

# ARKANSAS REGISTER

## Proposed Rule Cover Sheet



Secretary of State  
John Thurston  
500 Woodlane Street, Suite 026  
Little Rock, Arkansas 72201-1094  
(501) 682-5070  
[www.sos.arkansas.gov](http://www.sos.arkansas.gov)



Name of Department \_\_\_\_\_

Agency or Division Name \_\_\_\_\_

Other Subdivision or Department, If Applicable \_\_\_\_\_

Previous Agency Name, If Applicable \_\_\_\_\_

Contact Person \_\_\_\_\_

Contact E-mail \_\_\_\_\_

Contact Phone \_\_\_\_\_

---

Name of Rule \_\_\_\_\_

Newspaper Name \_\_\_\_\_

Date of Publishing \_\_\_\_\_

Final Date for Public Comment \_\_\_\_\_

Location and Time of Public Meeting \_\_\_\_\_

### **13.3 PROGRAMS WHICH QUALIFY**

(a) A program qualifies as acceptable continuing education if it is a formal program of learning which contributes directly to the professional competence of an individual licensed to practice as a public accountant. The responsibility for substantiating that a particular program meets the requirements of this paragraph rests solely upon the licensee. (b) Continuing education programs requiring attendance will qualify only if:

(1) An outline of the program is prepared in advance and preserved.

(2) The program is at least one-half hour (25 minute period) in length, excluding meal time and business session. Credit shall be based on contact hours. A 50-minute period will be considered as being equal to one hour. Hours devoted to preparation by the participant shall not be counted as a contact hour. Effective January 1, 2020, (CPE taken for the 2021 license year and beyond) a licensee may earn a maximum of 4 hours of CPE each year by completing nano learning courses. A nano learning course is a tutorial program designed to permit a participant to learn a given subject in a ten-minute increment using electronic media and without interaction with a real time instructor. For purposes of calculating nano learning CPE credits, one CPE hour shall consist of five ten-minute courses. For all other CPE courses, credits must be earned in one-half hour (25 minute) increments.

### 13.3 PROGRAMS WHICH QUALIFY

(a) A program qualifies as acceptable continuing education if it is a formal program of learning which contributes directly to the professional competence of an individual licensed to practice as a public accountant. The responsibility for substantiating that a particular program meets the requirements of this paragraph rests solely upon the licensee. (b) Continuing education programs requiring attendance will qualify only if:

(1) An outline of the program is prepared in advance and preserved.

(2) The program is at least ~~one-half hour (25 minute period)~~ one hour (fifty-minute period) in length, excluding meal time and business session. Credit shall be based on contact hours. A 50- minute period will be considered as being equal to one hour. ~~One-half CPE credit hours (equal to 25 minutes) are permitted after the first hour has been earned in a given program.~~ Hours devoted to preparation by the participant shall not be counted as a contact hour. Effective January 1, 2020, (CPE taken for the 2021 license year and beyond) a licensee may earn a maximum of 4 hours of CPE each year by completing nano learning courses. A nano learning course is a tutorial program designed to permit a participant to learn a given subject in a ten-minute increment using electronic media and without interaction with a real time instructor. For purposes of calculating nano learning CPE credits, one CPE hour shall consist of five ten-minute courses. For all other CPE courses, credits must be earned in one-half hour (25 minute) increments.

**QUESTIONNAIRE FOR FILING PROPOSED RULES WITH THE**  
**ARKANSAS LEGISLATIVE COUNCIL**

**DEPARTMENT/AGENCY** Department of Labor and Licensing  
**DIVISION** Arkansas State Board of Public Accountancy  
**DIVISION DIRECTOR** Jimmy Corley, Director  
**CONTACT PERSON** Jimmy Corley  
**ADDRESS** 900 W. Capitol, Suite 400, Little Rock, AR 72201  
**PHONE NO.** 501.682.5533 **FAX NO.** 501.682.5538 **E-MAIL** james.corley@arkansas.gov  
**NAME OF PRESENTER AT COMMITTEE MEETING** Jimmy Corley  
**PRESENTER E-MAIL** james.corley@arkansas.gov

**INSTRUCTIONS**

- A.** Please make copies of this form for future use.
- B.** Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C.** If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D.** Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Jessica C. Sutton  
Administrative Rules Review Section  
Arkansas Legislative Council  
Bureau of Legislative Research  
One Capitol Mall, 5<sup>th</sup> Floor  
Little Rock, AR 72201

\*\*\*\*\*

- 1. What is the short title of this rule? Board Rule 13 "Continuing Education"
- 2. What is the subject of the proposed rule? Relaxing the requirements for certain continuing education credits
- 3. Is this rule required to comply with a federal statute, rule, or regulation? Yes \_\_\_\_\_ No X \_\_\_\_\_  
If yes, please provide the federal rule, regulation, and/or statute citation.
- 4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? Yes \_\_\_\_\_ No X \_\_\_\_\_  
If yes, what is the effective date of the emergency rule? \_\_\_\_\_  
When does the emergency rule expire? \_\_\_\_\_  
  
Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act? Yes \_\_\_\_\_ No \_\_\_\_\_

5. Is this a new rule? Yes \_\_\_\_\_ No X If yes, please provide a brief summary explaining the rule.

Does this repeal an existing rule? Yes \_\_\_\_\_ No X If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes X No \_\_\_\_\_ If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. ACA 17-12-203(a)
7. What is the purpose of this proposed rule? Why is it necessary? This change is being made to relax the requirements for CPE credit. The minimum period for acceptable CPE is currently 50 minutes, we are changing that to 25 minutes. This was requested by some of our licensees.
8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b). <https://www.asbpa.arkansas.gov/laws-and-rules/proposed-rule-changes/>
9. Will a public hearing be held on this proposed rule? Yes \_\_\_\_\_ No X  
We do not plan to hold a hearing unless requested, as provided in ACA 25-15-204(a)(2)(b).
- If yes, please complete the following:
- Date: \_\_\_\_\_
- Time: \_\_\_\_\_
- Place: \_\_\_\_\_
10. When does the public comment period expire for permanent promulgation? (Must provide a date.)  
2-11-22
11. What is the proposed effective date of this proposed rule? (Must provide a date.)  
4-1-22
12. Please provide a copy of the notice required under Ark. Code Ann. § 25-15-204(a), and proof of the publication of said notice. Will provide after ADG publishing on January 7,8, and 9
13. Please provide proof of filing the rule with the Secretary of State as required pursuant to Ark. Code Ann. § 25-15-204(e).  
SOS was copied on the email filing with BLR

14. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.

Unknown

### **FINANCIAL IMPACT STATEMENT**

#### **PLEASE ANSWER ALL QUESTIONS COMPLETELY**

**DEPARTMENT** Department of Labor and Licensing

**DIVISION** Arkansas State Board of Public Accountancy

**PERSON COMPLETING THIS STATEMENT** Jimmy Corley, Director

**TELEPHONE NO.** 501.682.5533 **FAX NO.** 501.682.5538 **EMAIL:** james.corley@arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

#### **SHORT TITLE OF THIS RULE** Rule 13 “Continuing Education”

1. Does this proposed, amended, or repealed rule have a financial impact?  
Yes \_\_\_\_\_ No X
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?  
Yes X No \_\_\_\_\_
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes X No \_\_\_\_\_

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;
- (b) The reason for adoption of the more costly rule;
- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and
- (d) Whether the reason is within the scope of the agency’s statutory authority, and if so, please explain.
4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:
- (a) What is the cost to implement the federal rule or regulation? NA

**Current Fiscal Year**

**Next Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_  
 Total \_\_\_\_\_

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_  
 Total \_\_\_\_\_

(b) What is the additional cost of the state rule?

**Current Fiscal Year**

**Next Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_  
 Total \_\_\_\_\_

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_  
 Total \_\_\_\_\_

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

**Current Fiscal Year**

**Next Fiscal Year**

\$ 0

\$ 0

---

---

---

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

**Current Fiscal Year**

**Next Fiscal Year**

\$ 0

\$ 0

---

---

---

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private

individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes \_\_\_\_\_ No X \_\_\_\_\_

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously

with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
  - (a) justifies the agency's need for the proposed rule; and
  - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
  - (a) the rule is achieving the statutory objectives;
  - (b) the benefits of the rule continue to justify its costs; and
  - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.



**Rule number**

Rule 13.3

**Rule Title**Continuing  
Education**Summary**

This change is being made to relax the requirements for CPE credit. The minimum period for acceptable CPE is currently 50 minutes, we are changing that to 25 minutes. This was requested by some of our licensees.