



THIRD OLBIL ERA KELULAU

REPUBLIC OF PALAU
SIXTEENTH SPECIAL SESSION
SEPTEMBER 1991

SENATE BILL NO. 3-315, HD1, PD1

A BILL FOR AN ACT

To provide for licensing and certifying of public accountants, and for other purposes.

OFFERED BY SENATOR(S) Tommy E. Remengesau, Jr.

ET AL.

DATE INTRODUCED: September 12, 1991

SENATE ACTION

FIRST READING:	September 13, 1991
REFERRED TO:	Ways & Means
STANDING COMMITTEE REPORT NO.:	3-301
DATE ADOPTED:	October 31, 1991
SECOND READING:	October 31, 1991
LEGAL FORMAT:	Proper
REVIEW:	October 31, 1991
THIRD READING:	November 1, 1991/April 30, 1992

HOUSE ACTION

FIRST READING:	January 15, 1992
REFERRED TO:	Ways & Means
STANDING COMMITTEE REPORT NO.:	148
DATE ADOPTED:	January 27, 1992
SECOND READING:	January 27, 1992
LEGAL FORMAT:	Proper
REVIEW:	January 27, 1992
THIRD READING:	January 28, 1992/May 4, 1992

CONFERENCE COMMITTEE ACTION

DATE:	N/A
COMMITTEE REPORT:	N/A
DATE PASSED:	N/A

Feliciano S. Watanabe
Asst. CLERK, Senate

Sabino Anastacio
CLERK
House of Delegates

THIRD OLBIIL ERA KELULAU

Sixteenth Special Session, September 1991

RPPL No. 3-71
(Intro. as SB 3-315,
HD1, PD1)

AN ACT

To provide for licensing and certifying of public accountants, and for other purposes.

THE PEOPLE OF PALAU REPRESENTED IN THE OLBIIL ERA KELULAU DO ENACT AS FOLLOWS:

1 Section 1. Legislative findings and purposes. The Olbiil Era Kelulau
2 hereby finds and declares the policy of the Republic to be as follows:

3 (a) It is in the national interest, to protect the Republic
4 and the Republic's citizens, that individuals and firms be
5 licensed to practice public accounting and hold themselves out to
6 the public to practice as Certified Public Accountants.

7 (b) The purpose of this Act is to establish licensing procedures
8 for public accountants and to require all persons practicing
9 accounting in the Republic of Palau to be licensed.

10 Section 2. Definition. As used in this Act:

11 (a) "Certified Public Accountant" means a person licensed
12 by the Board (as hereinafter defined) or licensed or recognized as
13 a certified public accountant by any Board of Accountancy in the
14 United States or any of its jurisdictions.

15 (b) "Board" means a board of accounting in the Republic of
16 Palau created by this Act.

17 (c) "Public Auditor" means Public Auditor of the Republic of
18 Palau.

19 Section 3. Board of Accounting established. There is hereby
20 established a Board of Accounting consisting of five members, four members
21 to be appointed by the President with the advice and consent of the Senate
22 and the Public Auditor who shall serve as Chairman. The Board may meet
23
24
25

1 regularly as it deems necessary. The Board shall establish its own rules
2 of procedures for the conduct of its business.

3 Section 4. Members. The President of the Republic shall make
4 appointments to all vacancies on the Board within 60 days of the effective
5 date of this Act, and all subsequent appointments shall be made within 45
6 days should a vacancy occur for any reason or should the preceding
7 appointments be rejected by the Senate. Members of the Board shall not
8 serve beyond the expiration of their term unless reappointed and
9 reconfirmed by the Senate. The President of the Republic shall have the
10 power to remove any Board member for cause.

11 Section 5. Terms of Office. The terms of office of members of the
12 Board appointed by the President of the Republic shall be three years for
13 two members and two years for two members.

14 Section 6. Appointments to fill vacancies, vacancies not to impair
15 power.

16 (a) Any vacancy on the Board shall be filled for the
17 unexpired term of said vacancy in the same manner as originally
18 filled.

19 (b) Vacancies on the Board, so long as there shall be three
20 members in office, shall not impair the powers of the Board to
21 execute the functions of the Board, and three of the members in
22 office shall constitute a quorum for the transaction of the
23 business of the Board.

24 Section 7. Disclosure of interest, disqualification. Any Board
25 member who has any financial or personal interest, direct or indirect, in
26 any matter pending before the Board shall disclose such interest to the
27 Board and shall take no part in the discussion of any such matter nor
28 vote thereon.

29 Section 8. Board duties and power. The Board shall be empowered
30
31
32

1 to license persons to be certified Public Accountants in the Republic of
2 Palau, and to establish reasonable fees for examination, admission, and
3 annual licenses to practice. All fees received shall be deposited in the
4 National Treasury. Examinations shall be offered at least annually if
5 requested and if Palau receives approval as a testing site by the
6 American Institute of Certified Public Accountants. The Board shall, to
7 the maximum extent it considers practical considering the circumstances
8 of Palau, adopt the policies and procedures incorporated in the model
9 accountancy act published by the American Institute of Certified Public
10 Accountants.

11 Section 9. Suspension and revocation of licenses. The Board,
12 for good cause consisting of violation of this statute, or of other laws
13 of the Republic of Palau during a Certified Public Accountant's
14 professional work, or of rules, standards, or ethics adopted pursuant to
15 Section 8 of this statute, may suspend or revoke the license of a
16 Certified Public Accountant; provided, however, that the Board shall
17 afford the Certified Public Accountant written notice of the charges and
18 and opportunity to answer them. The vote of a majority of the Board then
19 in office shall be required for any decision to suspend or revoke a
20 license. Any Certified Public Accountant whose license has been revoked,
21 or suspended for more than thirty (30) days, may appeal to the Trial
22 Division of the Supreme Court of the Republic of Palau, claiming that the
23 action of the Board was not supported by substantial evidence.

24 Section 10. Saving clause. Any person who is certified by any
25 Board of Accountancy in the United States or its jurisdictions
26 may practice public accounting in the Republic provided that such person
27 pays admission fees and obtains a public accounting license.

28 Section 11. Penalties. Any person who willfully violates the
29 provisions of this Act shall be guilty of a misdemeanor and, upon
30
31
32

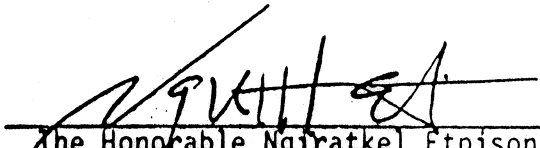
1 conviction thereof, shall be subject to imprisonment for a period not
2 exceeding one (1) year or a fine not to exceed five thousand dollars
3 (\$5,000) or both.

4 Section 12. Enforcement. The Attorney General of the Republic of
5 Palau shall be responsible for enforcement of this Act.

6 Section 13. Effective date. This Act shall take effect upon its
7 approval by the President of the Republic of Palau, or upon its becoming
8 law without such approval except as otherwise provided by law.

9
10 PASSED: January 29, 1992

11
12 APPROVED THIS 25th DAY OF May, 1992.

13
14
15 
16 The Honorable Ngiratkel Etpison
17 President
18 Republic of Palau
19
20
21
22
23
24
25
26
27
28
29
30
31
32