

**Article 2 100**  
**ACCOUNTANTS**

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1           **12-100-101. [Formerly 12-2-101] Legislative declaration.** (1) It is declared to be  
2 in the interest of the citizens of the state of Colorado and a proper exercise of the police  
3 power of the state of Colorado to provide for the licensing and registration of certified public  
4 accountants, to ensure that persons who hold themselves out as possessing professional  
5 qualifications as certified public accountants are, in fact, qualified to render accounting  
6 services of a professional nature, and to provide for regulation of certified public accountants  
7 employed, serving clients, or doing business in Colorado and the maintenance of high  
8 standards of professional conduct by those ~~so~~ licensed and registered as certified public  
9 accountants. Because of the customary reliance by the public upon audited financial  
10 statements and upon financial information presented with the opinion or certificate of persons  
11 purporting to possess expert knowledge in accounting or auditing, it is further declared to be  
12 in the interest of ~~such~~ THE citizens to limit and restrict, under the circumstances set forth in  
13 this article **100**, the issuance of opinions or certificates relating to accounting or financial  
14 statements ~~which~~ THAT utilize or contain wording indicating that the author has expert  
15 knowledge in accounting or auditing or ~~which~~ THAT purport to express an independent  
16 auditor's opinion as to financial position, financial results of operations, changes in financial  
17 position, reliability of financial information, or compliance with conditions established by  
18 law or contract to persons ~~so~~ licensed or registered UNDER THIS ARTICLE 100.

19           (2) It is declared that the state board of accountancy may invoke discipline  
20 proactively with regard to certified public accountants employed, serving clients, or doing  
21 business in Colorado when required for the protection of the public health, safety, and  
22 welfare of the citizens of this state.

23  
24           **12-100-102. Applicability of common provisions.** ARTICLES 1 AND 20 OF THIS TITLE  
25 12 APPLY, ACCORDING TO THEIR TERMS, TO THIS ARTICLE 100.

26  
27           **12-100-103. [Formerly 12-2-102] Definitions.** As used in this article **100**, unless the  
28 context otherwise requires:

1 (1) "Accredited college or university" means either:

2 (a) A college or university ~~which~~ THAT is accredited by one of the following regional  
3 accrediting agencies:

4 (I) The Middle States Association of Colleges and Schools;

5 (II) The North Central Association of Colleges and Schools;

6 (III) The New England Association of Schools and Colleges;

7 (IV) The Northwest Association of Schools and Colleges;

8 (V) The Southern Association of Colleges and Schools;

9 (VI) The Western Association of Schools and Colleges; or

10 (b) A college or university ~~which~~ THAT meets academic standards substantially  
11 equivalent to the standards of the agencies specified in ~~paragraph (a) of this subsection (1)~~  
12 SUBSECTION (1)(a) OF THIS SECTION. The board shall establish by rule what constitutes  
13 substantially equivalent academic standards.

14 ~~(1.5)~~ (2) "Board" means the state board of accountancy CREATED IN SECTION  
15 12-100-104.

16 ~~(2)~~ (3) "Foreign corporation" means a corporation organized under the laws of  
17 another state, which meets the requirements of section ~~12-2-117(7)~~ **12-100-114 (11).**

18 ~~(2.5)~~ (4) "Foreign limited liability company" means a limited liability company  
19 organized under the laws of another state, which meets the requirements of section ~~12-2-117~~  
20 ~~(7)~~ **12-100-114 (11).**

21 ~~(2.7)~~ (5) "Limited liability company" means a limited liability company organized for  
22 the sole purpose of providing professional services to the public customarily performed by  
23 certified public accountants and includes foreign limited liability companies.

24 ~~(2.9)~~ (6) "Peer review" means a study, appraisal, or review by an independent  
25 certified public accountant of one or more aspects of the professional work of another  
26 certified public accountant or of a registered partnership, corporation, or limited liability  
27 company that issues attest or compilation reports.

28 ~~(3)~~ (7) "Person" includes individuals, partnerships, professional corporations, and  
29 limited liability companies.

30 ~~(4)~~ (8) "Professional corporation" means a corporation organized for the sole purpose  
31 of providing professional services to the public customarily performed by certified public  
32 accountants and includes foreign corporations.

33 ~~(5)~~ (9) "State" means any state, territory, or insular possession of the United States  
34 and the District of Columbia.

35  
36 **12-100-104. [Formerly 12-2-103] State board of accountancy - subject to**  
37 **termination.** (1) The state board of accountancy shall consist of seven members appointed  
38 by the governor. Each member of the board shall be a citizen of the United States and a  
39 resident of this state. Five members of the board shall be holders of valid certified public  
40 accountant certificates issued under the laws of this state, a majority of whom are engaged

1 in active practice as certified public accountants. Two members of the board shall be  
2 members of the public who do not hold a certified public accountant certificate. Members  
3 shall be appointed for terms of four years each. Any vacancy occurring during a term shall  
4 be filled by appointment by the governor for the unexpired term. Upon the expiration of a  
5 member's term of office, ~~such~~ THE member shall continue to serve until a successor is  
6 appointed. In no event shall a member of the board serve more than two consecutive terms.  
7 The governor shall remove from the board any member whose certificate has become void  
8 or has been revoked or suspended and may remove any member of the board for neglect of  
9 duty, misconduct, or incompetence.

10 (2) A majority of the board shall constitute a quorum for the transaction of business.

11 (3) In any proceeding in court, civil or criminal, arising out of or founded upon any  
12 provision of this article **100**, a copy of the records of the board certified as correct by the  
13 board shall be admissible in evidence as being the records of the board.

14 ~~(4) Repealed.~~

15 ~~(5)~~ (4) The provisions of section 24-34-104 ~~C.R.S.~~, concerning the termination  
16 schedule for regulatory bodies of the state unless extended as provided in that section, are  
17 applicable to the state board of accountancy created by this section.

18 ~~(6)(a) Any member of the board, any member of the board's staff, any person acting~~  
19 ~~as a witness or consultant to the board, any witness testifying in a proceeding authorized~~  
20 ~~under this article, and any person who lodges a complaint pursuant to this article shall be~~  
21 ~~immune from liability in any civil action brought against him or her for acts occurring while~~  
22 ~~acting in his or her capacity as board member, staff, consultant, or witness, respectively, if~~  
23 ~~such individual was acting in good faith within the scope of his or her respective capacity,~~  
24 ~~made a reasonable effort to obtain the facts of the matter as to which he or she acted, and~~  
25 ~~acted in the reasonable belief that the action taken by him or her was warranted by the facts.~~  
26 ~~Any person participating in good faith in lodging a complaint or participating in any~~  
27 ~~investigative or administrative proceeding pursuant to this article shall be immune from any~~  
28 ~~civil or criminal liability that may result from such participation. <{Redundant with~~  
29 ~~immunity common provision, 12-20-402.}>~~

30 ~~(b)~~ (5) The disclosure of reports or working papers subpoenaed by the board or any  
31 person or group authorized by the board to conduct an investigation into audit or review  
32 attest activities of a certified public accountant or certified public accounting firm pursuant  
33 to section 13-90-107 (1)(f)(III) or (1)(f)(IV) ~~C.R.S.~~, ~~which~~ THAT is not in good faith shall  
34 subject the member of the board, person, or group to civil liability for damages to be  
35 determined by a court of competent jurisdiction.

36  
37 **12-100-105. [Formerly 12-2-104] Powers and duties of board.** (1) The board has  
38 the power and duty to:

39 (a) Elect annually from among its members a chair and prescribe the duties of such  
40 office;

1           (b) ~~Make such rules and regulations, not inconsistent with the laws of this state, as~~  
2 ~~may be necessary for the orderly conduct of its affairs and for the administration of this~~  
3 ~~article, pursuant to the provisions of article 4 of title 24 C.R.S. AND SECTION 12-20-204;~~  
4 ~~<{***Redundant with rule-making common provision, 12-20-204.***>~~

5           (e) (b) Make appropriate rules of professional conduct in order to establish and  
6 maintain a high standard of integrity in the profession of public accounting. Any rule of  
7 professional conduct applies with equal force to all persons holding certificates under this  
8 article **100**. No rule of professional conduct shall be promulgated ~~which~~ THAT will work to  
9 the disadvantage of one group and in favor of another. Every person practicing as a certified  
10 public accountant in the state shall be governed and controlled by ~~such~~ THE rules. All rules  
11 of professional conduct shall be promulgated pursuant to the provisions of article 4 of title  
12 24. C.R.S.

13           ~~(d) to (f) Repealed.~~

14           (g) (c) Prescribe forms for and receive applications for certificates and grant  
15 certificates, including contracting with people to receive and review the applications as the  
16 agent of the board;

17           (h) (d) Give examinations to applicants and, as necessary, contract for assistance in  
18 administering the examination;

19           (i) ~~Deny the issuance or renewal of, suspend for a specified period, or revoke a~~  
20 ~~certificate; issue a letter of admonition to or place on probation or fine~~ TAKE DISCIPLINARY  
21 OR OTHER ACTION AS AUTHORIZED IN SECTION 12-20-404 AGAINST any person who, while  
22 holding a certificate, violates this article 100; issue confidential letters of concern UNDER THE  
23 CIRCUMSTANCES SPECIFIED IN SECTION 12-20-404 (5); issue cease-and-desist orders UNDER  
24 THE CIRCUMSTANCES AND IN ACCORDANCE WITH THE PROCEDURES SPECIFIED IN SECTION  
25 12-20-405; or impose other conditions and limitations; <{***Redundant with disciplinary***  
26 ***authority and cease-and-desist orders common provisions, 12-20-404 and 12-20-405.***>

27           (j) (f) Keep a record of all certificates, suspensions, and revocations and of its own  
28 proceedings;

29           (k) (g) Administer this article **100** and exercise and perform any other powers and  
30 duties granted or directed by the general assembly;

31           (l) (h) Collect all fees prescribed by this article **100**.

32           ~~(m) Repealed.~~

33           (2) Publications of the board circulated in quantity outside the executive branch shall  
34 be issued in accordance with the provisions of section 24-1-136. C.R.S.

35  
36           **~~12-2-105. Rules and regulations. (Repealed)~~**

37  
38           **12-100-106. [Formerly 12-2-106] Fees.** (1) A fee authorized to be established  
39 pursuant to section ~~24-34-105 C.R.S., 12-20-105~~ shall be paid for each application made to  
40 the board, whether it is an application for examination or reexamination or for issuance,

1 renewal, reactivation, or reinstatement of a certificate of certified public accountant, an  
2 application for registration with the board as a public accounting firm, or any other  
3 application requiring formal action or consideration by the board. The fee required shall not  
4 be returnable irrespective of the action taken by the board.

5 (2) A fee authorized to be established pursuant to section ~~24-34-105 C.R.S.~~,  
6 **12-20-105** shall be paid for each examination in which the candidate is examined in the  
7 subjects prescribed by the board.

8 (3) Any person making application for a certificate of certified public accountant  
9 under section ~~12-2-113~~ **12-100-111** shall pay a fee authorized to be established pursuant to  
10 section ~~24-34-105 C.R.S.~~, **12-20-105** in addition to the fee required in subsection (1) of this  
11 section.

12 (4) ~~(Deleted by amendment, L. 2010, (HB 10-1236), ch. 146, p. 502, § 17, effective~~  
13 ~~July 1, 2010.)~~

14 (5) (4) Nothing in this section shall be construed to authorize the board to impose any  
15 notice, fee, or other submission requirement on a certified public accountant or registered  
16 public accountant from another state or a foreign partnership, corporation, limited  
17 partnership, limited liability limited partnership, or limited liability company, that is  
18 practicing accountancy in this state pursuant to section ~~12-2-121~~ (2) **12-100-117 (2)**.

19  
20 ~~**12-2-107. Disposition of fees.** All fees shall be transmitted to the state treasurer, who  
21 shall credit the same pursuant to section 24-34-105, C.R.S., and the general assembly shall  
22 make annual appropriations pursuant to said section for the expenditures of the board  
23 incurred in the performance of its duties under this article, which expenditures shall be made  
24 out of such appropriations upon vouchers and warrants drawn pursuant to law. <{**Redundant**  
25 **with fees common provision, 12-20-105.**>~~

26  
27 **12-100-107. [Formerly 12-2-108] Certificate of certified public accountant -**  
28 **issuance - renewal - reinstatement - rules.** (1) The board shall grant a certificate of  
29 certified public accountant to any applicant who:

30 (a) Meets the requirements of section ~~12-2-113~~ **12-100-111**;

31 (b) Satisfies the board of the applicant's continued competence; or

32 (c) (I) Passes a written examination pursuant to section ~~12-2-111~~ **12-100-109**; and

33 (II) Meets the requirements of section ~~12-2-109~~ **12-100-108**.

34 (2) ~~Repeated.~~

35 (3) (2) All certificates shall expire pursuant to a schedule established by the director  
36 of the division of professions and occupations within the department of regulatory agencies  
37 and shall be renewed or reinstated pursuant to section ~~24-34-102~~ (8). C.R.S. The director of  
38 the division of professions and occupations within the department of regulatory agencies may  
39 establish renewal fees and delinquency fees for reinstatement pursuant to section ~~24-34-105~~.  
40 C.R.S. If a person fails to renew his or her certification pursuant to the schedule established

1 ~~by the director of the division of professions and occupations, such certificate shall expire~~  
2 ISSUED PURSUANT TO THIS ARTICLE 100 ARE SUBJECT TO THE RENEWAL, EXPIRATION,  
3 REINSTATEMENT, AND DELINQUENCY FEE PROVISIONS SPECIFIED IN SECTION 12-20-202 (1)  
4 AND (2). Any person whose certificate has expired shall be subject to the penalties provided  
5 in this article **100** or section ~~24-34-102 (8) C.R.S. 12-20-202 (1).~~ <{Redundant with renewal  
6 / reinstatement / fees common provision, 12-20-202.}>

7 ~~(4) and (5) (Deleted by amendment, L. 2004, p. 1793, § 2, effective August 4, 2004.)~~

8 ~~(6)~~ (3) Any person who practices certified public accounting after the expiration of  
9 his or her certificate shall be practicing in violation of this article **100**. The board may refuse  
10 to reactivate or reinstate any expired certificate for conduct that constitutes a violation of this  
11 article **100**.

12 ~~(7)~~ (4) Effective on the first renewal period established by the board after May 31,  
13 2011, the board shall not renew the certificate of a holder who issues attest or compilation  
14 reports unless the certificate holder performs public accounting within a partnership,  
15 professional corporation, or limited liability company or the certificate holder has undergone  
16 a peer review conducted according to rules promulgated by the board that meet the standards  
17 for performing and reporting on a peer review of the American Institute of Certified Public  
18 Accountants or an equivalent standard.

19  
20 **12-100-108. [Formerly 12-2-109] Educational and experience requirements -**  
21 **rules.**

22 ~~(1) Repeated.~~

23 ~~(2)~~ (1) On and after July 1, 2015, a person meets the educational and experience  
24 requirements necessary to be issued a certificate of certified public accountant if the  
25 applicant:

26 (a) (I) Has a baccalaureate or higher degree conferred by an accredited college or  
27 university with an accounting program approved by the board or has a baccalaureate with a  
28 nonaccounting concentration supplemented by what the board determines to be the  
29 equivalent of an accounting concentration, including related courses in other areas of  
30 business administration; and

31 (II) Has completed at least one hundred fifty semester hours of college education  
32 approved by the board;

33 (b) Has successfully completed a course of study concerning the subject of  
34 professional ethics approved by the board and passed a written examination concerning ~~such~~  
35 THE subject prepared and given by educational institutions or professional organizations  
36 deemed qualified by the board to administer the examination; and

37 (c) Has one year's experience that:

38 (I) Meets the requirements set by the board by rule;

39 (II) Is in any type of service or advice involving the use of accounting, attest,  
40 compilation, management advisory, financial advisory, tax, or consulting skills, which may

1 be gained through employment in government, industry, academia, or public practice; and  
2 (III) Is verified by an actively licensed certified public accountant who meets the  
3 requirements set by the board by rule.

4 ~~(3) Repeated.~~

5  
6 ~~**12-2-110. Alternate educational and experience requirements. (Repealed)**~~

7  
8 **12-100-109. [Formerly 12-2-111] Examinations - reexaminations - rules.** (1) The  
9 board shall provide licensure examinations as often as necessary to provide candidates a  
10 reasonable opportunity to take the examination. Examinations shall adequately test a  
11 candidate's knowledge of accounting, auditing, and any other related subject the board deems  
12 relevant and necessary. Any additional examination subject shall be designated by the board  
13 by rule. The board shall set the passing score for an examination at a level to adequately  
14 reflect the minimum level of competency necessary for the practice of accountancy.

15 (2) The board shall establish by rule the standards for granting conditional  
16 examination credit for candidates who pass one or more but not all of the sections of the  
17 examination.

18 (3) The board may use the standard examinations and advisory grading service  
19 promulgated by the American institute of Certified Public Accountants, which examination  
20 shall be deemed prima facie to meet the requirements of this section.

21 (4) A candidate for a certificate of certified public accountant who meets the  
22 educational requirements set by the board by rule is entitled to take an examination.

23 (5) Any candidate who has passed any or all sections of an examination in another  
24 state shall be credited for passing ~~such~~ THE sections if the sections passed are determined by  
25 the board to be equivalent to sections of the examination offered in this state and if the  
26 testing requirements in the other state are substantially the same as in this state.

27 (6) If a candidate fails an examination or fails to pass in all subjects as provided in  
28 subsection (5) of this section, the board may require the candidate to take additional study  
29 before taking another examination.

30 ~~(7) Repeated.~~

31 ~~(8) (Deleted by amendment, L. 93, p. 349, § 1, effective April 12, 1993.)~~

32  
33 **12-100-110. [Formerly 12-2-112] Approval of schools.** (1) The board shall approve  
34 the accounting program of the schools that meet the following requirements:

35 (a) The school has a curriculum designed to give the candidate proficiency in those  
36 subjects in which the candidate must pass an examination to be licensed.

37 (b) ~~Such~~ THE school shall have adequate equipment and resources, including suitable  
38 facilities for practical instruction and shall maintain an adequate professional library. It shall  
39 provide a sufficient number of full-time salaried instructors with satisfactory professional  
40 training. It shall provide a satisfactory major in accountancy and allied subjects. It shall

1 require for admission the satisfactory completion of an approved four-year secondary school  
2 course of study or the equivalent.

3 (2) If any applicant is a graduate from a school ~~which~~ THAT has not at the time of the  
4 filing of the application been approved by the board, the board may make an investigation  
5 to determine whether or not the school did, at the time of ~~said~~ THE applicant's attendance,  
6 meet the requirements set forth in subsection (1) of this section. If the board finds that ~~such~~  
7 THE school did, at that time, meet the requirements set forth in ~~said~~ THAT subsection, ~~(1)~~; the  
8 board may approve ~~said~~ THE school as of the time of the applicant's graduation ~~therefrom~~  
9 FROM THE SCHOOL.

10 (3) The board may, after a hearing, withdraw its approval of any school ~~which~~ THAT  
11 fails to meet the requirements of the law and the standards of the board. The board shall give  
12 notice to the school complained against and shall hold a hearing on the complaint within a  
13 reasonable time after notice is given.

14 (4) Before disapproving any school for which approval is sought, the board shall give  
15 notice to the school of its contemplated action and shall hold a hearing within a reasonable  
16 time after notice is given, affording ~~such~~ THE school an opportunity to be heard.

17  
18 **12-100-111. [Formerly 12-2-113] Issuance of certificate by reciprocity or by**  
19 **passing examination of another state.** (1) The board, in its discretion, may waive the  
20 examination of persons qualified under this subsection (1) and may issue a certificate of  
21 certified public accountant to:

22 (a) Any person who is the holder of a certificate of certified public accountant issued  
23 after examination under the laws of another state and who possesses the qualifications  
24 prescribed in section ~~12-2-108~~ **12-100-107** for an applicant applying for a certificate as of  
25 the time of the issuance of the certificate by ~~such~~ THE other state or possesses substantially  
26 equivalent qualifications;

27 (b) A person who has passed an examination under the laws of another state and who  
28 possesses the qualifications prescribed in section ~~12-2-108~~ **12-100-107** at the time the person  
29 applies for a certificate in this state or possesses substantially equivalent qualifications; or

30 (c) Any person who is the holder of a certificate, license, or degree in a foreign  
31 country ~~which~~ THAT constitutes a recognized qualification for the practice of public  
32 accounting in ~~such~~ THE country, ~~which~~ is comparable to that of a certified public accountant  
33 in this state, and ~~which~~ is in full force and effect.

34  
35 ~~**12-2-114. Existing certificates confirmed. (Repealed)**~~

36  
37 **12-100-112. [Formerly 12-2-115] Use of the title "certified public accountant".**  
38 (1) (a) A person who has received from the board and holds an active certificate of certified  
39 public accountant shall be styled and known as a certified public accountant and may also  
40 use the abbreviation "C.P.A."

1 (b) A partnership, professional corporation, or limited liability company of certified  
2 public accountants that is registered under this article **100** may use the words "certified public  
3 accountants" or the abbreviation "C.P.A.s" in connection with its partnership, professional  
4 corporation, or limited liability company name.

5 (2) A person authorized to use the title "certified public accountant" or the  
6 abbreviation "C.P.A." shall provide to any client residing in or headquartered in Colorado,  
7 during the course of an engagement, an address and telephone number for the certified public  
8 accountant's firm or, in the case of a sole practitioner, the address and telephone number of  
9 the sole practitioner.

10 (3) (a) Except as authorized in subsection (4) of this section, a person shall not  
11 assume or use the title or designation "certified public accountant", the abbreviation  
12 "C.P.A.", or any other title, designation, words, letters, abbreviation, sign, card, or device  
13 tending to indicate that ~~such~~ THE person is a certified public accountant unless the person  
14 holds a certificate as a certified public accountant issued under this article **100** or under the  
15 laws of any other state. A person who is inactive pursuant to section ~~12-2-122.5~~ **12-100-119**  
16 may use the title "inactive certified public accountant" or "inactive C.P.A."

17 (b) Except as authorized by subsection (1) or (4) of this section, an individual,  
18 partnership, professional corporation, or limited liability company shall not assume or use  
19 any title or designation using the word "certified", "registered", "chartered", "enrolled",  
20 "licensed", "independent", or "approved" in conjunction with the word accountant or auditor  
21 or any abbreviation thereof or any title, designation, or abbreviation likely to be confused  
22 with "certified public accountant" or the abbreviation "C.P.A.", including the terms  
23 "chartered accountant" and "certified accountant" and the abbreviation "C.A."

24 (c) Except as authorized in subsection (4) of this section, a partnership, professional  
25 corporation, or limited liability company shall not assume or use the title or designation  
26 "certified public accountants", the abbreviation "C.P.A.s", or any other title, designation,  
27 words, letters, abbreviation, sign, card, or device tending to indicate that ~~such~~ THE  
28 partnership, professional corporation, or limited liability company is composed of certified  
29 public accountants unless ~~such~~ THE partnership, professional corporation, or limited liability  
30 company is registered as a partnership, professional corporation, or limited liability company  
31 of certified public accountants under this article **100** or the laws of any other state.

32 (4) (a) A certified public accountant from another state or jurisdiction of the United  
33 States who is practicing in this state pursuant to section ~~12-2-121~~ **12-100-117** may use the  
34 title "certified public accountant", the abbreviation "C.P.A.", or any other title, designation,  
35 words, letters, abbreviation, sign, card, or device tending to indicate that the person is a  
36 certified public accountant.

37 (b) A foreign partnership, corporation, limited partnership, limited liability limited  
38 partnership, or limited liability company that is practicing in this state pursuant to section  
39 ~~12-2-121~~ **12-100-117** may use the title or designation "certified public accountants", the  
40 abbreviation "C.P.A.s", or any other title, designation, words, letters, abbreviation, sign, card,

1 or device tending to indicate that the partnership, corporation, or limited liability company  
2 is composed of certified public accountants.

3  
4 **12-100-113. [Formerly 12-2-115.5] Retired certified public accountant.** (1) Any  
5 person who has received from the board and holds a certificate of certified public accountant,  
6 including an expired certificate of certified public accountant that remains subject to renewal,  
7 reactivation, or reinstatement, may apply to the board for retired status. The board may grant  
8 ~~such~~ RETIRED status by issuing a retired status certificate of certified public accountant to any  
9 person who meets established conditions prescribed by the board.

10 (2) Any person issued a retired status certificate of certified public accountant may  
11 be styled and known as a "retired certified public accountant" or "retired C.P.A."

12 (3) During ~~such~~ THE time as a certified public accountant remains in a retired status,  
13 ~~such~~ THE person shall not perform those acts set forth in section ~~12-2-120(6)(a)~~ **12-100-116**  
14 **(1)(a)** and ~~(6)(b)~~ **(1)(b)**. The board shall retain jurisdiction over retired status certified public  
15 accountants.

16  
17 ~~**12-2-116. Registered accountants. (Repealed)**~~

18  
19 **12-100-114. [Formerly 12-2-117] Partnerships, professional corporations, and**  
20 **limited liability companies composed of certified public accountants - registration -**  
21 **rules - definitions.** (1) Except as provided in section ~~12-2-121(2)~~ **12-100-117 (2)**, a  
22 partnership, professional corporation, or limited liability company engaged in this state in the  
23 practice of public accounting as certified public accountants shall register with the board as  
24 a partnership, professional corporation, or limited liability company of certified public  
25 accountants and must meet the following requirements; and, as used in this article **100**,  
26 "partnership" includes a registered limited partnership, limited liability partnership, limited  
27 liability limited partnership, foreign limited partnership, foreign limited liability partnership,  
28 and foreign limited liability limited partnership:

29 (a) At least one partner, shareholder, or member who shall also be a director or  
30 manager thereof must be a certified public accountant or registered firm of this state in good  
31 standing.

32 (b) ~~(f)~~ A simple majority of the ownership of a certified public accounting firm doing  
33 business as a public accounting firm in Colorado, in terms of financial interests and voting  
34 rights of all partners, officers, shareholders, members, or managers, shall be licensed certified  
35 public accountants in good standing in this state or another state.

36 ~~(H) (Deleted by amendment, L. 2005, p. 240, § 1, effective July 1, 2005.)~~

37 (c) Any other partner, shareholder, or member thereof may, but need not, be a  
38 certified public accountant of some state, in good standing, or registered firm in this state  
39 who at all times owns ~~such~~ THE person's partnership interest, corporate share, or membership  
40 interest in ~~such~~ THE person's own right.

1           ~~(d) Repeated.~~

2           ~~(e)~~ (d) Each resident manager in charge of an office of the partnership, professional  
3 corporation, or limited liability company in this state must be a certified public accountant  
4 of this state in good standing.

5           ~~(f) (Deleted by amendment, L. 94, p. 1082, § 1, effective May 4, 1994.)~~

6           (2) (a) (I) Application for ~~such~~ registration shall be made upon the affidavit of a  
7 partner of ~~such~~ THE partnership, of a shareholder of ~~such~~ THE professional corporation, or of  
8 a member of ~~such~~ THE limited liability company who is a certified public accountant of this  
9 state in good standing and shall provide:

10           (A) The names and addresses of the persons who are practicing public accounting for  
11 the partnership, professional corporation, or limited liability company;

12           (B) The names and addresses of the persons who are not certified public accountants,  
13 but who are partners of a partnership, shareholders of a professional corporation, or members  
14 of a limited liability company;

15           (C) Disclosure of all of the states in which the partnership, professional corporation,  
16 or limited liability company is licensed, registered, or permitted to practice. The application  
17 shall also disclose all of the states in which licensure, registration, or permission to practice  
18 has been denied, suspended, or revoked.

19           (D) Any other information the board may reasonably request; and

20           (E) A registration fee, the amount of which shall be set by the board, to cover the  
21 board's administrative costs.

22           (II) Each member of the partnership, professional corporation, or limited liability  
23 company may receive a copy of the application.

24           (III) The partner, shareholder, or member designated by the firm shall notify the  
25 board in writing within thirty days after any change in the partnership, professional  
26 corporation, or limited liability company, including:

27           (A) Identities and numbers of partners, shareholders, members, managers, or officers;  
28 and

29           (B) Location of places of business of the partnership, professional corporation, or  
30 limited liability company.

31           (IV) The board may suspend or revoke registration of or impose any other discipline  
32 the board sees fit to administer to a partnership, professional corporation, or limited liability  
33 company that fails to notify the board of any changes outlined in ~~subparagraph (III) of this~~  
34 ~~paragraph (a)~~ SUBSECTION (2)(a)(III) OF THIS SECTION.

35           (b) The board shall in each case determine whether the applicant is eligible for  
36 registration.

37           ~~(2.2)~~ (3) Each firm registration expires pursuant to a schedule established by the  
38 director of the division of professions and occupations within the department of regulatory  
39 agencies. The registrant shall renew or reinstate the registration. The director of the division  
40 of professions and occupations within the department of regulatory agencies may establish

1 ~~renewal fees and delinquency fees for reinstatement pursuant to section 24-34-105, C.R.S.~~  
2 ~~If a firm fails to renew its registration pursuant to the schedule established by the director of~~  
3 ~~the division of professions and occupations, the registration shall expire~~ ISSUED PURSUANT  
4 TO THIS ARTICLE 100 IS SUBJECT TO THE RENEWAL, EXPIRATION, REINSTATEMENT, AND  
5 DELINQUENCY FEE PROVISIONS SPECIFIED IN SECTION 12-20-202 (1) AND (2). A firm whose  
6 registration has expired shall be subject to the penalties provided in this article **100** or section  
7 ~~24-34-102 (8), C.R.S. 12-20-202 (1).~~ <{Redundant with renewal / reinstatement common  
8 provisions, 12-20-202 (1) & (2).}>

9 ~~(2.5)~~ (4) As used in ~~subsections (3) and (3.5)~~ SUBSECTION (5) of this section,  
10 "employee" includes a member of a limited liability company and a partner in a limited  
11 partnership, limited liability partnership, or limited liability limited partnership or foreign  
12 limited partnership, limited liability partnership, or limited liability limited partnership.

13 ~~(3)~~ (5) The corporation must be in compliance with the "Colorado Business  
14 Corporation Act", articles 101 to 117 of title 7, ~~C.R.S.~~, and, to the extent applicable under  
15 section 7-117-103, ~~C.R.S.~~, with the "Colorado Corporation Code", articles 1 to 10 of title 7,  
16 ~~C.R.S.~~, as ~~said~~ THOSE articles existed prior to their repeal on July 1, 1994. The limited  
17 liability company must be in compliance with the "Colorado Limited Liability Company  
18 Act", article 80 of title 7. ~~C.R.S.~~ The organizing documents of any partnership, the articles  
19 of incorporation of any ~~such~~ corporation, or the articles of organization of any ~~such~~ limited  
20 liability company shall contain provisions complying with the following requirements:

21 (a) The partnership, corporation, or limited liability company shall be organized  
22 solely for the purpose of practicing accountancy and ~~such~~ other activities as may from time  
23 to time be specifically found by the board to be activities suitable and proper to be performed  
24 by certified public accountants only through or under the supervision of at least one person  
25 who holds a certificate to practice public accounting as a certified public accountant.

26 (b) Each partner who is personally engaged within this state in the practice of public  
27 accounting shall be a certified public accountant of this state in good standing, and each  
28 partner not personally engaged within this state in the practice of public accounting may, but  
29 need not, be a certified public accountant of some state in good standing. The president of  
30 any such corporation shall be a shareholder and a director, and one or more of ~~such~~ THE  
31 directors shall be certified public accountants of this state in good standing. The manager or  
32 managers of any such limited liability company shall be a member or members and one or  
33 more of ~~such~~ THE managers shall be certified public accountants of this state in good  
34 standing. Lay directors and officers and managers shall not exercise any authority whatsoever  
35 over professional matters.

36 (c) All partners, shareholders of the corporation, or members of the limited liability  
37 company shall be jointly and severally liable for all acts, errors, and omissions of the  
38 employees of the partnership, corporation, or limited liability company except during periods  
39 of time when the partnership, corporation, or limited liability company maintains in good  
40 standing professional liability insurance, or designated or segregated ~~moneys~~ MONEY in lieu

1 of ~~such~~ THE professional liability insurance, ~~which~~ THAT meets the standards set forth in  
2 ~~subparagraphs (I) to (V) of this paragraph (c)~~ SUBSECTIONS (5)(c)(I) TO (5)(c)(V) OF THIS  
3 SECTION:

4 (I) The insurance shall insure the partnership, corporation, or limited liability  
5 company against liability imposed upon the partnership, corporation, or limited liability  
6 company by law for damages resulting from any claim made against the partnership,  
7 corporation, or limited liability company arising out of acts, errors, and omissions committed  
8 in the performance of professional services for others by those employees of the partnership,  
9 corporation, or limited liability company who hold certificates to practice public accounting  
10 as certified public accountants.

11 (II) ~~Such~~ THE policies shall insure the partnership, corporation, or limited liability  
12 company against liability imposed upon it by law for damages arising out of the acts, errors,  
13 and omissions of all other employees.

14 (III) The insurance shall be in an amount for each claim of at least fifty thousand  
15 dollars multiplied by the number of certified public accountants employed by or members of  
16 the partnership, corporation, or limited liability company within this state, and the policy may  
17 provide for an aggregate top limit of liability per year for all claims of one hundred fifty  
18 thousand dollars also multiplied by the number of certified public accountants employed by  
19 or members of the partnership, corporation, or limited liability company within this state;  
20 except that no firm shall be required to carry insurance in excess of three hundred thousand  
21 dollars for each claim with an aggregate top limit of liability for all claims during the year  
22 of one million dollars and except that the board, in the public interest, may adopt ~~regulations~~  
23 RULES increasing the minimum amounts of insurance coverage required by this subsection  
24 ~~(3) (5)~~. A policy of insurance obtained in accordance with this ~~subparagraph (III)~~  
25 SUBSECTION (5)(c)(III) may be issued on a claims-made or occurrence basis.

26 (IV) (A) The policy may provide that it does not apply to: Any dishonest, fraudulent,  
27 criminal, or malicious act or omission of the insured partnership, corporation, or limited  
28 liability company or any partner, stockholder, member, or employee thereof; the conduct of  
29 any business enterprise in which the insured partnership, corporation, or limited liability  
30 company under this article **100** is not permitted to engage but which nevertheless may be  
31 owned by the insured partnership, corporation, or limited liability company or in which the  
32 insured partnership, corporation, or limited liability company may be a partner or which may  
33 be controlled, operated, or managed by the insured partnership, corporation, or limited  
34 liability company in its own or in a fiduciary capacity including the ownership, maintenance,  
35 or use of any property in connection therewith; and bodily injury to, or sickness, disease, or  
36 death of, any person, or to injury to or destruction of any tangible property, including the loss  
37 of use thereof.

38 (B) The policy may be of a type reasonably available in the commercial insurance  
39 market and may contain reasonable provisions with respect to policy periods, territory,  
40 claims, conditions, exclusions, and other usual matters.

1 (C) The policy may provide for a deductible, or self-insured retained amount, and  
2 may provide for the payment of defense or other costs out of the stated limits of the policy,  
3 in either or both cases, all partners, shareholders of the corporation, or members of the  
4 limited liability company shall be jointly and severally liable for all acts, errors, and  
5 omissions of the employees of the partnership, corporation, or limited liability company to  
6 the extent of the amount of ~~such~~ THE deductible or retained self-insurance, and the amount,  
7 if any, by which the payment of defense costs reduces the insurance remaining available for  
8 the payment of claims below the minimum limit of insurance required by ~~this paragraph (c)~~  
9 SUBSECTION (5)(c).

10 (V) A partnership, corporation, or limited liability company may maintain, in lieu of  
11 the insurance specified in ~~subparagraph (III) of this paragraph (c), moneys~~ SUBSECTION  
12 (5)(c)(III) OF THIS SECTION, MONEY specifically designated and segregated as security for the  
13 payment of liabilities imposed by law against the partnership, corporation, or limited liability  
14 company, or its partners, shareholders, or members, arising out of claims of the type specified  
15 in ~~subparagraphs (I) and (II) of this paragraph (c)~~ SUBSECTIONS (5)(c)(I) AND (5)(c)(II) OF  
16 THIS SECTION, in the amount of at least fifty thousand dollars multiplied by the number of  
17 certified public accountants employed by or members of the partnership, corporation, or  
18 limited liability company within this state; except that ~~such~~ THE amount is not required to  
19 exceed one million dollars and except that the board, in the public interest, may adopt rules  
20 increasing the minimum amount of designated and segregated ~~moneys~~ MONEY required by  
21 this ~~subparagraph (V)~~ SUBSECTION (5)(c)(V). The partnership, corporation, or limited liability  
22 company remains in compliance with this section notwithstanding amounts paid from the  
23 designated or segregated ~~moneys~~ MONEY in any one calendar year in settling or discharging  
24 ~~such~~ THE claims, so long as the amount of the designated and segregated ~~moneys~~ MONEY is  
25 increased to at least the minimum required amount as of the first business day of the next  
26 calendar year. A partnership, corporation, or limited liability company is in compliance with  
27 this ~~subparagraph (V)~~ SUBSECTION (5)(c)(V) if it maintains ~~moneys~~ MONEY in the required  
28 amount in trust or in bank escrow in the form of cash, bank certificates of deposit, or United  
29 States treasury obligations, or maintains in effect bank unconditional, irrevocable letters of  
30 credit in the required amount or insurance or surety company bonds in the required amount.  
31 ~~Such moneys~~ THE MONEY or equivalency shall be maintained in or issued by a qualified  
32 United States financial institution as defined by section 10-1-102 (17). ~~C.R.S.~~

33 (d) A partnership name shall be ended by words or abbreviations permitted pursuant  
34 to the law under which the partnership is organized. The corporate name shall be ended by  
35 the word "Corporation" or "Incorporated" or by the words "Professional Corporation" or by  
36 the abbreviations "Corp.", "Inc.", or "P.C.". The name of any limited liability company shall  
37 be ended by the words "Limited Liability Company" or the abbreviation "LLC" or the word  
38 limited may be abbreviated as "Ltd.", and the word company may be abbreviated as "Co."  
39 An assumed or trade name may be used if it is not misleading and clearly indicates that the  
40 firm is engaged in providing accounting services.

1           ~~(3.5)~~ (6) No limited liability company, limited liability partnership, limited  
2 partnership, or limited liability limited partnership, or foreign limited partnership, limited  
3 liability partnership, or limited liability limited partnership engaged in the practice of public  
4 accounting in this state and in one or more other jurisdictions shall be required to include a  
5 provision in its articles of organization or organizing documents as otherwise required by  
6 subsection ~~(3)~~ (5) of this section, but shall be subject, with respect to the practice of public  
7 accounting within this state, to the requirements of ~~paragraphs (a), (b), (c), and (d) of~~  
8 ~~subsection (3)~~ SUBSECTIONS (5)(a) TO (5)(d) of this section.

9           ~~(3.7)~~ (7) ~~Effective on the first renewal period established by the board after May 31,~~  
10 ~~2011,~~ The board shall not renew the registration of a firm that issues attest or compilation  
11 reports unless the registered partnership, professional corporation, or limited liability  
12 company has undergone a peer review conducted according to rules promulgated by the  
13 board that meet the standards for performing and reporting on a peer review of the American  
14 Institute of Certified Public Accountants or an equivalent standard.

15           ~~(4)~~ (8) The partnership, corporation, or limited liability company may exercise the  
16 powers and privileges conferred upon partnerships, corporations, and limited liability  
17 companies by the laws of Colorado in furtherance of and subject to its partnership, corporate,  
18 or limited liability company purposes and may invest its funds in a manner not incompatible  
19 with the practice of public accounting as certified public accountants. Any stock purchased  
20 by the corporation, or membership interest purchased by the limited liability company or  
21 partnership interest purchased by the partnership, may be made out of capital as well as  
22 surplus without regard to the impairment of the partnership capital, corporation capital, or  
23 limited liability company capital.

24           ~~(5)~~ (9) The partnership, corporation, or limited liability company shall do nothing in  
25 this state ~~which~~ THAT, if done by a person who holds a certificate as a certified public  
26 accountant within this state and employed by it, would violate the provisions of this article  
27 **100**. Any violation by the partnership, corporation, or limited liability company of this article  
28 **100** shall be grounds for the board to deny, revoke, suspend, or refuse to renew its  
29 registration, or the board may fine, issue a confidential letter of concern to, issue a letter of  
30 admonition to, or place on probation the registrant.

31           ~~(6)~~ (10) Nothing in this section shall diminish or change the obligation of each person  
32 who holds a certificate of certified public accountant employed by the partnership,  
33 corporation, or limited liability company within this state to conduct ~~such~~ THE person's  
34 practice in accordance with the provisions of this article **100**. Any person who holds a  
35 certificate to practice public accounting as a certified public accountant who, by act or  
36 omission, causes the partnership, corporation, or limited liability company to act or fail to act  
37 in a way ~~which~~ THAT violates this article **100** is personally responsible for ~~such~~ THE act or  
38 omission and subject to discipline therefor.

39           ~~(7)~~ (11) Foreign partnerships, corporations, limited partnerships, limited liability  
40 limited partnerships, or limited liability companies may engage in the practice of public

1 accounting in this state as certified public accountants so long as their organizing documents,  
2 articles of incorporation, or articles of organization provide that ~~such~~ THE partnership,  
3 corporation, limited partnership, limited liability limited partnership, or limited liability  
4 company is organized solely for the purpose of practicing accountancy and such other  
5 activities as may from time to time be specifically found by the board to be activities suitable  
6 and proper to be performed by certified public accountants and comply with and meet the  
7 requirements of subsection ~~(3)~~ (5) of this section.

8 ~~(8)~~ (12) Except as provided in this section, partnerships, professional corporations,  
9 and limited liability companies shall not practice public accounting as certified public  
10 accountants.

11 ~~(9)~~ (13) Nothing in this section shall modify the accountant-client privilege specified  
12 in section 13-90-107 (1)(f). ~~C.R.S.~~

13 ~~(10)~~ (14) When any law of this state or any rule or regulation of any agency or other  
14 authority established under the constitution or laws of this state requires or authorizes any  
15 audit, financial report, or statement to be made, approved, or certified by a certified public  
16 accountant, ~~such~~ THE audit, report, or statement may be made, approved, or certified by a  
17 partnership, professional corporation, or limited liability company registered in this state.  
18

19 **~~12-2-118. Partnerships or professional corporations composed of registered~~**  
20 **~~accountants - registration thereof. (Repealed)~~**

21  
22 **12-100-115. [12-2-119] Continuing education - rules.**

23 ~~(1) to (4) Repealed.~~

24 ~~(5)~~ (1) As a condition of renewing, reactivating, or reinstating a certificate of certified  
25 public accountant, every applicant shall comply with continuing education requirements  
26 adopted by the board.

27 ~~(6)~~ (2) The board shall promulgate rules ~~and regulations~~ governing the following:

- 28 (a) The basic requirements for continuing education; except that the board shall not
- 29 require continuing education of more than eighty hours every two years;
- 30 (b) A delineation of qualifying programs;
- 31 (c) A system of control and reporting.

32 ~~(7)~~ (3) In exercising its power under subsection ~~(6)~~ (2) of this section, the board shall,  
33 as a basis for a high standard of practice by certified public accountants, establish  
34 requirements ~~which~~ THAT will assure reasonable currency of knowledge. The requirements  
35 shall assure that a variety of alternative means of compliance with continuing education  
36 requirements are available to certificate holders and shall take cognizance of specialized  
37 areas of practice.

38 ~~(8)~~ (4) The board shall make exceptions from continuing education requirements for  
39 holders of certificates who are not engaged in public practice or who cannot continue their  
40 education for reasons of health, military service, or other good cause. If ~~such~~ THE holders of

1 certificates return to the practice of public accounting, the holders of certificates shall meet  
2 ~~such~~ THE continuing education requirements as the board may determine.

3 ~~(9)~~ (5) The board shall determine in each case whether a holder of certificate of  
4 certified public accountant has complied with continuing education requirements adopted by  
5 the board.

6  
7 **12-100-116. [Formerly 12-2-120] Unlawful acts - definition.**

8 ~~(1) and (2) (Deleted by amendment, L. 2010, (HB 10-1236), ch. 146, p. 500, § 12,~~  
9 ~~effective July 1, 2010.)~~

10 ~~(3) and (4) Repealed.~~

11 ~~(5) (Deleted by amendment, L. 2010, (HB 10-1236), ch. 146, p. 500, § 12, effective~~  
12 ~~July 1, 2010.)~~

13 ~~(6)~~ (1) (a) (I) No person, partnership, professional corporation, or limited liability  
14 company shall issue, author, or publish any opinion or certificate relating to any accounting  
15 or financial statement if ~~such~~ THE opinion or certificate utilizes any title or designation, the  
16 use of which is prohibited by law.

17 (II) No person, partnership, professional corporation, or limited liability company  
18 shall, without an active certificate of certified public accountant or a valid registration:

19 (A) As an independent auditor, make or conduct an investigation, examination, or  
20 audit of the financial statements or supporting records of any person, organization, or  
21 corporation, to determine the accuracy or fairness with which they present the financial  
22 position, changes in financial position, or financial results of operations of ~~such~~ THE person,  
23 organization, or corporation;

24 (B) Attest or express an opinion, as an independent auditor, as to the financial  
25 position, changes in financial position, or financial results of the operation of any person,  
26 organization, or corporation, or as to the accuracy or reliability of any financial information  
27 contained in any such accounting or financial statement.

28 (III) The requirement in ~~subparagraph (II) of this paragraph (a)~~ SUBSECTION (1)(a)(II)  
29 OF THIS SECTION that a person, partnership, professional corporation, or limited liability  
30 company have an active certificate of certified public accountant or a valid registration issued  
31 by the board shall not apply to a certified public accountant from another state or a foreign  
32 partnership, professional corporation, or limited liability company practicing accountancy in  
33 this state pursuant to section ~~12-2-121 (2)~~ **12-100-117 (2)**.

34 (b) The provisions of ~~paragraph (a) of this subsection (6)~~ SUBSECTION (1)(a) OF THIS  
35 SECTION shall not prohibit any officer or employee of a corporation, partner or employee of  
36 a partnership, member or employee of a limited liability company, or individual or employee  
37 of an individual from:

38 (I) Making or conducting ~~such~~ THE investigation, examination, or audit; or

39 (II) Issuing or authoring an assessment or certificate utilizing any wording  
40 designating the position, title, or office that the person holds concerning the financial affairs

1 of ~~such~~ THE corporation, partnership, limited liability company, or individual.

2 (c) The provisions of ~~paragraph (a) of this subsection (6)~~ SUBSECTION (1)(a) OF THIS  
3 SECTION shall not prohibit any act of a public official or public employee in the performance  
4 of his OR HER duties as such or affect the qualifications of any person to testify as a witness  
5 before any court or administrative agency of the state of Colorado who is determined to be  
6 qualified by ~~such~~ THE court or agency.

7 (d) The term "independent auditor" as used in this section shall mean any person or  
8 corporation engaged or employed to make or conduct an audit of the financial statements or  
9 supporting records of any person, organization, or corporation, to determine, on the basis of  
10 ~~such~~ THE audit, the accuracy or fairness with which they present the financial position,  
11 changes in financial position, or financial results of operations of ~~such~~ THE person,  
12 organization, or corporation, other than an officer, employee, or partner of the person,  
13 organization, or corporation under audit.

14 (e) The provisions of ~~paragraph (a) of this subsection (6)~~ SUBSECTION (1)(a) OF THIS  
15 SECTION shall not prohibit the performance, by persons other than certified public  
16 accountants, of other services involving the use of accounting skills, including the  
17 preparation of tax returns and the preparation of financial statements without the expression  
18 of opinions or assurances thereon.

19 ~~(7) and (8) Repeated.~~

20 ~~(9)~~ (2) Nothing in this section shall be construed to prohibit any person from  
21 preparing or assisting in the preparation of any report or tax return to any agency of the  
22 federal, state, or local government or other political subdivision if ~~such~~ THE preparation or  
23 assistance is otherwise permissible under law or under the regulations of ~~such~~ THE agency  
24 or from affixing the signature of the person or firm so preparing or assisting in the  
25 preparation of ~~any such~~ THE report or return to ~~said~~ THE report or return.

26 ~~(10) and (11) Repeated.~~

27  
28 **12-100-117. [Formerly 12-2-121] Exceptions - acts not prohibited - rules.**

29 (1) Nothing in this article **100** shall prohibit any person WHO IS not a certified public  
30 accountant from serving as an employee of or an assistant to a certified public accountant  
31 holding an active certificate or serving as an employee or assistant of a validly registered  
32 partnership, professional corporation, or limited liability company composed of certified  
33 public accountants. ~~Such~~ THE employee or assistant shall not issue any accounting or  
34 financial statement over his OR HER name.

35 (2) (a) Nothing in this article **100** shall prohibit a certified public accountant whose  
36 principal place of business is located in another state or jurisdiction of the United States from  
37 practicing in this state on professional business, as defined by rules promulgated by the  
38 board. ~~Such~~ THE practice shall be conducted in conformity with rules promulgated by the  
39 board. Notwithstanding the requirements of section ~~12-2-117~~ **12-100-114**, a foreign  
40 partnership, corporation, limited partnership, limited liability limited partnership, or limited

1 liability company may engage in the practice of accountancy in this state without registering  
2 with the board.

3 (b) Nothing in this article *100* shall prohibit

4 ~~(F)~~ an accountant who holds a certificate, degree, or license in a foreign country,  
5 constituting a recognized qualification for the practice of public accounting in ~~such~~ THE  
6 country, from practicing in this state on professional business incident to his or her regular  
7 practice outside this state, as defined by the board. ~~Such~~ THE practice shall be conducted in  
8 conformity with rules promulgated by the board.

9 ~~(H) and (HH) Repealed.~~

10 (c) A certified public accountant from another state or jurisdiction of the United  
11 States who is practicing in this state pursuant to this subsection (2) and the firm that employs  
12 the certified public accountant simultaneously consent, as a condition of practicing in this  
13 state:

14 (I) To be subject to the jurisdiction of and disciplinary authority of the board;

15 (II) To comply with the requirements of this subsection (2) and rules promulgated by  
16 the board pursuant to this subsection (2);

17 (III) That, if the certified public accountant's certificate, license, or registration issued  
18 by the state in which the certified public accountant's principal place of business is located  
19 is no longer valid, the certified public accountant will cease to offer or render professional  
20 services in this state, either individually or on behalf of a firm; and

21 (IV) To appoint the state board or entity that issued a certificate, license, or  
22 registration to the certified public accountant as the agent for service of process in any action  
23 or proceeding brought by the board against the certified public accountant.

24 (d) The board may recover its reasonable costs incurred as part of its investigative,  
25 administrative, and disciplinary proceedings against a certified public accountant from  
26 another state or jurisdiction of the United States or from a foreign country if the board:

27 (I) Enters a final order against the certified public accountant, finding that the  
28 certified public accountant violated a provision of this article *100*, a rule adopted by the  
29 board, or an order of the board with which the certified public accountant is obligated to  
30 comply and the board has the authority to enforce; or

31 (II) Enters into a consent or settlement agreement in which the board finds, or the  
32 certified public accountant admits or does not contest, that he or she violated a provision of  
33 this article *100*, a rule adopted by the board, or an order of the board with which the certified  
34 public accountant is obligated to comply and the board has the authority to enforce.

35  
36 **12-100-118. [Formerly 12-2-122] Single act evidence of practice.** Any person who  
37 displays, utters, or causes to be displayed or uttered a card, sign, advertisement, or other  
38 printed, engraved, or written instrument or device bearing ~~such~~ THE person's name in  
39 conjunction with the words "certified public accountant", the abbreviation "C.P.A.", or any  
40 title, designation, or abbreviation prohibited by section ~~12-2-115~~ *12-100-112* may be

1 presumed in any action brought under section ~~12-2-126~~ **12-100-124** to have held himself or  
2 herself out to be a certified public accountant holding an active certificate of certified public  
3 accountant pursuant to section ~~12-2-108~~ **12-100-107**. In any legal action brought under this  
4 article **100**, evidence of the commission of a single act prohibited by this article **100** is  
5 sufficient to justify an injunction.

6  
7 **12-100-119. [Formerly] 12-2-122.5] Inactive certificant.** (1) The holder of a  
8 certificate of certified public accountant, upon written notice by first-class mail to the board,  
9 shall have his or her name transferred to an inactive list and shall not be required to comply  
10 with the continuing education requirements for certificate renewal pursuant to section  
11 ~~12-2-119~~ **12-100-115** so long as he or she remains inactive. Each inactive certificant shall  
12 register in the same manner as active certificate holders and pay a fee pursuant to section  
13 ~~12-2-108(3)~~ **12-20-202 (1)**. At such time as an inactive certificant wishes to resume the  
14 practice of public accounting as a certified public accountant, he or she shall file an  
15 application therefor, meet any education requirements imposed by the board, and pay a fee  
16 as established by the director. ~~of the division of professions and occupations within the~~  
17 ~~department of regulatory agencies.~~

18 (2) During such time as a certified public accountant remains in an inactive status,  
19 the certified public accountant shall not perform those acts restricted to active certified public  
20 accountants pursuant to section ~~12-2-120(6)(a)~~ **12-100-116 (1)(a)**. The board shall retain  
21 jurisdiction over inactive certified public accountants for the purposes of disciplinary action  
22 pursuant to section ~~12-2-123~~ **12-100-120**.

23  
24 **12-100-120. [Formerly 12-2-123] Grounds for disciplinary action - administrative**  
25 **penalties.** (1) After notice and hearing as provided in section ~~12-2-125~~ **12-100-123**, the  
26 board may ~~deny the issuance of, refuse to renew, revoke, or suspend any certificate of a~~  
27 ~~certified public accountant issued under this article 2 or any prior law of this state or may~~  
28 ~~fine, issue a letter of admonition to, or place on probation the holder of any certificate~~ TAKE  
29 DISCIPLINARY OR OTHER ACTION AS AUTHORIZED IN SECTION 12-20-404 and impose other  
30 conditions or limitations for any of the following causes: <**Redundant with disciplinary**  
31 **actions common provision, 12-20-404.**>

32 (a) Fraud or deceit in obtaining or in attempting to obtain a certificate as a certified  
33 public accountant or in obtaining registration under this article **100**;

34 (b) Fraud or negligence in the practice of public accounting in Colorado or any other  
35 state or in the filing of or failure to file the certified public accountant's own income tax  
36 returns;

37 (c) Violation of any provision of this article **100**, of any final rule ~~or regulation~~  
38 promulgated by the board, or of any valid agency order;

39 (d) Violation of a rule of professional conduct promulgated by the board under the  
40 authority granted by this article **100**;

1           (e) Conviction of a felony OR OF A CRIME, AN ELEMENT OF WHICH IS DISHONESTY OR  
2 FRAUD, under the laws of any state or of the United States. ~~and~~; For the purposes of this  
3 paragraph ~~(e)~~ SUBSECTION (1)(e), a plea of guilty or a plea of nolo contendere accepted by  
4 the court shall be considered as a conviction. <{*Combined (e) & (f), per DPO feedback at*  
5 *10/3 meeting*}>

6           ~~(f) Conviction of any crime, an element of which is dishonesty or fraud, under the~~  
7 ~~laws of any state or of the United States, and, for the purposes of this paragraph (f), a plea~~  
8 ~~of guilty or a plea of nolo contendere accepted by the court shall be considered as a~~  
9 ~~conviction.~~

10           ~~(g)~~ (f) Discipline taken against the person's authority to practice as a certified public  
11 accountant or a public accountant in any jurisdiction;

12           ~~(h)~~ (g) Discipline taken against the person's right to practice before any state or  
13 federal agency or agency outside the United States or the public company accounting  
14 oversight board, created by the federal "Sarbanes-Oxley Act of 2002", 15 U.S.C. sec. 7201  
15 et seq., for improper conduct or willful violation of the rules or regulations of ~~such~~ THE state  
16 or federal agency or the public company accounting oversight board;

17           ~~(i) Repeated:~~

18           ~~(j)~~ (h) Providing public accounting services to the public for a fee without an active  
19 certificate of certified public accountant or a valid registration or acting as a member, partner,  
20 or shareholder of a partnership or professional corporation registered pursuant to section  
21 ~~12-2-117~~ 12-100-114;

22           ~~(k) and (l) Repeated:~~

23           ~~(m)~~ (i) Failure to comply with the requirements for continuing education as  
24 prescribed by the board;

25           ~~(n)~~ (j) An act or omission ~~which~~ THAT fails to meet generally accepted accounting  
26 principles or generally accepted auditing standards in the profession;

27           ~~(o)~~ (k) Use of false, misleading, or deceptive advertising;

28           ~~(p)~~ (l) An alcohol use disorder, as defined in section 27-81-102, or a substance use  
29 disorder, as defined in section 27-82-102, or an excessive use of a habit-forming drug,  
30 controlled substance, as defined in section 18-18-102 (5), or ~~alcoholic~~ ALCOHOL beverage  
31 that renders the certified public accountant unfit to practice public accounting;

32           ~~(q)~~ (m) Failure to retain records of the work performed for each client for a period  
33 of five years;

34           ~~(r)~~ (n) Failure of a partnership, professional corporation, or limited liability company  
35 to register with the board pursuant to section ~~12-2-117~~ 12-100-114 and to renew the  
36 registration as prescribed by the board.

37           (2) In considering the conviction of crimes, as provided in paragraphs ~~(e) and (f)~~ of  
38 ~~subsection (1)~~ SUBSECTION (1)(e) \_\_\_\_\_ of this section, the board shall be governed by the  
39 provisions of ~~section~~ SECTIONS 12-20-202 (5) AND 24-5-101. C.R.S. <{*Adding reference to*  
40 *consideration of criminal convictions common provision, 12-20-202 (5).*}>

1           ~~(3) (Deleted by amendment, L. 2010, (HB 10-1236), ch. 146, p. 497, § 9, effective~~  
2 ~~July 1, 2010.)~~

3           ~~(4) No certificant whose certificate is revoked shall be allowed to apply for~~  
4 ~~reinstatement of such certificate earlier than two years after the effective date of the~~  
5 ~~revocation. <{Per feedback from DPO at 10/3 meeting, okay to repeal this provision, as~~  
6 ~~redundant with revocation common provision, 12-20-404 (3).}>~~

7           (5) (a) (3) In addition to any other penalty that may be imposed pursuant to this  
8 section, any person violating this article **100** or any rules promulgated pursuant to this article  
9 **100** may be fined upon a finding of misconduct by the board as follows, either:

10           (⊕) (a) In a proceeding against a certificant, a fine not in excess of five thousand  
11 dollars per violation; or

12           (⊕) (b) In a proceeding against a registrant, a fine not in excess of ten thousand  
13 dollars per violation.

14           ~~(b) All fines collected pursuant to this subsection (5) shall be transferred to the state~~  
15 ~~treasurer, who shall credit such moneys to the general fund. <{Redundant with disposition~~  
16 ~~of fines common provision, 12-20-404 (6).}>~~

17  
18           **12-100-121. [Formerly 12-2-123.5] Response to board communication.** A  
19 certificant shall, at the request of the board, respond to communications from the board  
20 within thirty days after the mailing of any communication.

21  
22           **12-100-122. [Formerly 12-2-124] Revocation or suspension of partnership,**  
23 **professional corporation, or limited liability company registration.** (1) After notice and  
24 hearing as provided in section ~~12-2-125~~ **12-100-123**, the board shall revoke the registration  
25 of a partnership, professional corporation, or limited liability company if, at the time of ~~such~~  
26 ~~THE~~ hearing, the partnership, professional corporation, or limited liability company does not  
27 have all the qualifications prescribed by the section of this article **100** under which it  
28 qualified for registration.

29           (2) After notice and hearing as provided in section ~~12-2-125~~ **12-100-123**, the board  
30 may deny, revoke, suspend, or refuse to renew the registration of a partnership, professional  
31 corporation, or limited liability company or the board may fine, issue a letter of admonition  
32 to, or place on probation TAKE DISCIPLINARY OR OTHER ACTION AGAINST a registrant AS  
33 AUTHORIZED BY SECTION 12-20-404 for any of the causes enumerated in section ~~12-2-123~~  
34 **12-100-120** or for the following additional causes:

35           (a) The revocation, suspension, or refusal to renew the certificate of any partner,  
36 shareholder, or member;

37           (b) The cancellation, revocation, suspension, or refusal to renew the authority of the  
38 partnership or any partner thereof to practice public accounting in any other jurisdiction;

39           (c) The cancellation, revocation, suspension, or refusal to renew the authority of the  
40 professional corporation, limited liability company, or foreign corporation or limited liability

1 company or any shareholder or member thereof to practice public accounting by any other  
2 state or federal jurisdiction, or jurisdiction outside the United States or the public company  
3 accounting oversight board, created by the federal "Sarbanes-Oxley Act of 2002", 15 U.S.C.  
4 sec. 7201 et seq.  
5

6 **12-100-123. [Formerly 12-2-125] Hearings before board - notice - procedure -**  
7 **review.** (1) (a) The board may initiate proceedings under this article *100*, either on its own  
8 motion or on the complaint of any person.

9 (b) The board, through the department, ~~of regulatory agencies,~~ may employ  
10 administrative law judges on a full-time or part-time basis to conduct hearings as provided  
11 by this article *100* or on any matter within the board's jurisdiction upon such conditions and  
12 terms as the board may determine.

13 (2) Except as otherwise provided in this article *100*, all proceedings before the board  
14 with respect to the denial, suspension, or revocation of certificates or registrations issued  
15 under this article *100* shall be conducted pursuant to the provisions of sections *12-20-403*,  
16 *24-4-104*, and *24-4-105*. ~~C.R.S.~~

17 (3) If, after having been served with the notice of hearing as provided for in this  
18 section, the accused fails to appear at the hearing and defend, the board may proceed to hear  
19 evidence against the accused and may enter such order as is justified by the evidence, which  
20 order shall be final unless the accused petitions for a review thereof as provided in this  
21 section. Within thirty days after the date of any order, upon a showing of good cause for  
22 failing to appear and defend, the board may reopen the proceedings and may permit the  
23 accused to submit evidence in his or her behalf.

24 ~~(4) The board or an administrative law judge shall have the power to administer~~  
25 ~~oaths, take affirmations of witnesses, and issue subpoenas to compel the attendance of~~  
26 ~~witnesses and the production of all relevant papers, books, records, documentary evidence,~~  
27 ~~and materials in any hearing, investigation, accusation, or other matter coming before the~~  
28 ~~board. The board may appoint an administrative law judge pursuant to part 10 of article 30~~  
29 ~~of title 24, C.R.S., to take evidence and to make findings and report them to the board.~~  
30 ~~<{Redundant with discipline/ALJ/ Subpoena powers common provision, 12-20-403.}>~~

31 ~~(4.5) Upon failure of any witness to comply with such subpoena or process, the~~  
32 ~~district court of the county in which the subpoenaed person or licensee resides or conducts~~  
33 ~~business, upon application by the board or director with notice to the subpoenaed person or~~  
34 ~~licensee, may issue to the person or licensee an order requiring that person or licensee to~~  
35 ~~appear before the board or director, to produce the relevant papers, books, records,~~  
36 ~~documentary evidence, or materials if so ordered, or to give evidence touching the matter~~  
37 ~~under investigation or in question. Failure to obey the order of the court may be punished by~~  
38 ~~the court as a contempt of court. <{Redundant with discipline/ALJ/ Subpoena powers~~  
39 ~~common provision, 12-20-403.}>~~

40 ~~(5)~~ (4) At all hearings, the attorney general of this state or one of the attorney

1 general's designated assistants shall appear and represent the board.

2 (6) (5) The decision of the board shall be by majority vote thereof.

3  
4 **12-100-124. [Formerly 12-2-126] Investigations - findings - board actions -**  
5 **confidentiality of complaints.** (1) ~~(a)~~ ~~(f)~~ The board, on its own motion based on reasonable  
6 grounds or on the signed, written complaint of any person, may investigate any person who  
7 has engaged, is engaging, or threatens to engage in any act or practice that constitutes a  
8 violation of any provision of this article ~~The board or any member thereof may administer~~  
9 ~~oaths, take affirmations of witnesses, and issue subpoenas to compel the attendance of~~  
10 ~~witnesses and the production of all relevant papers, books, records, documentary evidence,~~  
11 ~~and materials in any hearing, investigation, accusation, or other matter coming before the~~  
12 ~~board. The board may appoint an administrative law judge pursuant to part 10 of article 30~~  
13 ~~of title 24, C.R.S., to take evidence and to make findings and report them to the board~~ **100.**

14 ACTIONS UNDER THIS SECTION ARE GOVERNED BY SECTION 12-20-403. <{Redundant with  
15 discipline/authority to investigate/ALJ common provision, 12-20-403 (1), (2)(a), and (3).>

16 ~~(H)~~ Upon failure of any witness to comply with such subpoena or process, the district  
17 court of the county in which the subpoenaed person or licensee resides or conducts business,  
18 upon application by the board or director with notice to the subpoenaed person or licensee,  
19 may issue to the person or licensee an order requiring that person or licensee to appear before  
20 the board or director; to produce the relevant papers, books, records, documentary evidence,  
21 or materials if so ordered; or to give evidence touching the matter under investigation or in  
22 question. Failure to obey the order of the court may be punished by the court as a contempt  
23 of court. <{Redundant with discipline/subpoena common provision, 12-20-403 (2)(b).>

24 ~~(b)~~ ~~(f)~~ (2) (a) Complaints of record that are dismissed by the board and the results of  
25 investigation of ~~such~~ THE complaints shall be closed to public inspection.

26 ~~(H)~~ (b) Upon completing an investigation, the board shall make one of the following  
27 findings:

28 ~~(A)~~ (I) The complaint is without merit and no further action need be taken.

29 ~~(B)~~ (II) There is no reasonable cause to warrant further action.

30 ~~(C)~~ (III) The investigation discloses an instance of conduct that does not warrant  
31 formal action and should be dismissed, but the investigation discloses indications of possible  
32 errant conduct that could lead to serious consequences if not corrected. If this finding is  
33 made, the board shall send a confidential letter of concern IN ACCORDANCE WITH SECTION  
34 12-20-404 (5) to the licensee or registrant. <{Redundant with confidential letter of concern  
35 common provision, 12-20-404 (5).>

36 ~~(D)~~ (IV) The investigation discloses an instance of conduct that does not warrant  
37 formal action but should not be dismissed as being without merit. If this finding is made, the  
38 board may send a letter of admonition IN ACCORDANCE WITH SECTION 12-20-404 (4) to the  
39 licensee or registrant by certified mail. <{Redundant with letter of admonition common  
40 provision, 12-20-404 (4).>

1 ~~(E)~~ (V) The investigation discloses facts that warrant further proceedings by formal  
2 complaint. If this finding is made, the board shall refer the complaint to the attorney general  
3 for preparation and filing of a formal complaint.

4 ~~(H)~~ (A) When a letter of admonition is sent to a licensee or registrant, the board shall  
5 include in the letter a notice that the licensee or registrant has the right to request in writing,  
6 within twenty days after receipt of the letter, that formal disciplinary proceedings be initiated  
7 to adjudicate the propriety of the conduct upon which the letter of admonition is based.

8 ~~(B)~~ If the request for adjudication is timely made, the letter of admonition is vacated  
9 and the board shall proceed by means of formal disciplinary proceedings. < {Redundant with  
10 discipline/letter of admonition common provision, 12-20-404 (4). } >

11 ~~(FV)~~ (c) The board shall conduct all proceedings pursuant to this subsection (1)  
12 expeditiously and informally so that no licensee or registrant is subjected to unfair and unjust  
13 charges and that no complainant is deprived of the right to a timely, fair, and proper  
14 investigation of a complaint.

15 ~~(e)~~ (3) Complaints of record that are not dismissed by the board and are the results  
16 of investigations of such THE complaints shall be closed to public inspection and any meeting  
17 concerning such THE complaints shall be closed to the public during the investigatory period  
18 and until a stipulated agreement is reached between the applicant or certificate holder and the  
19 board or until notice of hearing and charges are filed and served on an applicant or certificate  
20 holder. Except for confidential books of account, financial records, advice, reports, or  
21 working papers provided by the client, the certified public accountant, or the certified public  
22 accounting firm, the board's records and papers shall be subject to the provisions of sections  
23 24-72-203 and 24-72-204 C.R.S., regarding public records and confidentiality.

24 (2) (a) ~~If it appears to the board, based upon credible evidence as presented in a~~  
25 ~~written complaint by any person, that a certificate holder or registered firm is acting in a~~  
26 ~~manner that is an imminent threat to the health, safety, and welfare of the public or a person~~  
27 ~~is acting or has acted without the required certificate or registration, the board may issue an~~  
28 ~~order to cease and desist such activity. The order shall set forth the statutes and rules alleged~~  
29 ~~to have been violated, the facts alleged to have constituted the violation, and the requirement~~  
30 ~~that all unlawful acts or uncertified or unregistered practices immediately cease.~~

31 (b) ~~Within ten days after service of the order to cease and desist pursuant to paragraph~~  
32 ~~(a) of this subsection (2), the respondent may request a hearing on the question of whether~~  
33 ~~acts or practices in violation of this article have occurred. Such hearing shall be conducted~~  
34 ~~pursuant to sections 24-4-104 and 24-4-105, C.R.S.~~

35 (3) (a) ~~If it appears to the board, based upon credible evidence as presented in a~~  
36 ~~written complaint by any person, that a person has violated any other portion of this article,~~  
37 ~~then, in addition to any specific powers granted pursuant to this article, the board may issue~~  
38 ~~to such person an order to show cause as to why the board should not issue a final order~~  
39 ~~directing such person to cease and desist from the unlawful act or uncertified practice.~~

40 (b) ~~A person against whom an order to show cause has been issued pursuant to~~

1 paragraph (a) of this subsection (3) shall be promptly notified by the board of the issuance  
2 of the order, along with a copy of the order, the factual and legal basis for the order, and the  
3 date set by the board for a hearing on the order. Such notice may be served by personal  
4 service, by first-class United States mail, postage prepaid, or as may be practicable upon any  
5 person against whom such order is issued. Personal service or mailing of an order or  
6 document pursuant to this subsection (3) shall constitute notice thereof to the person.

7 (c) (I) The hearing on an order to show cause shall be commenced no sooner than ten  
8 and no later than forty-five calendar days after the date of transmission or service of the  
9 notification by the board as provided in paragraph (b) of this subsection (3). The hearing may  
10 be continued by agreement of all parties based upon the complexity of the matter, number  
11 of parties to the matter, and legal issues presented in the matter, but in no event shall the  
12 hearing commence later than sixty calendar days after the date of transmission or service of  
13 the notification.

14 (II) If a person against whom an order to show cause has been issued pursuant to  
15 paragraph (a) of this subsection (3) does not appear at the hearing, the board may present  
16 evidence that notification was properly sent or served upon such person pursuant to  
17 paragraph (b) of this subsection (3) and such other evidence related to the matter as the board  
18 deems appropriate. The board shall issue the order within ten days after the board's  
19 determination related to reasonable attempts to notify the respondent, and the order shall  
20 become final as to that person by operation of law. Such hearing shall be conducted pursuant  
21 to sections 24-4-104 and 24-4-105, C.R.S.

22 (III) If the board reasonably finds that the person against whom the order to show  
23 cause was issued is acting or has acted without the required certificate or has or is about to  
24 engage in acts or practices constituting violations of this article, a final cease-and-desist order  
25 may be issued directing such person to cease and desist from further unlawful acts or  
26 uncertified practices.

27 (IV) The board shall provide notice, in the manner set forth in paragraph (b) of this  
28 subsection (3), of the final cease-and-desist order within ten calendar days after the hearing  
29 conducted pursuant to this paragraph (c) to each person against whom the final order has  
30 been issued. The final order issued pursuant to subparagraph (III) of this paragraph (c) shall  
31 be effective when issued and shall be a final order for purposes of judicial review.

32 (4) If it appears to the board, based upon credible evidence presented to the board,  
33 that a person has engaged in or is about to engage in any uncertified act or practice, any act  
34 or practice constituting a violation of this article, any rule promulgated pursuant to this  
35 article, any order issued pursuant to this article, or any act or practice constituting grounds  
36 for administrative sanction pursuant to this article, the board may enter into a stipulation with  
37 such person:

38 (5) If any person fails to comply with a final cease-and-desist order or a stipulation,  
39 the board may request the attorney general or the district attorney for the judicial district in  
40 which the alleged violation exists to bring, and if so requested such attorney shall bring, suit

1 for a temporary restraining order and for injunctive relief to prevent any further or continued  
2 violation of the final order.

3 (6) A person aggrieved by the final cease-and-desist order may seek judicial review  
4 of the board's determination or of the board's final order as provided in section 12-2-127.  
5

6 ~~<{Given changes to 12-100-105 (1)(e), above, I'm striking the reference to the board  
7 issuing cease-and-desist orders here.}>~~

8 ~~(7) When a complaint or an investigation discloses an instance of misconduct that,  
9 in the opinion of the board, warrants formal action, the complaint shall not be resolved by  
10 a deferred settlement, action, judgment, or prosecution. <{Redundant with no  
11 deferred settlement common provision, 12-20-404 (2).}>~~

12  
13 **12-100-125. [Formerly 12-2-127] Judicial review.** (1) Any person aggrieved by any  
14 SECTION 12-20-408 GOVERNS JUDICIAL REVIEW OF A final action or order of the board. and  
15 affected thereby is entitled to a review thereof by the court of appeals by appropriate  
16 proceedings under section 24-4-106 (11), C.R.S. ~~<{Redundant with judicial review common  
17 provision, 12-20-408.>~~

18 (2) For the purposes of review, the residence of the board shall be the city and county  
19 of Denver.  
20

21 **12-100-126. [Formerly 12-2-128] Reconsideration and review of action of board.**  
22 The board, on its own motion or upon application, at any time after the imposition of any  
23 discipline as provided in section ~~12-2-123 (1)~~ **12-100-120 (1)**, may reconsider its prior action  
24 and reinstate or restore such THE license or terminate probation or reduce the severity of its  
25 prior disciplinary action. The taking of any such further action, or the holding of a hearing  
26 with respect thereto, shall rest in the sole discretion of the board.  
27

28 **12-100-127. [Formerly 12-2-129] Unauthorized practice - penalties.** Any person  
29 who violates section ~~12-2-115~~ **12-100-112** or ~~12-2-120 (6)(a)~~ commits a class 2 misdemeanor  
30 and shall be punished as provided in section 18-1.3-501, C.R.S., for the first offense, and,  
31 for the second or any subsequent offense, the person commits a class 6 felony and shall be  
32 punished as provided in section 18-1.3-401., C.R.S. **12-100-116 (1)(a)** IS SUBJECT TO  
33 PENALTIES PURSUANT TO SECTION 12-20-407 (1)(a). ~~<{Redundant with unauthorized  
34 practice common provision, 12-20-407.>~~

35  
36 **12-100-128. [Formerly 12-2-130] Ownership of accountant's working papers.** All  
37 statements, records, schedules, working papers, and memoranda made by a certified public  
38 accountant incident to or in the course of professional service to a client by the certified  
39 public accountant, except financial statements submitted by a certified public accountant to  
40 a client and books and records prepared for the use of the client, shall be and remain the

1 property of the certified public accountant in the absence of an express agreement to the  
2 contrary between the certified public accountant and the client.  
3

4 **12-100-129. [Formerly 12-2-130.5] Ownership of state auditor's working papers.**  
5 Except for reports submitted to the legislative audit committee and books and records  
6 prepared for use by such committee, all statements, records, schedules, working papers, and  
7 memoranda prepared by a certified public accountant in the employ of the state auditor's  
8 office, in the course of professional service to the legislative audit committee, shall be and  
9 remain the property of the state auditor's office and shall be kept confidential unless a  
10 majority of the members of the legislative audit committee vote to open such documents.  
11

12 ~~**12-2-131. Professional corporations for the practice of public accounting as**~~  
13 ~~**certified public accountants or as registered accountants. (Repealed)**~~  
14

15 **12-100-130. [Formerly 12-2-132] Repeal of article.** (1) This article *100* is repealed,  
16 effective July 1, 2019.

17 (2) ~~Prior to such~~ BEFORE ITS repeal, the state board of accountancy shall be reviewed  
18 ~~as provided in \_\_\_\_\_~~ IS SCHEDULED FOR REVIEW IN ACCORDANCE WITH section 24-34-104.  
19 ~~C.R.S.~~