

Introduction to NAC Title 288

The 1957 Public Accountancy Act (PAA) created the Nebraska State Board of Public Accountancy (The Board) and assigned it the following legislative purpose:

1-105.01. Nebraska State Board Public Accountancy; purpose. It is the purpose of the Nebraska State Board of Public Accountancy to protect the welfare of the citizens of the state by assuring the competency of persons regulated under the Public Accountancy Act through (1) administration of certified public accountant examinations, (2) issuance of certificates and permits to qualified persons and firms, (3) monitoring the requirements for continued issuance of certificates and permits, and (4) disciplining certificate and permit holders who fail to comply with the technical or ethical standards of the public accountancy profession.

Source: Laws 1984, LB 473, § 1; Laws 1997, LB 114, § 2.

The Board was given rule-making authority in PAA Section 1—112:

1-112. Board; professional conduct; rules and regulations. The board may adopt and promulgate rules and regulations of professional conduct appropriate to establish and maintain a high standard of integrity and dignity in the profession of public accountancy and to govern the administration and enforcement of the Public Accountancy Act. The rules and regulations shall be adopted and promulgated pursuant to the Administrative Procedure Act.

Source: Laws 1957, c. 1, § 7, p. 58; Laws 1993, LB 41, § 1; Laws 1997, LB 114, § 10. Cross References: Administrative Procedure Act, see section 84-920.

The Board was assigned Title 288 in the Nebraska Administrative Code (NAC) as the location for its properly promulgated rules.

I. Background and Purpose of Public Accountancy Act

The 1957 Nebraska Legislature abolished the Board of Examiners of Public Accountancy, which had existed since 1909, and created the Nebraska State Board of Public Accountancy. As indicated above, the Board adopts and amends its operating rules and regulations and administers the public accountancy law. The Board has eight members appointed by the Governor to four-year terms. Membership is comprised of two representatives of the public and six active certified public accountants (CPAs), two each from Nebraska's three U.S. congressional districts. The Board elects its officers annually and employs an Executive Director to administer the office, personnel, statutes and promulgated rules and regulations. The Board is considered a non-code agency within the Nebraska State Government and is entirely funded by licensees from licensing and other fee assessments deposited with the Nebraska Treasurer's Office within the Certified Public Accountant Fund.

Within the PAA under section 1-157 (and others), CPAs within the State of Nebraska are the only persons that can attest to any accounting or financial statement:

1-157. Accountant or auditor; use of terms; when permitted. No person shall sign or affix his or her name or any trade or assumed name used by him or her in his or her profession or

business with any wording indicating that he or she is an accountant or auditor or with any wording indicating that he or she has expert knowledge in accounting or auditing to any accounting or financial statement or to any opinion on, report on, or certificate to any accounting or financial statement unless he or she holds a permit issued under subdivision(1)(a) of section 1- 136 which is not revoked or suspended and all of his or her offices in this state for the practice of public accountancy are maintained and registered as required under section 1- 135. This section shall not prohibit any officer, employee, partner, limited liability company member, or principal of any organization from affixing his or her signature to any statement or report in reference to the financial affairs of the organization with any wording designating the position, title, or office which he or she holds in the organization, nor shall this section prohibit any act of a public official or public employee in the performance of his or her duties as such.

Source: Laws 1957, c. 1, § 52, p. 74; Laws 1993, LB 121, § 54; Laws 1994, LB 884, § 1; Laws 1997, LB 114, § 47; Laws 2009, LB31, § 29.

II. Summary of Certified Public Accountant Profession/Benefits to Public

There are many direct and indirect benefits provided to the public by maintaining a strong regulatory oversight of the public accounting profession. Federal and state legislatures and regulatory bodies have requirements related to audited financial statements. The SEC requires that publicly-traded companies publish annual reports that contain audited financial statements. The Federal Department of Labor (DOL) mandates that the financial statements of retirement plans publish annual audited financial statements.

The State of Nebraska requires school districts, grain elevators, state and local municipalities, and other agencies to issue audited financial statements. All educational institutions require audited financial statements if they receive federal monies, such as public school systems, colleges and universities.

The economic impact is significant. More than 21 companies which are publicly-traded or registered with the SEC are headquartered in Nebraska and a large number of companies headquartered elsewhere also have major business ties to Nebraska. All of these companies issue financial statements that are audited by CPAs and CPA firms regulated by the Nebraska State Board of Public Accountancy.

Closely-held commercial and agricultural businesses also issue audited financial statements as part of their financing and compliance responsibilities.

The benefits of having CPAs provide a professional opinion on accounting and financial statements far outweigh the costs and/or burden of the costs of regulation. It is hard to estimate the potential harm to the Nebraska (and national) economy without the benefit of CPAs providing attestation services to corporations, businesses, banks, insurers, non-profit organizations, governments, and other entities. For over one hundred years, the bank lending industry, investors, government leaders, and others have relied on the “third party” independent

financial information provided by CPAs and CPA firms to deliver a financial picture of the entity.

CPAs also provide a variety of other professional services. These services include tax planning and compliance, business valuations, business process consulting, and information technology design and implementation, among others. Although these services are not specifically regulated by the PAA, when CPAs perform these services the Board can exert ethical and Code of Conduct standards to ensure that the CPA provider adheres to the high professional standards expected of CPAs.

The CPA profession, although steeped within professional standards, is changing rapidly. Some of these changes include the use of data analytics to provide real-time reporting of financial information for clients and other technology initiatives to assist in accounting and tax reporting to provide better reporting to clients and efficiencies to assist CPA firms.

The Board regularly attends and presents information to students at secondary education institutions across the state as it relates to the educational requirements to be eligible for the CPA Exam.

III. Summary of Regulatory Burden/Costs

Analyzing the regulatory burden that falls on individual CPAs and their practice units must be compared to the social goods created by protecting the public. As with other long-established professions – physicians, lawyers, engineers, and others – there is a personal cost incurred by the practitioner in preparing for and maintaining licensure. The public benefit from the administration of the licensing process results in safeguards against un-prepared and un-ethical licensees.

As with other long-established professions, including physicians, lawyers, engineers, and others, those seeking to become a CPA need to complete additional education beyond the traditional Bachelor's Degree, pass a rigorous examination, gain experience, and continue to complete continuing education and peer review. These standards are needed to ensure only qualified candidates become licensed and can continue to hold themselves out as a member of the CPA profession.

Those that choose accounting as a career and do not meet the requirements to become a CPA can continue to provide accounting services (PAA 1-164.03) but cannot attest to financial statements or use the title CPA (PAA 1-166).

The regulatory structure for CPAs is not a federal process but begins with the 55 Boards of Accountancy throughout the United States and its territories. The state-based regulation model is supported by the National Association of State Boards of

Accountancy (NASBA). NASBA coordinates the efforts of the state boards and others in developing areas of uniformity and best practices for state boards to consider. This includes providing of examination application services through Certified Public Accountant Examination Services (CPAES), development of the Uniform Accountancy Act (UAA) and model regulations, along with other services.

At a minimum, the state boards provide substantial equivalency through requiring CPAs to complete certain accounting and business courses, to pass the Uniform CPA Examination, and to complete an experience requirement. See Appendix A for further information on this topic.

The Board, through its regulatory power, can approve applications for licenses to practice as a CPA as well as impose sanctions, including removal of a license, from those who fail to adhere to the PAA and Title 288 rules in order to protect the public.

Many CPAs are also members of the American Institute of CPAs (AICPA), which develops and monitors a rigorous Code of Professional Responsibility. Failure to adhere to that Code might result in the CPA being expelled from their AICPA membership by the oversight actions of the Professional Ethics Executive Committee (PEEC). Disciplinary actions by PEEC of CPAs who are Nebraska licensees are also reviewed by the Board to determine if further disciplinary action by the Board is warranted.

CPAs in tax practice generally are regulated by Circular 230, as well as specific sections of the Internal Revenue Code of 1986. The IRS Office of Professional Responsibility (OPR) administers Circular 230 and has the authority to impose a variety of sanctions, ranging from censure to disbarment. The Board regularly reviews action of the OPR involving Nebraska CPA licensees to determine if further disciplinary action by the Board is warranted.

CPAs additionally report to a wide range of other state & federal regulators depending on the professional services provided to clients, including the Securities & Exchange Commission (SEC), the Public Company Auditing Oversight Board (PCAOB), the Department of Labor (DOL), the Government Accountability Office (formerly known as the General Accounting Office (GAO)), and State Auditors Offices. Many of these entities create requirements and standards that the CPA must adhere to during their engagements.

Education Requirements

Individuals seeking to become a CPA must complete a Bachelor's Degree from an accredited four-year institution and earn a total of 150 hours of post-secondary college credits (the 150-hour requirement). All states require 150 hours, however,

states may differ in the composition of the coursework comprising the 150 hours. There is a model act developed by NASBA and the AICPA known as the Uniform Accountancy Act (UAA) but, as with model acts, generally states are free to adapt the language to their specific economic, social, and political needs.

In Nebraska, the curriculum components were developed by the Board's Education Advisory Committee (EAC) made up of several educators and CPAs under the authority of PAA Section 1-113. The latest version was promulgated by rule in November 2017 and is contained in Title 288 - Chapter 9. The Nebraska requirements list subject areas rather than specific courses. This approach was taken in the PAA and initial EAC to afford Nebraska post-secondary educational institutions great flexibility in implementing their unique curricula and in meeting their disparate missions and responsibilities. The EAC and Board did not wish to mandate a specific one-size-fits-all approach to these educational requirements.

Under current Nebraska law and rule, candidates to take the CPA exam must meet the educational requirements prior to applying for the examination (or within a statutory safe-harbor window). Once the entire exam is successfully completed, the candidate must also pass the AICPA ethics examination and an examination based on Nebraska's Code of Conduct for CPAs. Upon successful completion of these two examinations, the candidate is issued a certificate.

COST: *The cost of preparing for entry into the accounting profession, as is the case with other regulated professions, is substantially borne by the individual. Although subsidies exist in the form of federal and state financial aid for tuition and fees, tuition relief for certain programs (such as medicine or law for practice commitments to underserved populations), and general revenue support from state budgets for state-sponsored institutions, the cost of education is a personal expense. Thus, the accounting profession is no different than other regulated professions that require academic preparation in excess of a four-year degree. Obviously, the cost of an additional 30 hours of education varies depending on where the education is obtained.*

The educational requirements within NAC Title 288/Chapter 9 are very flexible in allowing the candidate to make personalized decisions on where they obtain their four-year education. The EAC and the Board have monitored candidate reactions to the requirements and directed the staff to administer them consistently. To create additional flexibility for candidates, the Board recently changed Chapter 9 to allow a limited number of additional courses to be completed at a two-year institution subsequent to earning the Bachelor's Degree.

Uniform CPA Examination

The Uniform CPA Examination was developed one hundred years ago to assist State Boards in assessing the competency of candidates who aspire to be CPAs. The primary motivation of administering a uniform examination is to ensure there is a baseline level of technical knowledge that all successful candidates for CPA designation must possess, and therefore ultimately to protect the public interest. This high-stakes examination is provided for candidates through the requirements of the 55 State Boards. In Nebraska, PAA Sections 1-114, 1-115, and 1-118 require that candidates pass the examination within generally uniform requirements, as outlined within NAC Title 288/Chapter 6.

Over its one hundred years of existence, the CPA examination has regularly been revised to reflect current trends in the practice of public accounting on a national level. The current examination is a computer-based exam overseen by the AICPA Board of Examiners (BOE). The most recent revision to reflect changes in the profession was completed in 2016.

Applications to sit for the CPA examination from candidates that meet Nebraska requirements are received and processed by NASBA/CPAES (along with 33 other jurisdictions). CPAES uses the Nebraska rules and guidelines to make an evaluation of the applicant's academic preparation to determine compliance with the educational requirements discussed above. If there are any discrepancies or uncertainties about that compliance, the applicant's record is reviewed by the Board's Education & Examination Committee and approved by the Board.

The four-part, 16-hour examination must be completed within the 18-month period following passage of the first section. The uniform examination is developed and scored by the BOE, which includes a full time staff of 64 employees, along with psychometricians and CPA volunteers. Candidate information is stored nationally within the Gateway System, overseen by NASBA at its offices in Nashville, TN. Currently, candidates complete the examination at Prometric Test Centers throughout the United States and in several approved countries in the world.

Some states have been allowing candidates to sit for the exam upon completion of 120 hours of academic credit. However, even those states maintain the requirement that licensure can only be granted once the candidate has earned 150 hours of credit. Upon recommendation of the EAC, the Board has initiated a study to determine if allowing a candidate to sit at 120-hours, and maintaining a licensure condition of completion of 150-hours of education, would be in the best interests of protecting the public in Nebraska. Any such change would require legislative action. See Appendix B for national information on the 120/150 requirement to sit for the examination.

COST: *The current cost to sit for the examination varies by jurisdiction depending on application fees. In Nebraska the application fee is \$165, with \$150 paid to NASBA/CPAES for review and \$15.00 in administrative costs to the Board for file development. The total costs to sit for the examination generally are around \$1000 depending on how many sittings it takes to pass. Upon passage of all four parts of the examination, and completion of an examination of the Nebraska rules of conduct (ethics exam), the candidate can apply for a Certificate. Since Nebraska is a two tiered state, the Certificate itself, indicating successful completion of the examination, does not allow the individual to use the designation CPA. As discussed in the next section, such designation cannot be used until the experience requirement has been satisfied. See Appendix C for further information on current costs to sit for the examination.*

Experience Requirement

Nebraska uses a two-tier approach to licensing. The first step is successful completion of the examination requirements as noted above. Then a candidate must demonstrate to the Board that the experience requirement has been met. The experience component generally involves the practice of public accounting, but subsequent to the Nebraska legislature changes in 2013 alternative experience can satisfy this requirement.

Current experience requirements within Nebraska are set within PAA Section 1-136.02 and NAC Title 288/ Chapter 7. In Nebraska, an applicant for a permit to practice as a CPA must demonstrate to the Board on the application form that he or she has met the minimum experience requirement while supervised by a current, licensed CPA. This can be accomplished in a CPA firm in at least two years. In 2013, after input from a major corporation within Nebraska, the Board commenced a review of the experience requirement and formed the Experience Work Group (EWG), made up of Board members, Nebraska Society of CPA leadership, members of government and business. After several meetings, including review of research, UAA requirements, and other material, the EWG recommended the Board allow three years of other forms of experience, including business, all government, and academia, to be considered in granting an active permit to practice as a CPA. The Board agreed, and this provision, called the alternative experience requirement, was added to the PAA when LB 27 was passed by the Legislature and signed into law by the Governor in 2013. The alternative experience requirement opens a path for applicants who work outside the traditional CPA firm environment to gain the experience necessary to obtain an active permit to be a CPA. The alternative experience requirement is overseen by the Board and currently requires that the candidate's experience be directly supervised by a CPA holding an active permit to practice. The composition of the experience also is closely examined by the Board to insure that the public interest is protected. In 2017, at the request of the Nebraska Auditor of Public Accounts Office, LB 56 was passed allowing employees of

the Auditor's Office and the Nebraska Department of Revenue to complete the experience requirement within two years, instead of the alternative experience requirement period of three years. All applications are reviewed by staff, the Board's Licensing Committee, and approved by the Board.

COST: *It is difficult to accurately calculate the financial cost of the current experience requirement for the candidates themselves. Entry-level candidates at both CPA firms and private businesses generally earn higher salaries than their peer group that graduates from college. For these initial two or three year periods, their earnings generally are higher than peers elsewhere, so it is difficult to say there is a true cost to the candidates from meeting the experience requirement. Since the CPA designation is valuable, there is likely much more benefit from the experience requirement than there is cost. Factors could include whether an applicant decided to pass on a more lucrative job offer to stay within a CPA firm to gain the needed experience. New requirements do allow for experience to be gained within business, government, and academia that may have lessened this burden but, again, many variables are involved within this assessment. In 2013, the Legislature eased the burden of this requirement, and in 2017, the three-year requirement for employees of the State Auditor and Department of Revenue was reduced to two years.*

Of course the ultimate cost would be potential harm to the public in allowing non-qualified people to be involved in services that are governed by the PAA, Title 288, and the Board.

Registration/ Licensure

Once a person passes the Uniform CPA Examination, the PAA and Title 288 contain several levels of registration and/or licensure. The Board assesses fees that fund Board operations for these different levels as follows:

CERTIFICATION: Candidates who have completed the required education requirements and who have passed the Uniform CPA Examination can apply to become a Certificate Holder under PAA Section 1-114 and NAC Title 288/ Chapter 3. Certificate holders must register with the Board on an annual basis to insure they can be contacted by the Board and receive important information. Certificate Holders cannot use the designation "CPA" until further requirements are completed. Applications are reviewed by staff, the Board's Licensing Committee and approved by the Board.

COST: *There is no additional fee beyond that imposed to apply to take the CPA exam to register as Certificate Holder with the Board. An online registration system is under construction and, once implemented, should reduce the burden to registrants and staff in the processing of the registrations.*

ACTIVE PERMIT TO PRACTICE/ CPA: Applicants who have obtained a Certificate from the Board, completed the applicable experience requirements, and passed the AICPA and Nebraska ethics examinations may apply to become an active permit holder and thus use the designation of CPA. Applications are reviewed by staff, the Board's Licensing Committee and approved by the Board.

COST: *The current biennial license fee is \$175 for an active permit holder. Over the years the Board has developed an online reporting/ renewal system that eases the burden for licensees to renew their permit to practice. Each December the Board's Executive Committee reviews information to determine if fees should be adjusted. Several areas of the PAA including Section 1-136 place limitations on how much the Board can charge for a license (\$300). The Board sets license fees at its January meeting, with any adjustments applied on a prospective basis.*

INACTIVE REGISTRATION: Active permit holders may change their registration status to being an inactive registrant if they intend to not complete required continuing professional education (CPE) and to not practice public accountancy. Many active permit holders who work within industry, business, education or other areas and do not provide direct services to clients and/or the public choose this option. A permit holder can request retired status and also can surrender their certificate and other credentials. Applications for inactive or retired status are reviewed by staff, the Board's Licensing Committee and approved by the Board.

COST: *Those registering as an inactive registrant pay a biennial fee of \$70 (see PAA Section 1-136(4)). Again, fees are initially reviewed by the Executive Committee with the Board setting fees annually at their January meeting. Over the years the Board has developed an online reporting/ renewal systems easing the burden for licensees to renew their registration. A CPA upon reaching the age of 60 may also choose "retired status" and do not have to pay fees. In addition, a CPA can also properly surrender their credentials.*

CPA FIRM PERMITS TO PRACTICE: CPA firms practicing public accountancy within Nebraska must register with the Board for a permit to practice. Firms must meet requirements in PAA 1-162.01 as it relates to firm ownership and Title 288 Chapters 10 & 11 as it relates to offices, structure, supervision and firm names. Applications for firm permits are reviewed by staff, the Board's Licensing Committee and approved by the Board.

COST: *Those registering a firm pay an annual fee of \$50, including \$25 for each office located in Nebraska. Professional Corporations and Limited Liability Companies must also pay \$25 for a Certificate of Organization in order to register with the Nebraska Secretary of State and to pay applicable fees. There are no requirements for a partner to obtain an individual license under mobility provisions indicated below.*

MOBILITY: State Boards, with the assistance of NASBA, have adopted the concept of mobility for CPAs who practice in multiple jurisdictions to reduce the burden of having to register with multiple state boards. The vast majority of states have adopted this legislation – which is a practice privilege that generally permits a licensed CPA in good standing from a substantially equivalent state to practice outside of his or her principal place of business without obtaining another license. The CPA must hold an active unrestricted CPA license in good standing in his or her principal place of business. A CPA performing services through mobility may only perform the same level of services (attest or non-attest) in the mobility jurisdiction as he or she is permitted to perform in the home jurisdiction. Nebraska adopted mobility provisions in 2010 to allow out of state CPAs to practice in Nebraska without registering with the Board. Additionally, Nebraska CPAs can practice in other states without the burdensome registration requirements and costs associated with licensure in multiple states.

The Board assesses several other fees (see Appendix D).

CPE/ Peer Review

An active permit holder (CPA) must complete 80 hours of approved CPE every two years to maintain and improve their existing skills and knowledge of the changing accounting environment. PAA Section 1-136.01 and NAC Title 288/ Chapter 8 require this education as a condition of continued licensure as an active CPA. The rules require a minimum of four hours of ethics related courses be earned each reporting period, but otherwise CPAs can independently choose subject CPE educational areas that are most relevant to their individual circumstances. By Board policy up to 16 hours of the 80 total hours may be earned in professional development courses that improve leadership, communication, or other skills. Courses need to be approved by the Board's CPE Committee and can be submitted online to Board staff for review and approval.

Additionally, as required under PAA Section 1-153/NAC Title 288 – Chapter 13, CPA firms must complete an AICPA Peer Review every three years if the firm completes attest engagements (services that result in rendering an opinion on financial statements). While CPAs perform a broad range of services for the public that other individuals can also perform, attest services are a set of protected services that can **only** be performed by a CPA operating within a CPA firm. The firm must enroll in and successfully complete a Board approved program. The goal of the Peer Review Program is to provide constructive feedback to the firm to assist it in providing future attestation services. The Board's Peer Review Committee monitors the AICPA Peer Review Program and CPA firms participating to ensure compliance with the program.

COST: Formal CPE study courses generally cost \$200 for four hours. The cost of Peer Reviews is a direct cost to the CPA firm, and varies depending on the size of the CPA firm and the nature and complexity of the attest engagements completed by the CPA firm. The cost can range from \$500 for a single engagement review to several thousand dollars for a complete system review of a larger CPA firm.

Enforcement/ Disciplinary

Under the authority within the PAA (Section 1-137) the Board may take disciplinary action against Certificate Holders, registrants, and permit holders.

1-137. Individual certificates, practice privilege, temporary practice privilege, registration, and permits; disciplinary action; grounds. After notice and hearing as provided in sections 1- 140 to 1- 149, the board may take disciplinary action as provided in section 1- 148 for any one or any combination of the following causes:

(1) Fraud or deceit in obtaining a certificate as a certified public accountant or the practice privilege or temporary practice privilege, registration, or a permit under the Public Accountancy Act; (2) Dishonesty, fraud, or gross negligence in the practice of public accountancy; (3) Violation of any of the provisions of sections 1- 151 to 1- 161; (4) Violation of a rule of professional conduct adopted and promulgated by the board under the authority granted by the act; (5) Conviction of a felony under the laws of any state or of the United States; (6) Conviction of any crime, an element of which is dishonesty or fraud, under the laws of any state or of the United States; (7) Cancellation, revocation, suspension, or refusal to renew authority to practice as a certified public accountant or a public accountant in any other state, for any cause other than failure to pay a registration fee in such other state; (8) Suspension or revocation of the right to practice before any state or federal agency; or (9) Failure of a certificate holder or registrant to obtain a permit issued under section 1- 136, within either (a) three years from the expiration date of the permit last obtained or renewed by the certificate holder or registrant or (b) three years from the date upon which the certificate holder or registrant was issued his or her certificate or registration if no permit was ever issued to him or her, unless under section 1- 136 such failure was excused by the board pursuant to section 1-136.

Source: Laws 1957, c. 1, § 32, p. 66; Laws 1974, LB 811, § 2; Laws 1981, LB 92, § 5; Laws 1993, LB 41, § 3; Laws 1997, LB 114, § 31; Laws 2009, LB31, § 21.

NAC Title 288 Chapter 5, the **Rules of Professional Conduct**, are promulgated by the Board to regulate the Nebraska CPA profession and to apply professional standards with which CPAs must comply while performing professional services. This most important function of the Board is supported by the Nebraska Attorney General's Office, the Board Attorney, and CPA experts engaged to review professional work.

Written complaints are received by members of the public, other CPAs, and/or opened by the Board on its own motion. The Board's Enforcement Committee reviews complaints and the response of the CPA and ultimately makes recommendations to the Board on whether a complaint should be dismissed or a Petition filed in the matter as outlined within NAC Title 288/ Chapter 4. When necessary, public hearings are held to discuss the complaints and to afford the licensee the opportunity to be represented by legal counsel.

The Board may apply sanctions as outlined within the PAA (Section 1-148) after all proper due process rights are applied as indicated with NAC Title 288/ Chapter 4.

1-148. Disciplinary action; action of board. Upon the completion of any hearing, the board, by majority vote, shall have the authority through entry of a written order to take in its discretion any or all of the following actions:

(1) Issuance of censure or reprimand; (2) Suspension of judgment ;(3) Placement of the permit holder, certificate holder, registrant, or person exercising the practice privilege or the temporary practice privilege on probation; (4) Placement of a limitation or limitations on the permit, certificate, or registration and upon the right of the permit holder, certificate holder, registrant, or person exercising the practice privilege or the temporary practice privilege to practice the profession to such extent, scope, or type of practice for such time and under such conditions as are found necessary and proper;(5) Imposition of a civil penalty not to exceed ten thousand dollars, except that board shall not impose a civil penalty under this subdivision for any cause enumerated in subdivisions (5) through (9) of section 1- 137 and subdivisions (1) and (2) of section 1- 138. The amount of the penalty shall be based on the severity of the violation; (6) Entrance of an order of suspension of the permit, certificate, registration, or practice privilege or temporary practice privilege;(7) Entrance of an order of revocation of the permit, certificate, registration, or practice privilege or temporary practice privilege; (8) Imposition of costs as in ordinary civil actions in the district court, which may include attorney and hearing officer fees incurred by the board and the expenses of any investigation undertaken by the board; or (9) Dismissal of the action.

Source: Laws 1957, c. 1, § 43, p. 70; Laws 1993, LB 41, § 6; Laws 1994, LB 957, § 6; Laws 1997, LB 114, § 39; Laws 2009, LB31, § 24.

COST: *Again, the benefits of regulation far outweighs costs and gives the ability of the Board to revoke and/or discipline a CPAs credentials for not adhering to professional standards. This allows the Board to complete its main purpose by protecting the public interest from those CPAs conducting themselves in an unprofessional manner.*