

AN ACT

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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*Codification  
District of  
Columbia  
Official Code*

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To amend, on a temporary basis, Chapter 28 of Title 47 of the District of Columbia Official Code to alter the composition of the Board of Real Estate and the Board of Real Estate Appraisers; to repeal the requirement that individuals and firms practicing as public accountants, but not providing services that require a license, registration, and permit as a certified public accountant or certified public accounting firm, continue to register with or obtain a permit from the Board of Accountancy, and to allow non-licensees to control up to 49% of the financial interests and voting rights of all partners, officers, shareholders, members, or managers of firms organized to offer certified public accounting services within the District of Columbia; to allow the Board of Real Estate Appraisers to comply with the licensure and regulatory requirements established by the Appraisal Subcommittee, The Appraisal Foundation, and the Appraisal Qualifications Board pursuant to federal law; to reinstate the Appraisal Education Fund; and to clarify that certain real estate licensure exemptions apply only to natural persons.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Non-Health Related Occupations and Professions Licensure Temporary Act of 2006”.

Sec. 2. Chapter 28 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended as follows:

(1) Strike the phrase “47-2853.45. Registration of firms of public accountants.” and insert the phrase “47-2853.45. Repealed.” in its place.

(2) Add the phrase “47-2853.154. Appraisal Education Fund.” after the phrase “47-2853.153. Certain representations prohibited.”.

(b) Section 47-2853.01 is amended by adding a new paragraph (9) to read as follows:  
“(9) “Natural person” means a human being.”.

**Note,**  
**§ 47-2853.01**

(c) Section 47-2853.06 is amended as follows:

(1) Subsection (b) is amended to read as follows:

Note,  
§ 47-2853.06

“(b) There is established a Board of Accountancy to consist of 5 members. Of the members of the Board, one shall be a consumer member and 4 shall be licensed as certified public accountants who, at the time of their appointments, have been engaged in the practice of public accountancy as certified public accountants in the District for a period of not less than 5 years. The Board shall regulate the practice of public accountants and certified public accountants.”.

(2) Subsection (g) is amended to read as follows:

“(g) There is established a Board of Real Estate Appraisers consisting of 5 members, of whom 3 shall be real estate appraisers licensed and in good standing in the District with not less than 3 years experience in real estate appraising immediately preceding his or her appointment to the Board, one shall be a real estate broker licensed and in good standing in the District, and one shall be a consumer member. In addition to assuming the powers enumerated in § 47-2853.08, the Board shall regulate the practice of real estate appraisal, including the functions of a state appraiser certifying and licensing agency under Title XI of the Financial Institutions Recovery, Reform, and Enforcement Act of 1989, approved August 9, 1989 (103 Stat. 183;12 U.S.C. §§ 3331 through 3351).”.

Note,  
§ 47-2853.42

(d) Section 47-2853.42 is amended as follows:

(1) Paragraph (2) is amended by striking the phrase “written examinations” and inserting the word “examination” in its place.

(2) Paragraph (3) is amended by striking the phrase “a written examination” and inserting the phrase “an examination.” in its place.

(e) Section 47-2853.43 is amended as follows:

Note,  
§ 47-2853.43

(1) Subsection (a) is amended as follows:

(A) Strike the phrase “and 47-2853.45”.

(B) Strike the phrase “, 47-2853.45,”.

(C) Strike the colon at the end of the lead-in text and insert the phrase “licensed as a certified public accountant under this part.” in its place.

(D) Paragraphs (1) and (2) are repealed.

(2) Subsection (b) is amended by striking the phrase “§§ 47-2853.45 and” and inserting the section symbol in its place.

(3) Subsection (d)(1) is amended by striking the phrase “§§ 47-2853.45 and” and inserting the section symbol in its place.

(f) Section 47-2853.44 is amended to read as follows:

Note,  
§ 47-2853.44

“(a) A firm engaged in the District in the practice of certified public accounting may register with the Board as a firm of certified public accountants if it meets the following requirements:

“(1) At least one member thereof is a certified public accountant of the District in good standing;

“(2) Each member thereof must be a certified public accountant of the District or of a state in good standing;

“(3) At least one member or the resident manager in charge of an office of the firm in the District and each member thereof personally engaged within the District in the practice of public accounting as a member thereof must be a certified public accountant of the District in good standing;

“(4) Notwithstanding any other provision of law:

“(A) At least 51% of the firm of certified public accountants, in terms of financial interests and voting rights of all partners, officers, shareholders, members, or managers, belongs to individuals licensed as certified public accountants in the District or in any other state;

“(B) Partners, officers, shareholders, members, or managers, whose principal place of business is in the District, or who perform professional services in the District, hold a valid license issued under this part; and

“(C) Although firms may include non-licensee owners, the firm and its ownership must comply with rules promulgated by the Board;

“(5) Any firm of certified public accountants as defined in this part may include non-licensee owners; provided, that:

“(A) The firm designates a licensee of the District who is responsible for the proper registration of the firm and identifies that individual to the Board;

“(B) All non-licensee owners are active individual participants in the firm of certified public accountants or affiliated entities; and

“(C) The firm complies with such other requirements as the Board may impose by rule;

“(6) Any individual licensee who is responsible for supervising services requiring licensure as a certified public accountant and signs or authorizes someone to sign the accountant’s report on the financial statements on behalf of the firm shall meet the competency requirements set out in the professional standards for such services; and

“(7) Any individual licensee who signs or authorizes someone to sign the accountants’ report on the financial statements on behalf of the firm shall meet the competency requirement of paragraph (6) of this subsection.”.

“(b) Subject to the exception provided in subsection (a)(4) of this section, a firm that is a corporation organized for the practice of certified public accounting shall also comply with the provisions of Chapter 4 of Title 29, governing the issuance, ownership, and transferability of shares and be in compliance with such regulations as may be issued for such corporations.

“(c) A firm which is registered pursuant to this section and which holds a permit issued by the Board may use the words "certified public accountants" or the abbreviation "CPA" in connection with its firm name. Notification shall be given to the Board within one month after the admission or withdrawal of a member or shareholder in practice in the District from any

firm so registered. Firms shall not offer certified public accounting services unless registered pursuant to this section.

“(d) An applicant firm for initial issuance or renewal of a permit to practice under this section shall be required to register each office of the firm within the District with the Board and to show that all attest and compilation services as defined herein rendered in the District are under the charge of a person holding a valid license in the District issued under Subchapter I-B, or the corresponding provision of prior law or some other state.

“(e) An applicant firm for initial issuance or renewal of permits under this section shall, in its application, list all states (including the District) in which the firm has applied for or holds permits as a certified public accounting firm and list any past denial, revocation, or suspension of a permit by the District or any other state, and each holder of or applicant for a permit under this section shall notify the Board in writing, within 30 days after its occurrence, of any change in the identities of partners, officers, shareholders, members, or managers whose principal place of business is in the District, any change in the number or location of offices within the District, any change in the identity of the persons in charge of such offices, and any issuance, denial, revocation, or suspension of a permit by any other state.

“(f) Firms that fall out of compliance with the provisions of this section due to changes in firm ownership or personnel, after receiving or renewing a permit, shall take corrective action to bring the firm back into compliance as quickly as possible. The Board may grant a reasonable period of time for a firm to take such corrective action. Failure to bring the firm back into compliance within a reasonable period as defined by the Board shall result in the suspension or revocation of the firm permit.”.

(g) Section 47-2853.45 is repealed.

Note, Repeal  
§ 47-2853.45

(h) Section 47-2853.46 is amended by striking the phrase “; or by a public accountant or a firm of public accountants;”.

Note,  
§ 47-2853.46

(i) Section 47-2853.47(a) is amended by striking the phrase “public accounting” and inserting the phrase “certified public accounting” in its place.

Note,  
§ 47-2853.47

(j) Section 47-2853.151 is amended by striking the phrase “real estate” and inserting the phrase “real property and real estate” in its place.

Note,  
§ 47-2853.151

(k) Section 47-2853.152 is amended to read as follows:

Note,  
§ 47-2853.152

“§ 47-2853.152. Eligibility requirements.

“(a) The Board shall establish by regulation the education, experience, and examination requirements that individuals must meet or exceed as conditions for obtaining licensure, certification, or registration as an appraiser trainee, a licensed residential real property appraiser, a certified residential real property appraiser, or a certified general real property appraiser.

“(b) The licensure requirements established by the Board shall comply with this part and shall meet or exceed any applicable federal requirements that are necessary in order that the federal financial institution's regulatory agencies recognize and accept licenses for licensed residential real estate appraisers, certified residential real estate appraisers, and certified general

real estate appraisers issued by the Board. If the federal requirements change and the Board's regulations do not meet the minimum federal standards, the Board may substitute the federal standards established by the Appraisal Qualifications Board and the Appraisal Standards Board of the Appraisal Foundation when reviewing an application for licensure, certification, or registration until the Board is able to amend its regulations.

“(c) The Board shall establish by regulation the requirements that individuals licensed in jurisdictions other than the District of Columbia as a certified residential real property appraiser or a certified general real property appraiser must satisfy prior to obtaining a temporary license from the Board. The Board's requirements shall comply with applicable federal law, but the Mayor may require the applicant to pay a license fee to the Department and may place restrictions on the validity of the temporary license.

“(d) The Board shall establish by regulation provisions for the supervision of appraiser trainees, provisions for defining and enforcing the standards of professional appraiser practice, and provisions for the disposition of complaints from any person or from any federal agency or instrumentality regarding improper appraiser conduct.

“(e) The Board shall establish continuing education requirements necessary for renewal or reinstatement of any license, certification, or registration that meet or exceed the continuing education requirements established under the authority of federal law.

“(f) By regulation, the Board may establish and enforce practice requirements or standards pursuant to District law and may enforce practice requirements or standards established under the authority of federal law.”.

(1) Section 47-2853.153 is amended as follows:

Note,  
§ 47-2853153

(1) Subsection (a) is amended by striking the words “or certification” and “or certificate”.

(2) Subsection (b) is amended as follows:

(A) Strike the phrase “real estate” and insert the phrase “real property or real estate” in its place.

(B) Strike the phrase “use of the term” and insert the phrase “use of the term” “certified” in its place.

(C) Strike the phrase “or certification”.

(3) Subsection (c) is amended by striking the phrase “real estate” and inserting the phrase “real estate or real property” in its place.

(4) Subsection (d) is amended by striking the phrases “or certificate” and “or certified” wherever they appear.

(5) Subsection (e) is amended to read as follows:

“(e) Any person who is not licensed or certified under this subchapter may assist a licensed or certified real estate appraiser in the performance of an appraisal, if he or she registers with the Board as a Appraiser Trainee, complies with the registration and practice requirements established by the Board by regulation, and is actively and personally supervised by the licensed

or certified real estate appraiser. Any appraisal report rendered in connection with the appraisal and drafted by the appraisal trainee shall be reviewed and signed by the licensed or certified real estate appraiser.”.

(6) Subsection (f) is amended as follows:

(A) Strike the phrase “or certified” wherever it appears.

(B) Strike the phrase “If a licensed or certified real estate appraiser” and insert the phrase “If a licensee or appraiser trainee” in its place.

(7) Subsection (h) is amended by striking the phrase “real estate” and inserting the phrase “real estate or real property” in its place.

(m) A new section 47-2853.154 is added to read as follows:

“§ 47-2853.154. Appraisal Education Fund.

“(a) There is established a fund designated as the Appraisal Education Fund (“Fund”), which shall be separate from the General Fund of the District of Columbia and shall be used by the Board for the purpose of raising the standards of practice and the competency of licensees and certificate holders by:

“(1) Promoting the advancement of education and research for the benefit of any person issued a license or certificate under this chapter;

“(2) Underwriting educational seminars, workshops, and any other similar form of educational project for the benefit of any person issued a license or certificate under this chapter;

“(3) Contracting for particular education or other projects intended to further the purposes of this chapter; and

“(4) Defraying the expenses to discharge the administrative and regulatory duties as prescribed by this part; provided, that the Fund shall not be used to discharge the administrative and regulatory duties of any other District government agency, board, or commission, and shall be used solely to carry out the functions of this part.

“(b) No revenues deposited into this continuing, nonlapsing fund may be obligated or spent in any year without a Congressional appropriation. Revenues in this continuing, nonlapsing special account that are carried over into a succeeding fiscal year may not be obligated or spent in the succeeding year without a new Congressional appropriation that permits such obligation or expenditure.

“(c) Any person issued or renewing a license under this chapter shall pay, in addition to licensing and renewal fees established by the Mayor, a sum to be established by the Mayor for deposit into the Fund.

“(d) Any civil penalties imposed by the Board or the Office of Administrative Hearings pursuant to this chapter shall be deposited in the Fund.

“(e) The Board may, by regulation, establish minimum and maximum balances for the Fund, procedures for continuing and discontinuing assessing licensees, and other provisions relevant to the operation of the Fund.

Note,  
§ 47-2853.154

“(f) If a licensee fails to pay the amount assessed by the Mayor within the time prescribed by rule, his or her license shall be automatically suspended. The Board shall send a notice of the suspension, by certified mail, to the address of record within 5 days after the suspension. The license shall be restored only upon the actual receipt by the Mayor of the delinquent assessment.

“(g) The Fund shall be continuing. Revenues deposited into the Fund shall not revert to the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in this subchapter, subject to authorization by Congress in an appropriations act.”.

(n) Section 47-2853.181(2) is amended by striking the word “person” wherever it appears and inserting the phrase “natural person” in its place.

Note,  
§ 47-2853.181

### Sec. 3. Fiscal impact statement

The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

### Sec. 4. Effective date.

(a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia