



**RULE-MAKING ORDER**  
**(RCW 34.05.360)**

**CR-103 (7/10/97)**

**Agency:** Board of Accountancy

- Permanent Rule**
- Emergency Rule**
- Expedited Adoption**
- Expedited Repeal**

**(1) Date of adoption:** 4/28/00

**(2) Purpose:**

To clearly prescribe the Board's Continuing Professional Education (CPE) requirements

**(3) Citation of existing rules affected by this order:**

**Repealed:**

**Amended:** WAC 4-25-830 What are the CPE requirements?

**Suspended:**

**(4) Statutory authority for adoption:** RCW 18.04.055(7), 18.04.104(8), 18.04.215(4)

**Other authority:**

**PERMANENT RULE ONLY (including EXPEDITED ADOPTION):**

Adopted under notice filed as WSR 00-07-014 on 3/3/00 (date).

Describe any changes other than editing from proposed to adopted version: None

**EMERGENCY RULE ONLY**

Under RCW 34.05.350 the agency for good cause finds:

- (a) That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
- (b) That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

**EXPEDITED REPEAL ONLY**

Under Preproposal Statement of Inquiry filed as WSR \_\_\_\_\_ on \_\_\_\_\_ (date).

**(5.3) Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

- Yes
- No

If Yes, explain:

**(6) Effective date of rule:**

**Permanent Rules**

**or Expedited Rule Making**

- 31 days after filing
- Other (specify) 6/30/00\*

\*(If less than 31 days after filing specific finding in 5.3 under RCW 34-05.380(3) is required)

**Emergency Rules**

- Immediately
- Later (specify) \_\_\_\_\_

**NAME (TYPE OR PRINT)**

Dana M. McInturff, CPA

**SIGNATURE**

**TITLE**

Executive Director

**DATE**

05/09/00

**CODE REVISER USE ONLY**

FILE REVISER'S OFFICE  
STATE OF WASHINGTON  
FILED

MAY 15 2000

TIME 2:08 AM

WSR 00-11-077 PM

(COMPLETE REVERSE SIDE)

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.

The number of sections adopted in order to comply with:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	_____	Amended	_____	Repealed	_____

The number of sections adopted at the request of a nongovernmental entity:

New \_\_\_\_\_ Amended \_\_\_\_\_ Repealed \_\_\_\_\_

The number of sections adopted on the agency's own initiative:

New \_\_\_\_\_ Amended 1 Repealed \_\_\_\_\_

The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New \_\_\_\_\_ Amended 1 Repealed \_\_\_\_\_

The number of sections adopted using:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	_____	Amended	<u>1</u>	Repealed	_____

AMENDATORY SECTION (Amending WSR 99-23-045, filed 11/15/99, effective 1/1/00)

**WAC 4-25-830 What are the CPE requirements?** (1) For CPE reporting periods beginning January 1, 2000, or later, the following CPE is required during the three calendar year period prior to renewal:

Category	Maximum CPE Allowed in Nontechnical Subject Areas	Minimum CPE in Ethics Applicable to Practice in WA State	Total CPE
(a) A licensee.	24	4	120
(b) A certificateholder whose activities during the 3-year calendar period prior to renewal do not require a license to practice public accounting.	Exempt	4	120

**(2) Subject area requirements:**

(a) Licensees are limited to a maximum of 24 CPE credit hours in nontechnical subject areas during the CPE reporting period.

(b) If you are a certificateholder, you are exempt from the limitation of CPE credit hours in nontechnical subject areas.

**(3) Ethics applicable to practice in WA state:** During each CPE reporting period all licensees and certificateholders are required to complete a four-hour course on professional ethics with specific application to the practice of public accounting in Washington state.

**(4) 20 hours a year minimum:** For CPE reporting periods beginning after December 31, 1999, you must complete a minimum of 20 hours of CPE each calendar year. This requirement is waived for the first calendar year of a certificateholder's initial CPE reporting cycle.

~~(5) Reasonable cause exemption: ((In order to renew your license and/or certificate you must complete the required CPE unless you can demonstrate your failure to meet the CPE requirements was due to reasonable cause. The board may make exceptions to the CPE requirements for reasons of individual hardship including health, military service, foreign residence, or other reasonable cause. You must request such an exemption in writing to the board. The request should include justification for the exemption and your plan to correct your CPE deficiency.~~

Retirees and certificateholders who will not make any public, professional, commercial, or occupational use of the title CPA

during the ((prior)) upcoming three-year((s, you)) period are deemed to have met the reasonable cause exemption and may therefore renew their certificate under the reasonable cause exemption and be exempt from the CPE requirements. However, individuals holding a certificate under the reasonable cause exemption may not hold out in public practice nor may they make any professional, occupational, commercial or public use of the CPA title.

(6) **Return to previous status:** If you seek to change your status as a certificateholder exempted from the CPE requirements under the reasonable cause exemption to a:

(a) Licensee, you must satisfy the requirements of subsection (1)(a) of this section within the three-year period immediately preceding the date the application for change in status was received by the board; or

(b) Certificateholder, you must satisfy the requirements of subsection (1)(b) of this section within the three-year period immediately preceding the date the application for change in status was received by the board.

(7) **Reinstatement of a lapsed, suspended, or revoked license and/or certificate:** If you seek to reinstate a lapsed, suspended, or revoked license and certificate, you must satisfy the requirements of subsection (1)(a) of this section within the three-year period immediately preceding the date the application for reinstatement was received by the board. If you seek to reinstate a lapsed, suspended, or revoked certificate, you must satisfy the requirements of subsection (1)(b) of this section within the three-year period immediately preceding the date the application for reinstatement was received by the board.

(8) **Reciprocity:** If you are applying for an initial Washington state CPA license and/or certificate under the reciprocity provisions of RCW 18.04.180 or 18.04.183, you must satisfy the applicable requirements in subsection (1) of this section within the three-year period immediately preceding the date the application was received by the board. For purposes of an initial license and/or certificate, you do not need to satisfy the ethics requirements of subsection (3) of this section.

Thereafter, in order to renew your Washington state CPA license and/or certificate, you must comply with all the applicable renewal requirements in subsection (1) of this section, including the ethics requirements in subsection (3) of this section.

(9) CPE waiver request: In order to renew your license and/or certificate you must complete the required CPE unless you can demonstrate your failure to meet the CPE requirements was due to reasonable cause. The board may make limited exceptions to the CPE requirements for reasons of individual hardship including health, military service, foreign residence, or other reasonable cause. You must request such an exception in writing on the form provided by the board. The request must include justification for the request and your plan to correct your CPE deficiency.