

(B) Entitles the holder to issue reports upon financial statements; and

(C) Was issued upon the basis of educational, examination, and experience requirements established by the foreign authority or by law; and

(3) The applicant:

(A) Received the designation, based on educational and examination standards substantially equivalent to those required by this Act, at the time the foreign designation was granted;

(B) Completed an experience requirement, substantially equivalent to the requirement set out in section 3421(i), in the jurisdiction which granted the foreign designation or has completed five years of experience in the practice of public accountancy in the CNMI or meets equivalent requirements prescribed by the Board by rule, within the ten years immediately preceding the application; and

(C) Passed a uniform qualifying examination in national standards (and an examination on the laws, regulations and code of ethical conduct in effect in this Territory) acceptable to the Board.

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(h) An applicant under subsection (g) shall in the application list all jurisdictions, foreign and domestic, in which the applicant has applied for or holds a designation to practice public accountancy, and each holder of a certificate issued under this subsection shall notify the Board in writing, within thirty days after its occurrence, of any issuance, denial, revocation or suspension of a designation or commencement of a disciplinary or enforcement action by any jurisdiction.

(i) The Board has the sole authority to interpret the application of the provisions of subsection (g) and (h).

Source: PL 13-52, § 6, 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. The Commission also changed the word “renovation” to “revocation” in subsection (f) to correct a manifest clerical error pursuant to its authority by 1 CMC § 3806(g).