State of Maryland

Board of Certified Public Accountants

Business Meeting Minutes

Tuesday, November 12, 2024

*In Person and Via Google Meets Teleconference*

**MEMBERS**

**IN ATTENDANCE:** Dr. Jan Williams, Chair

Macon M. Ware III

Tamara Bensky, Secretary

Joseph Petito

Barrett E. Young

Brian Dunne

Pamela Gray

**ABSENT MEMBER:**

**DLLR OFFICIALS/STAFF:** Christopher Dorsey, Executive Director

Robert Pambianco, Legal Counsel

Sharron McNeill, Office Supervisor

Shemirra Massie, Administrative Officer I

**OTHERS PRESENT:** Rebekah Olson, MACPA

The November 12, 2024, Maryland Board of Public Accountancy meeting was called to order at 9:01 AM by Dr. Jan Williams, Chair.

Upon a motion **(I)** by Mr. Petito and seconded by Mr. Young, the October 1, 2024 meeting minutes were unanimously approved.

**Chairman’s Report**

Last week, Dr. Williams had two opportunities to speak to college students about the accounting profession. On Wednesday, she served as a panelist at an Accounting Exploration event hosted by the Maryland, Virginia, and North Carolina State Societies of CPAs. She was impressed that over 200 high school and college students, and aspiring CPAs, were in attendance on the virtual Zoom event. On Friday, she spoke to area community college students at the American Accounting Association’s Two-Year Symposium at the PwC- Baltimore Office. Her presentation was on the CPA Exam and the Licensure Process.

Dr. Williams attended the 117th Annual National Association of State Boards of Accountancy conference in Orlando, Florida from October 27-30, 2024. It was a very informative conference with relevant plenary sessions, including The CPA Exam: Report on Progress, Private Equity Investments in Public Accounting Firms, Artificial Intelligence: Unlocking the Future of Tomorrow, and Legislative Trends Affecting Boards of Accountancy. The breakout sessions with the regions and state board chairs were meaningful, allowing boards to discuss their views on current issues facing the boards. The main topics included the Competency-Based Experience (CBE) Pathway and Uniform Accountancy Act (UAA) exposure drafts, which will be discussed later in this meeting.

Upon a motion **(II)** by Ms. Gray and seconded by Ms. Bensky, the Chairman’s Report was unanimously approved.

**Executive Director’s Report**

Mr. Dorsey wanted to remind everyone about the MACPA CPA Swearing in Ceremony at Maryland Live on November 20, 2024. Also the Department of Labor does not have an updated date for the move to the new building. He will keep the Board posted as new information is available.

Upon a motion **(III)** by Mr. Ware and seconded by Mr. Petito, the Board unanimously approved the Executive Director’s report.

**Exam Appeals**

There were zero (0) Exam Appeals

**Education Committee Report**

Ms. Gray presented the Education Report. There were two (2) Transfers of Grades application approvals for October and zero (0)Transfer of Grades application denials for September.

Upon a motion **(IV)** by Mr. Young and seconded by Ms. Bensky, the Board unanimously approved the Education Report.

**Experience Committee Report**

Ms. Bensky presented the Experience Report. There were twelve (12) Maryland candidate license application approvals and zero (0) Maryland candidate application denials for October.

Sixteen (16) Reciprocal application approvals originated from the following jurisdictions: one (1)-WI, five (5)-VA, one (1)-GA, one (1)-PA, one (1)-IL, two (2)-NY, one (1)-WVA one(1)-TX, two(2)-NC, and one (1)-P.R.

There were zero (0)Reciprocal application denials for October

Upon a motion **(V)** by Mr. Ware and seconded by Mr. Young, the Board unanimously approved the Experience Report.

**Firm Permit Committee Report**

Mr. Dunne presented the Firm Permit Committee Report. Zero (0) firm approvals and zero (0) firms closed for the month of October.

Upon a motion **(VI)** by Ms. Gray and seconded by Ms. Bensky, the Board unanimously approved the Firm Permit Report.

**Peer Review Oversight Committee Report**

Mr. Ware reported the following: two (2) newly enrolled firms in the Peer Review Program; thirteen (13) firms had reviews accepted; one (1) first-time passes with deficiencies; zero (0) first-time fails; and one (1) firm was dropped or terminated.

Upon a motion **(VII)** by Mr. Dunne and seconded by Mr. Young, the Board unanimously approved the Peer Review Report.

**Unfinished Business**

**Task Force on Automatic Mobility**

Task Force on Automatic Mobility Report – On the 18th of October, Mr. Young and Mr. Petito met with Mrs. Mary Beth Halpern and Mrs. Rebekah Olson of the MACPA to review the draft language to move Maryland towards a position of automatic mobility in our statute. The taskforce reviewed the language, along with four additional states that have existing practice privilege language (or pending legislation), and recommends the board approve the Association’s draft. The legislation as drafted retains a few key distinctives, which we believe retains our authority over CPAs practicing in our state.

1. Maryland specifically mentions passing of the CPA exam as a condition for initial licensure. Some of the other states do not specify this requirement in their automatic mobility language.

2. Maryland still retains the requirement of registration or employment under a

registered MD CPA firm to provide attest services.

3. NC’s legislation requires that an individual who seeks to use automatic mobility must not have been convicted of any crime, the essential part being dishonesty, deceit, or fraud, unless the host state board has dismissed the crime as irrelevant. But we do not feel it necessary for MD to specify this in the statute.

As the legislators ultimately retain the role of authorship, we understand that the proposed legislation is still a draft and will need to be endorsed before passage. But once sponsors have been identified and the bill has gone to committee, the Association has asked the board to consider providing a letter of testimony to show the law wouldn’t encounter opposition from us.

The Board discussed the task force’s report. Mr. Petito noted the task force’s agreement with suggestions from Mr. Pambianco, the Board’s legal counsel. These included replacing the latter part of BOP § 2-321(b)(1) ‘shall be considered to have qualifications that are substantially equivalent to a licensee if:…’ to ‘shall qualify for a practice privilege if…’, and to consider adding to the end of subsection (c)(4) a phrase such as "or upon an order of the Board".

It is premature to vote to adopt the language, as changes can be made by the sponsor of the bill, and the Department of Labor will need to approve any endorsement of specific legislation.

Upon a motion **(VIII)** by Mr. Ware and seconded by Ms. Bensky, the Board voted to approve the task force’s report and in favor of legislation to amend Title 2 to expand automatic mobility.

**Discussion of Current Exposure Drafts**

The Board discussed the Competency-Based Experience (CBE) Pathway and UAA exposure drafts. The Board members commented on concerns about the complexity, administrative burden, and bifurcation of experience associated with CBE. It appears that CBE would make the licensure process more restrictive. The Board is in favor of ‘automatic mobility.’ However, the UAA exposure draft integrates the approval of CBE. The Board wants to ensure the Commissioner and/or Secretary approve(s) the Board submitting comments on the exposure draft before doing so.

Upon a motion **(IX)** by Mr. Petito and seconded by Mr. Young, the Board voted to send comments to NASBA on both of its exposure drafts, opposing the UAA approach on mobility and endorsing automatic mobility; and expressing concerns about the Competency-Based Experience Pathway requirements contained in the UAA draft, particularly because of its administrative complexities, including its database as well as requiring specified technical and other competency requirements for experience.

**New Business**

**Board Budget/Special Fund**

Mr. Dorsey reported that the financial information was not available for this meeting, but hopes that it will in January.

**Resolution for Mr. Leslie Mostow**

Dr. Williams prepared a draft of a resolution in memory of Mr. Leslie Mostow. It was suggested that the resolution be signed by the Secretary of the Department of Labor. Dr. Williams will read the resolution at a future board meeting after it is approved and signed.

**Correspondence**

None

**Public Questions and Comments**

Mrs. Olson remarked that she is grateful for the work of the Board and appreciates the conversations the Board is having about the issues facing the profession.

**Closed Session**

On a motion **(X)** by Mr. Petito and seconded by Mr. Ware, the Board voted to move to a closed session at 10:50 am via a Google Meets teleconference, where log-in information was only provided to Board members and staff. The purpose of this session was to protect confidential attorney-client communications and licensing information shielded by the Maryland Public Information Act in regard to a renewal application (as permitted by Sections 3-305(b)(7) and (b)(13) of the Open Meetings law), as well as to receive the Complaint Committee Report and the minutes of its October closed session, administrative functions not subject to the Open Meetings law pursuant to Section 3-103(a)(1)(i) of the General Provisions article.

**Return to Open Session**

Upon a Motion **(XI)** by Mr. Petito and seconded by Mr. Ware, the Board unanimously approved the motions made during the Closed Session.

Upon a motion **(XII)** by Ms. Bensky and seconded by Ms. Gray, the Board adjourned at 11:36 am.

**Summary of Closed Session**

Date and Time: November 12, 2024 / 10:50am

Place: Virtual

Persons present: Williams, Bensky, Ware, Petito, Young, Dunne, and Gray (members), as well as Dorsey, McNeil, and Massie (Staff), and Pambianco (counsel).

Subject matter: Renewal Application, Complaint Committee reports for October, and closed session minutes for October.

**NEXT MEETING:** Tuesday, **December 3, 2024**, via Google Meets teleconferencing at 9:00 AM

\_\_x\_\_ With corrections \_\_\_Without corrections

Signature on file\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_12/6/2024\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chairman Date