

**PRESENTATION OF THE  
BOARD OF PUBLIC ACCOUNTANCY**

TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION & COMMERCE

TWENTY-NINTH LEGISLATURE  
Regular Session of 2017

Tuesday, March 28, 2017  
2:00 p.m.

**TESTIMONY ON SENATE BILL NO. 609, H.D. 1, RELATING TO ATTESTATION  
ENGAGEMENTS.**

TO THE HONORABLE ROY M. TAKUMI, CHAIR,  
AND MEMBERS OF THE COMMITTEE:

My name is Darryl Komo, and I am the Vice-Chairperson of the Board of Public Accountancy ("Board"). Thank you for the opportunity to testify on behalf of the Board in strong support of Senate Bill No. 609, House Draft 1, Relating to Attestation Engagements.

This bill proposes to amend Hawaii Revised Statutes section 466-36, entitled "Hawaii supplement to the peer review report", by deleting the specific reference to AT section 201 of the Statements on Standards for Attestation Engagements ("Standards") of the American Institute of Certified Public Accountants ("AICPA"), and replacing it with language that refers to the Standards themselves. This will allow for reference to the pertinent sections of the Standards currently and in the future without the necessity of additional statutory amendments.

The Board's Peer Review Program incorporates the framework and implementation guidelines of the peer review program of the AICPA and has adopted the AICPA Standards as the benchmark for the evaluation and peer review of the

provision of attestation services by Certified Public Accountants (“CPA”) and CPA firms. The Board therefore requires all licensees under its jurisdiction to adhere to these Standards when performing engagements that require the provision of attestation services.

The Board notes that, as in the past, any future proposed amendments to the AICPA Standards are open to comments and recommendation by boards of accountancy, as well as by individual members of the AICPA. The Board is assured that all such input on future proposed changes to the Standards will be taken into careful consideration by the AICPA.

The Board respectfully requests that this Committee amend the bill by restoring the original language that the act shall take effect upon its approval. This will expeditiously accomplish the change in the language of the statute to refer to the pertinent sections of the Standards now and in the future without requiring further statutory amendments.

Thank you for the opportunity to provide testimony in strong support of Senate Bill No. 609, House Draft 1, with the requested amendment. I will be available to answer any questions that the Committee may have.