

WSR 22-08-043
PREPROPOSAL STATEMENT OF INQUIRY
BOARD OF ACCOUNTANCY

[Filed March 31, 2022, 9:51 a.m.]

Subject of Possible Rule Making: WAC 4-30-010 Definitions, 4-30-020 What are the authority for and the purpose of the board's rules?, 4-30-028 Rules governing the formal adjudicative proceedings and the brief adjudicative proceedings before the board, 4-30-030 What are the requirements for communicating with the board and staff?, 4-30-032 Do I need to notify the board if I change my address?, 4-30-034 Must I respond to inquiries from the board?, 4-30-036 What enforcement actions must be reported to the board?, 4-30-038 Fees; 4-30-040 What are the requirements concerning integrity and objectivity?, 4-30-042 When is independence required?, 4-30-044 What restrictions govern commissions, referral, and contingent fees?, 4-30-046 What are the requirements concerning competence?, 4-30-048 Compliance is required with which rules, regulations and professional standards?, 4-30-050 Records and clients confidential information; 4-30-051 Client records; 4-30-052 What acts are considered discreditable?, 4-30-054 What are the limitations on advertising and other forms of solicitation?, 4-30-056 What are the limitations regarding individual and firm names?, 4-30-058 Does the board authorize the use of any other titles or designations?, 4-30-082 How does a CPA-inactive certificate holder apply for licensure?, 4-30-088 What is the effect on a Washington individual licensee or CPA-inactive certificate holder in the armed forces, reserves, or National Guard if the individual receives orders to deploy for active military duty?, 4-30-094 How do I renew my individual license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?, 4-30-104 How do I renew a Washington CPA-inactive certificate and/or license granted through foreign reciprocity?, 4-30-120 I am a CPA-inactive certificate holder—Prior to July 1, 2001, I held a license—How do I apply to return to my previous status as a licensee?, 4-30-122 If I retire my license or CPA-inactive certificate, how do I apply to renew my license or CPA-inactive certificate out of retirement?, 4-30-124 How do I reinstate a lapsed license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?, 4-30-126 How do I reinstate a revoked or suspended license, CPA-inactive certificate, or registration as a resident nonlicensee firm owner?, 4-30-134 Continuing professional education (CPE) requirements, 4-30-136 Reporting continuing professional education (CPE) to the board, and 4-30-142 What are the bases for the board to impose discipline?

Statutes Authorizing the Agency to Adopt Rules on this Subject:
RCW 18.04.055.

Reasons Why Rules on this Subject may be Needed and What They Might Accomplish: On March 17, 2022, Governor Inslee signed into law SB 5519. SB 5519 amends existing laws to remove outdated references to certificate holders. The board of accountancy (board) has not issued such certificates since the early 2000s. SB 5519 allows for the remaining population of certificate holders to transition to a licensed but inactive status while affording such certificate holders the opportunity to become fully licensed. SB 5519 also creates this new inactive status which did not previously exist. This new licensed status provides an intermediate step bridging the gap between the licensee statuses of CPA and retired CPA. Because SB 5519 removes the certificate holder status and creates an inactive licensee status, board laws

now align with other CPA jurisdictions. As a result, many board rules must be amended because "CPA-Inactive certificate holder" references are woven throughout the entirety of chapter 4-30 WAC (board rules). The proposed board rules also further refine the new licensed but inactive status and the processes associated with the new status. The proposed rule changes will ensure consistency with the law as enacted by SB 5519 and consistency with other CPA jurisdictions. Also, we will align several rules with the American Institute of Certified Public Accountants code of professional conduct.

Process for Developing New Rule: Agency study.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting Kirsten Donovan, Rules Coordinator, Washington State Board of Accountancy, P.O. Box 9131, Olympia, WA 98507-9131, phone 360-664-9191, fax 360-664-9190, TTY 1-800-833-6388, email Kirsten.donovan@acb.wa.gov, website <https://acb.wa.gov/>.

March 31, 2022
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