



Adopted	Rejected
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COMMITTEE REPORT

YES: 9
NO: 0

MR. SPEAKER:

*Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1138, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 25-1-11-12, AS AMENDED BY P.L.197-2011,
- 4 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2024]: Sec. 12. (a) The board may impose any of the
- 6 following sanctions, singly or in combination, if the board finds that a
- 7 practitioner is subject to disciplinary sanctions under sections 5
- 8 through 9 of this chapter:
- 9 (1) Permanently revoke a practitioner's license.
- 10 (2) Suspend a practitioner's license.
- 11 (3) Censure a practitioner.
- 12 (4) Issue a letter of reprimand.
- 13 (5) Place a practitioner on probation status and require the

- 1 practitioner to:
- 2 (A) report regularly to the board upon the matters that are the
- 3 basis of probation;
- 4 (B) limit practice to those areas prescribed by the board;
- 5 (C) continue or renew professional education approved by the
- 6 board until a satisfactory degree of skill has been attained in
- 7 those areas that are the basis of the probation;
- 8 (D) perform or refrain from performing any acts, including
- 9 community restitution or service without compensation, that
- 10 the board considers appropriate to the public interest or to the
- 11 rehabilitation or treatment of the practitioner; or
- 12 (E) satisfactorily complete a ~~quality review (before July 1,~~
- 13 ~~2012)~~ or peer review (~~after June 30, 2012)~~ specified by the
- 14 board as a condition for termination of probationary status if
- 15 the practitioner is a licensee (as defined in IC 25-2.1-1-8).
- 16 (6) Assess a civil penalty against the practitioner for not more
- 17 than one thousand dollars (\$1,000) for each violation listed in
- 18 sections 5 through 9 of this chapter except for a finding of
- 19 incompetency due to a physical or mental disability.
- 20 (7) Order a practitioner to pay consumer restitution to a person
- 21 who suffered damages as a result of the conduct or omission that
- 22 was the basis for the disciplinary sanctions under this chapter.
- 23 (b) When imposing a civil penalty under subsection (a)(6), the board
- 24 shall consider a practitioner's ability to pay the amount assessed. If the
- 25 practitioner fails to pay the civil penalty within the time specified by
- 26 the board, the board may suspend the practitioner's license without
- 27 additional proceedings. However, a suspension may not be imposed if
- 28 the sole basis for the suspension is the practitioner's inability to pay a
- 29 civil penalty.
- 30 (c) The board may withdraw or modify the probation under
- 31 subsection (a)(5) if the board finds after a hearing that the deficiency
- 32 that required disciplinary action has been remedied or that changed
- 33 circumstances warrant a modification of the order.
- 34 SECTION 2. IC 25-2.1-1-6.3 IS AMENDED TO READ AS
- 35 FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 6.3. "Compilation"
- 36 means providing a service **of any compilation engagement** to be
- 37 performed in accordance with AICPA Statements on Standards for
- 38 Accounting and Review Services (SSARS). ~~or other similar standards~~

1 adopted by reference under IC 25-2.1-2-15 that is presenting, in the
 2 form of financial statements, information that is the representation of
 3 the management or owners without undertaking to express any
 4 assurance on the statements.

5 SECTION 3. IC 25-2.1-1-8.7, AS ADDED BY P.L.197-2011,
 6 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2024]: Sec. 8.7. (a) "Peer review" means a study, an appraisal,
 8 or a review of at least one (1) aspect of the professional work of:

9 (1) an individual who; or

10 (2) a firm in the practice of accountancy that;

11 attests or issues compilation reports, by at least one (1) individual who
 12 holds a certificate from any state and possesses qualifications that meet
 13 the applicable substantial equivalency standards and who is
 14 independent of the individual or firm being reviewed. ~~The term~~
 15 ~~includes any part of a quality review conducted before July 1, 2012,~~
 16 ~~that becomes part of a peer review conducted or peer review report~~
 17 ~~issued after June 30, 2012.~~

18 (b) After June 30, 2012, any reference in any law, rule, or other
 19 document to "quality review" as that term was applied under this article
 20 before July 1, 2012, shall be treated as a reference to peer review.

21 SECTION 4. IC 25-2.1-2-15, AS AMENDED BY P.L.197-2011,
 22 SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2024]: Sec. 15. The board may adopt rules under IC 4-22-2
 24 governing the administration and enforcement of this article and the
 25 conduct of licensees, including the following:

26 (1) The board's meetings and conduct of business.

27 (2) The procedure of investigations and hearings.

28 (3) The educational and experience qualifications required for the
 29 issuance of certificates under this article and the continuing
 30 professional education required for renewal of certificates under
 31 IC 25-2.1-4.

32 (4) Rules of professional conduct directed to controlling the
 33 quality and probity of the practice of accountancy by licensees,
 34 including independence, integrity, and objectivity, competence
 35 and technical standards, and responsibilities to the public and
 36 clients.

37 (5) The actions and circumstances that constitute professing to be
 38 a licensee in connection with the practice of accountancy.

- 1 (6) The manner and circumstances of use of the title "certified
2 public accountant" and the abbreviation "CPA".
- 3 (7) ~~Quality reviews (before July 1, 2012) or Peer reviews (after~~
4 ~~June 30, 2012)~~ that may be required to be performed under this
5 article.
- 6 (8) Methods of applying for and conducting the examinations,
7 including methods for grading examinations and determining a
8 passing grade required of an applicant for a certificate. However,
9 the board shall to the extent possible provide that the
10 examination, grading of the examination, and the passing grades
11 are uniform with those applicable in other states.
- 12 (9) Substantial equivalency.
- 13 (10) Administration of the accountant investigative fund
14 established by IC 25-2.1-8-4.
- 15 SECTION 5. IC 25-2.1-5-8, AS AMENDED BY P.L.168-2016,
16 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2024]: Sec. 8. (a) The board shall adopt rules that require as
18 a condition to renew a permit under this chapter, that an applicant
19 undergo, not more than once every three (3) years, a peer review
20 conducted in a manner the board specifies.
- 21 (b) The rules adopted under subsection (a) must:
- 22 (1) be adopted reasonably in advance of the time when a peer
23 review first becomes effective;
- 24 (2) include reasonable provision for compliance by an applicant
25 showing that the applicant has in the preceding three (3) years
26 undergone a peer review that is a satisfactory equivalent to the
27 peer review required under this section;
- 28 (3) require the firm to ~~submit a copy of~~ **allow the administering**
29 **entity to provide access to** the results of its most recently
30 accepted peer review **and other objective information specified**
31 **by the rules** to the board; ~~either directly or through the~~
32 ~~administering entity~~;
- 33 (4) require, with respect to peer reviews under subdivision (2),
34 that the peer review be subject to review by an oversight ~~body~~
35 **committee** established or sanctioned by the board that shall:
- 36 (A) comply with IC 25-2.1-9-4; and
- 37 (B) periodically report to the board on the effectiveness of the
38 review program and provide to the board a listing of firms that

1 have participated in a peer review program; and
 2 (5) subject to section 9 of this chapter and IC 25-2.1-9-4, require,
 3 with respect to peer reviews under subdivision (2), that:

4 (A) the proceedings, records, and work papers of a review
 5 committee are privileged and are not subject to discovery,
 6 subpoena, or other means of legal process or introduction into
 7 evidence in a civil action, arbitration, administrative
 8 proceeding, or ~~Indiana board of accountancy~~ proceeding; and

9 (B) a member of the review committee or individual who was
 10 involved in the peer review process is not permitted or
 11 required to testify in a civil action, arbitration, administrative
 12 proceeding, or board proceeding to matters:

13 (i) produced, presented, disclosed or discussed during, or in
 14 connection with, the peer review process; or

15 (ii) that involve findings, recommendations, evaluations,
 16 opinions, or other actions of the committee or a committee
 17 member.

18 SECTION 6. IC 25-2.1-8-2, AS AMENDED BY P.L.197-2011,
 19 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2024]: Sec. 2. In place of or in addition to any remedy
 21 specifically provided in IC 25-1-11, the board may require the
 22 following of a licensee:

23 (1) To undergo a ~~quality review (before July 1, 2012) or a peer~~
 24 ~~review. (after June 30, 2012).~~

25 (2) To satisfactorily complete continuing professional education
 26 programs.

27 SECTION 7. IC 25-2.1-9-4, AS ADDED BY P.L.197-2011,
 28 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2024]: Sec. 4. (a) This section applies to a licensee that
 30 receives a peer review rating of fail ~~on a peer review report issued after~~
 31 ~~June 30, 2012;~~ for a peer review conducted under IC 25-2.1-5-8.

32 (b) The following definitions apply throughout this section:

33 (1) "Administering entity" refers to the ~~oversight~~ body established
 34 or sanctioned by the board to conduct a peer review program.

35 (2) "Director" refers to the director of the division of consumer
 36 protection in the office of the attorney general.

37 (3) "Oversight committee" refers to a committee of licensees who
 38 are not board members that is designated by the board to receive

- 1 a report: **the results of a peer review.**
- 2 ~~(4) "Report" refers to a peer review report described in subsection~~
- 3 ~~(a); including any description of the deficiencies on which the~~
- 4 ~~peer review rating of fail is based:~~
- 5 (c) The board shall provide the director with the name and contact
- 6 information for the administering entity.
- 7 ~~(d) Not more than thirty (30) days after the issuance of a report, the~~
- 8 ~~administering entity shall make the report available to the oversight~~
- 9 ~~committee. The oversight committee may forward the report results of~~
- 10 **a peer review** to the director. Receipt of the **report shall results may**
- 11 be treated under IC 25-1-7-4, IC 25-1-7-5, and IC 25-1-7-6 as a
- 12 complaint submitted by the board. If, after conducting an investigation,
- 13 the director believes that a licensee should be subjected to disciplinary
- 14 sanctions by the board, the director shall report the director's
- 15 determination to the attorney general. Upon receiving the director's
- 16 report, the attorney general may prosecute the matter, on behalf of the
- 17 state of Indiana, before the board. IC 25-1-7-7(b) does not apply to a
- 18 determination related to a complaint filed under this section.
- 19 (e) The administering entity ~~and the peer review committee issuing~~
- 20 a report shall cooperate with an investigation under IC 25-1-7 of a
- 21 complaint filed under this section. ~~and with any resulting proceeding;~~
- 22 ~~including compliance with any request for access to or production of~~
- 23 ~~the proceedings, records, and work papers of the review committee by~~
- 24 ~~the director, the office of the attorney general, or a party to any~~
- 25 ~~proceeding initiated as a result of the filing of a complaint under this~~
- 26 ~~section.~~ However, all complaints and information pertaining to a
- 27 complaint are confidential until the attorney general files notice with
- 28 the board of the attorney general's intent to prosecute a licensee under
- 29 IC 25-1-7-7. Any meeting of the board, the oversight committee, or a
- 30 designee of the board or oversight committee that is required in an
- 31 investigation conducted before the attorney general files notice of
- 32 intent to prosecute shall be conducted as an executive session under
- 33 IC 5-14-1.5-6.1.
- 34 SECTION 8. IC 25-2.1-9-5, AS ADDED BY P.L.197-2011,
- 35 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 36 JULY 1, 2024]: Sec. 5. An:
- 37 (1) entity administering a ~~quality review program before July 1,~~
- 38 ~~2012; or a peer review program; after June 30, 2012;~~

1 (2) officer, member, or employee of an entity administering a
 2 ~~quality review program before July 1, 2012, or a peer review~~
 3 ~~program; after June 30, 2012;~~

4 (3) employee or member of a ~~quality review committee before~~
 5 ~~July 1, 2012; or a peer review committee; after June 30, 2012;~~ and

6 (4) entity in which or for which a member of a ~~quality review~~
 7 ~~committee (before July 1, 2012) or peer review committee (after~~
 8 ~~June 30, 2012) is a sole proprietor, a partner, a shareholder, a~~
 9 ~~member, or an employee;~~

10 is immune from civil liability that would otherwise arise from
 11 communications, supervision, findings, recommendations, evaluations,
 12 reports, opinions, or other actions taken or omissions occurring in good
 13 faith in the course and scope of the duties of a ~~quality review~~
 14 ~~administering entity (before July 1, 2012) or peer review administering~~
 15 ~~entity (after June 30, 2012) or a quality review committee (before July~~
 16 ~~1, 2012) or peer review committee (after June 30, 2012) that arise~~
 17 ~~under this article, including the rules adopted by the board. The~~
 18 ~~immunity granted under this section includes immunity for an act or~~
 19 ~~omission related to any part of a quality review conducted under this~~
 20 ~~article before July 1, 2012; that becomes part of a peer review~~
 21 ~~conducted or peer review report issued after June 30, 2012.~~

22 SECTION 9. IC 25-2.1-11-2, AS AMENDED BY P.L.197-2011,
 23 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2024]: Sec. 2. Before reinstating a suspended certificate or
 25 permit under IC 25-1-11-14, the board may require the applicant to
 26 show successful completion of specified continuing professional
 27 education **or other actions**, and the board may make the reinstatement
 28 of a certificate or permit conditional on satisfactory completion of a
 29 ~~quality review (before July 1, 2012) or peer review (after June 30,~~
 30 ~~2012) specified by the board.~~

31 SECTION 10. IC 25-2.1-14-2, AS AMENDED BY P.L.197-2011,
 32 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2024]: Sec. 2. The information derived from or as the result
 34 of professional services is confidential and privileged. However, this
 35 section does not prohibit a certified public accountant, a public
 36 accountant, or an accounting practitioner from disclosing any data
 37 required to be disclosed by the standards of the profession:

38 (1) in rendering an opinion on the presentation of financial

- 1 statements;
- 2 (2) in ethical investigations conducted by private professional
- 3 organizations;
- 4 (3) in the course of ~~quality reviews (before July 1, 2012) or peer~~
- 5 ~~reviews (after June 30, 2012) or an investigation or proceeding~~
- 6 ~~related to a quality review (before July 1, 2012) or peer review;~~
- 7 ~~(after June 30, 2012); or~~
- 8 (4) in making disclosure where the financial statements or the
- 9 professional services of an accountant are contested.

10 SECTION 11. IC 25-2.1-14-5, AS AMENDED BY P.L.197-2011,

11 SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

12 JULY 1, 2024]: Sec. 5. (a) This chapter does not prohibit a temporary

13 transfer of work papers or other material necessary to carry out ~~quality~~

14 ~~reviews (before July 1, 2012) or peer reviews, (after June 30, 2012);~~

15 conduct an investigation or proceeding related to a ~~quality review~~

16 ~~(before July 1, 2012) or peer review, (after June 30, 2012); or comply~~

17 with the disclosure of information under this chapter.

18 (b) A licensee is not required to keep any work paper beyond the

19 period prescribed in any applicable statute.

20 SECTION 12. IC 25-4-1-18.5 IS ADDED TO THE INDIANA

21 CODE AS A NEW SECTION TO READ AS FOLLOWS

22 [EFFECTIVE JULY 1, 2024]: **Sec. 18.5. (a) An individual who has**

23 **graduated from a school or college of architecture accredited by**

24 **the National Architectural Accrediting Board, Inc., or its successor**

25 **may profess to be an "architectural graduate" and use the term to**

26 **describe the individual.**

27 (b) **An individual currently enrolled in, but not yet graduated**

28 **from, a school or college of architecture accredited by the National**

29 **Architectural Accrediting Board, Inc., or its successor may profess**

30 **to be an "architectural intern" and use the term to describe the**

31 **individual.**

32 SECTION 13. IC 25-4-2-10.5 IS ADDED TO THE INDIANA

33 CODE AS A NEW SECTION TO READ AS FOLLOWS

34 [EFFECTIVE JULY 1, 2024]: **Sec. 10.5. (a) An individual who has**

35 **graduated from an accredited curriculum of landscape**

36 **architecture presented by a college or school approved by the**

37 **board may profess to be a "landscape architectural graduate" and**

38 **use the term to describe the individual.**

1 **(b) An individual currently enrolled in, but not yet graduated**
 2 **from, an accredited curriculum of landscape architecture**
 3 **presented by a college or school approved by the board may**
 4 **profess to be a "landscape architectural intern" and use the term**
 5 **to describe the individual."**

6 Page 2, after line 8, begin a new paragraph and insert:

7 "SECTION 15. IC 34-30-2.1-366, AS ADDED BY P.L.105-2022,
 8 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2024]: Sec. 366. IC 25-2.1-9-5 (Concerning immunity of an
 10 entity administering a ~~quality review (before July 1, 2012)~~ or peer
 11 review ~~(after June 30, 2012)~~ program and members of a ~~quality review~~
 12 ~~committee (before July 1, 2012)~~ or peer review committee). ~~(after June~~
 13 ~~30, 2012))~~:"

14 SECTION 16. IC 34-46-2-17, AS AMENDED BY P.L.197-2011,
 15 SECTION 126, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2024]: Sec. 17. IC 25-2.1-5-8 (Concerning
 17 proceedings, records, and work papers of a ~~quality review committee~~
 18 ~~that conducts a quality review of an accounting firm before July 1,~~
 19 ~~2012; or a peer review committee that conducts a peer review of an~~
 20 ~~accounting firm). ~~after June 30, 2012)~~:"~~

21 Renumber all SECTIONS consecutively.
 (Reference is to HB 1138 as introduced.)

and when so amended that said bill do pass.

Representative VanNatter