

HOUSE BILL 658
By Kisber

AN ACT to amend Tennessee Code Annotated, Title 62, relative to professions, businesses and trades.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 62-1-115, is amended by deleting subsection (a) in its entirety and by substituting instead the following language:

(a) Subject to the provisions of Section 62-1-116, all statements, records, schedules, working papers, and memoranda incident to, or in the course of, rendering services to a client, made by a licensee or a partner, shareholder, officer, director, member, manager or employee of a licensee, except the reports submitted by the licensee to the client and except for records that are part of the client's records, shall be and remain the property of the licensee in the absence of an express written agreement between the licensee and the client to the contrary. No such statement, record, schedule, working paper, or memorandum shall be sold, transferred, or bequeathed, without the consent of the client or the client's personal representative or assignee, to anyone other than one (1) or more surviving partners, stockholders, members or new partners, new stockholders, or new members of the licensee, or any combined or

merged firm or successor in interest to the licensee. Nothing in this section should be construed as prohibiting any temporary transfer of working papers or other material necessary in the course of carrying out peer reviews or as otherwise interfering with the disclosure of information pursuant to Section 62-1-116.

SECTION 2. Tennessee Code Annotated, Section 62-1-117(a), is amended by deleting subdivision (2) in its entirety and by substituting instead the following language:

(2) An individual whose principal place of business is not in this state having a valid license as a certified public accountant from any state that the board or its designee has not verified to be in substantial equivalence with the CPA licensure requirements of the Tennessee Accountancy Act shall be presumed to have qualifications substantially equivalent to this state's requirements and shall have all the privileges and duties of licensees of this state without the need to obtain a certificate or permit under Section 62-1-107 or Section 62-1-108, if such individual obtains from the board or its designee verification that such individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of this chapter. However, such individuals shall notify the board of their intent to enter the state under this provision and of any pending disciplinary action by any other board.

SECTION 3. This act shall take effect July 1, 2001, the public welfare requiring it.