

"AN ACT TO AUTHORIZE THE STATE BOARD OF PUBLIC ACCOUNTANCY TO INSTITUTE A QUALITY REVIEW OF ITS LICENSEES' WORK PRODUCT; AND FOR OTHER PURPOSES."

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

SECTION 1. The State Board of Public Accountancy may by rule require as a condition for the renewal of a permit to practice public accounting a Quality Review of each practice unit maintained in this State. The Quality Review shall consist of either a uniform or random annual submission by each practice unit of the following kinds of reports issued by that practice unit during the twelve month period immediately preceding the date of submission, provided such reports were issued during the period:

- (a) a compilation report;
- (b) a review report;
- (c) an audit report; and
- (d) an audit report under a Federal Grant Program or other government program.

SECTION 2. All financial statements, working papers, or other documents obtained from applicants for quality review shall be confidential and shall not be subject to public inspection except pursuant to an order of a court of competent jurisdiction; provided, however, that said documents may be introduced as evidence in any relevant proceedings before the Board.

SECTION 3. All persons acting on behalf of the Board in a quality review program under the Act shall be considered officers or employees of the State of Arkansas for purposes of (1) immunity from civil liability pursuant to Act 586 of 1981, as amended, and (2) payment of actual damages on behalf of state officers or employees pursuant to Act 543 of 1977, as amended.

SECTION 4. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 5. This Act shall become effective on July 1, 1989.

APPROVED: April 8, 1987

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