

TRIMMITAL OF RULES ADOPTED

FROM: BOARD OF ACCOUNTANCY  
(Name of Agency)

TO: CODE REVISER  
LEGISLATIVE BLDG (Southwest Corner, Ground Floor)  
Olympia 98501

The enclosed Permanent rules  , being order No. PL-148  
Emergency rules   
relating to (Name of rules or description of subject matter)  
accountancy continuing education rules (copy of rules  
attached hereto).

(ALTERNATIVE A. Use only for adoption of permanent rules)

pursuant to Notice No. 4187 <sup>①</sup> filed with the code reviser  
on 8-7-73 <sup>②</sup> were regularly adopted as permanent rules of this  
(date)  
agency at Seattle, Washington on 9-10-73 and are herewith  
(place) (date)  
filed in the office of the code reviser pursuant to chapter 34.04  
RCW. The effective date of such rules shall be \_\_\_\_\_ <sup>③</sup>

(ALTERNATIVE B. Use only for adoption of emergency rules)

pursuant to its finding that the immediate adoption of  
these rules is necessary for the preservation of the public  
health, safety, or general welfare and that observance of the  
requirements of notice and opportunity to present views on  
the proposed action would be contrary to the public interest,  
were regularly adopted as emergency rules of this agency at  
\_\_\_\_\_ on \_\_\_\_\_ and are herewith filed in  
(place) (date)  
the office of the code reviser pursuant to chapter 34.04 RCW.

The undersigned hereby certifies that the requirements of chapter  
34.04 RCW and of the Open Public Meetings Act of 1971, chapter  
42.30 RCW (1971 ex.s. c 250) have been fulfilled.

Dated this 24<sup>th</sup> day of September 1973.

STATE OF WASHINGTON  
**FILED**  
SEP 25 1973  
CODE REVISER'S OFFICE  
POCKET #522 FILE # 2

BOARD OF ACCOUNTANCY  
(AGENCY)  
*I. Allen Brown*  
By I. Allen Brown  
Chairman  
Title

- ① NOTICE NUMBER AS APPEARS ON THE COPY OF NOTICE RETURNED TO YOU BY REVISER'S OFFICE (IF PROCEEDINGS WERE CONTINUED, USE NO. OF LAST NOTICE)
- ② STAMPED DATE AS APPEARS ON THE COPY OF NOTICE RETURNED TO YOU BY REVISER'S OFFICE (IF PROCEEDINGS WERE CONTINUED, USE DATE OF LAST NOTICE)
- ③ UNLESS A LATER DATE IS SPECIFIED IN THIS ORDER OR IS PRESCRIBED IN ANOTHER STATUTE, RULES ARE EFFECTIVE 30 DAYS AFTER FILING: RCW 34.04.040. LEAVE THIS SPACE BLANK EXCEPT IN SUCH SPECIAL CASES.

STATE OF WASHINGTON DEPARTMENT OF MOTOR VEHICLES  
PROFESSIONAL LICENSING DIVISION

ADMINISTRATIVE ORDER NO. PL 148

The Washington State Board of Accountancy, under the authority of RCW 18.04.070, conducted a public hearing on September 10, 1973, at the Orcas Room; North Court, Seattle Civic Center, Seattle, Washington, pursuant to Notice No. 4187, filed with the Code Reviser on August 6, 1973, to consider the adoption of rules relating to continuing education requirements for Certified Public Accountants, Licensed Public Accountants and Public Accountants.

The board considered oral testimony presented at the public hearing as well as written comments received by the board prior to the hearing.

All of the comments received endorsed the idea of continuing education but several objected to making such education mandatory. The board noted that section 1, chapter 23, laws of 1973, (1st ex. sess.), requires that every person practicing public accounting shall, as a prerequisite to annual renewal of his or her permit, demonstrate completion of specified education programs.

Several comments were directed at the number of days or hours necessary to meet the minimum requirements especially as this number relates to the members of small firms because of the difficulty encountered in leaving the office unmanned. It was noted that the 1973 act specifies the minimum requirements. The board also noted that proposed rule 4-20-130 provides for the opportunity to meet the minimum requirements through correspondence or other individual study programs which would not require a licensee to be absent from his

home or office. A number of comments were directed at the requirement of the rules that any specific program be of a formal nature in order to receive approval by the board. These comments question the formal nature of the programs specifically as it applies to licensees in highly specialized areas of practice. The point was made that few programs now offered contribute directly to the improved competence of these individuals in his or her particular area of specialization. Suggestions were made that credit should be given for at least a portion of those individual independent reading programs which are pursued to stay abreast of current development.

The board considered these suggestions, and determined to retain their requirement that a program be of a formal nature. The board felt that every member of the profession had an obligation to pursue an independent reading program to stay abreast of current developments. The board also noted the flexibility of the rules setting forth the basic grounds for granting approval to various types of programs and especially to granting approval to instructors or discussion leaders and for publication of articles and books. The board felt the flexibility would allow specialists to find sufficient areas for programs that would meet with the board's approval.

The board also pointed out that the proposed rules were similar to those in other states now requiring continuing education. It was felt that because of the increased mobility of the profession that the requirements of this state should be similar to those of other states so as not to place individuals at a disadvantage when transferring to or from this state.

As to the general question of approval or disapproval of specific programs, the board noted that the first date

that the education requirement must be met will be June 30, 1977. The board intends to begin consideration of programs in the near future so that guidelines will be developed for all members of the profession well in advance of that date.

Based upon the foregoing, now, therefore,

IT IS HEREBY ORDERED that the rules relating to continuing education requirements for Certified Public Accountants, Licensed Public Accountants and Public Accountants annexed hereto and by this reference incorporated herein are approved and adopted as permanent rules of the Washington State Board of Accountancy under the authority of RCW 18.04.070.

IT IS FURTHER ORDERED that this order and its accompanying rules be forwarded to the Code Reviser for filing pursuant to Chapter 34.04 RCW and Chapter 1-12 WAC.

DATED this 14<sup>th</sup> day of September, 1973.

WASHINGTON STATE BOARD  
OF ACCOUNTANCY

By I. Allen Brown  
I. Allen Brown, Chairman

Chapter 4-20

ACCOUNTANCY CONTINUING EDUCATION RULES

NEW

WAC 4-20-010 CITATION OF RULES AND PURPOSE. These Rules may be cited and referred to as the "Accountancy Continuing Education Rules". They are subject to amendment, modification, revision, supplement, repeal or other change by appropriate action in the future. The purpose of these Rules is to require Certified Public Accountants, Licensed Public Accountants and Public Accountants licensed under the Washington Public Accounting Act of 1949, as amended, to comply with continuing education requirements except that it does not apply to those individuals not engaged in public practice such as licensees in private industry, government organizations, educational institutions, or similar activities unless those individuals in addition to their basic employment, engage in public practice, regardless of degree.

NEW

WAC 4-20-020 BASIC REQUIREMENTS--AMOUNT. In the three year period immediately preceding the annual renewal of the permit to practice, the applicant must have completed 15 days, or accumulated 120 hours of acceptable continuing education.

(1) Measurement is in full hours only (a fifty minute period equals one hour). A one day course will constitute eight hours of credit.

(2) Only class hours or the equivalent (and not hours devoted to preparation) are counted.

(3) Acceptable courses taken after January 1, 1974 may be included in the initial qualification.

NEW

WAC 4-20-030 -----EFFECTIVE DATE OF REQUIREMENT.

(1) The effective date of the requirement will be three years after July 16, 1973. Therefore, the required number of hours must first be met by June 30, 1977.

(2) With respect to any individual, the regulation will become effective on the effective date of the requirement or three years after his initial registration, whichever is later.

NEW

WAC 4-20-040 -----EXCEPTIONS. The Board of Accountancy shall have authority to make exceptions from continuing education requirements for licensees not engaged in public practice, or for reasons of health, retirement, military service, or other good cause; provided, however, that if such licensee returns to the practice of public accounting he shall meet such continuing education requirements as the Board may then determine.

NEW WAC 4-20-100 QUALIFICATION OF PROGRAM--PRIMARY CONSIDERATION. The overriding consideration in determining whether a specific program qualifies is that it should be a formal program of learning which contributes directly to the professional competence of an individual after he has been licensed to practice public accounting.

NEW WAC 4-20-110 -----BASIC REQUIREMENTS. Formal programs requiring class attendance will qualify only if:

- (1) An outline is prepared in advance and preserved.
- (2) The program is at least one hour (fifty minute periods) in length.
- (3) The program is conducted by a qualified instructor.
- (4) A record of registration or attendance is maintained.

NEW WAC 4-20-120 -----APPROVED BY BOARD. The following are deemed to qualify provided the criteria in WAC 4-20-110 are met:

- (1) Professional development programs of the AICPA, and the state societies.
- (2) Technical sessions at meetings of the AICPA, state societies and chapters thereof.
- (3) University or college courses.
  - (a) Credit courses - each semester hour credit shall equal fifteen hours toward the requirement. A quarter hour credit shall equal ten hours.
  - (b) Noncredit short courses.
- (4) Formal organized in-firm educational programs which have been approved by the board.
- (5) Other educational programs (accounting, industrial, professional, etc.) which have been approved by the board.

NEW WAC 4-20-130 -----INDIVIDUAL STUDY. Formal correspondence or other individual study programs which require registration and provide evidence of satisfactory completion will qualify with the amount of credit to be determined by the board of accountancy.

NEW WAC 4-20-140 ----- INSTRUCTOR OR DISCUSSION LEADER. Credit for one hour of continuing education will be awarded for each hour completed as an instructor or discussion leader to the extent that it constitutes the initial course of instruction and that the particular activity contributes to the professional competence of the licensee. Credit will not be granted for repeated courses or seminars by the same instructor.

NEW  
WAC 4-20-150 -----PUBLISHED ARTICLES AND BOOKS. Credit may be awarded for published articles and books. The amount of credits so awarded will be determined by the Board.

NEW  
WAC 4-20-200 CONTROLS AND REPORTING--STATEMENT OF COMPLETION. The licensee should provide a signed statement, under penalty of perjury, on forms to be provided by the State Board, of the continuing education in which he has participated showing:

- (1) Sponsoring organization.
- (2) Location of course or correspondent.
- (3) Title and/or description of content.
- (4) Principal instructor.
- (5) Dates attended or period of correspondence.
- (6) Hours claimed.