

APPENDIX II-C

**RULEMAKING NOTICE FORM**

Notice Number \_\_\_\_\_ Rule Number Ac 400

<p>1. Agency Name &amp; Address:</p> <p><b>New Hampshire Board of Accountancy c/o Office of Professional Licensure &amp; Certification 7 Eagle Square Concord, NH 03301</b></p>	<p>2. RSA Authority: <u>RSA 309-B:4, VI(c), (d), (g), (h), (i), and (j)</u></p> <p>3. Federal Authority: <u>n/a</u></p> <p>4. Type of Action:</p> <p>Adoption <u>X</u></p> <p>Repeal <u>X</u></p> <p>Readoption <u>X</u></p> <p>Readoption w/amendment <u>X</u></p>
---	---

5. Short Title: Continued Status

6. (a) Summary of what the rule says and of any proposed amendments including whether the rule implements a state statute for the first time:

**The Board of Accountancy (Board) is proposing to adopt, readopt, readopt with amendment, or repeal all the rules in Chapter Ac 400 on continued status. Most of the existing rules in Ac 400 are scheduled to expire on 1/1/2025 but will be extended pursuant to RSA 541-A:14-a. All changes are as follows:**

- **Readopt with amendment Ac 401.01 describing the renewal process. The rule is being amended to bring the rules into compliance with the Board’s rulemaking authority RSA 309-B:4, VI and the Office of Professional Licensure and Certification’s (OPLC) rulemaking authority under RSA 310:6;**
- **Readopt with amendment Ac 401.02 describing the general requirements for renewal documentation. The rule is being amended to change the entity for the applicant to submit documents from the Board to OPLC, remove the description of how the forms shall be completed, and make various editorial changes;**
- **Readopt with amendment Ac 401.03 describing the expiration of certificates, registrations, and permits. The rule is being amended to change the date of expiration of a license, registration, and permit from June 30 to 2 years from the date the license was issued, clarify that no entity shall hold themselves out as being licensed, registered, or permitted without a valid license, and remove the description and timeframe for a licenses validity when documents and fees have been submitted and are pending approval;**
- **Readopt with amendment Ac 401.04 describing the renewal form. The rules is being amended to require the applicant for renewal of a CPA certification, PA registration, and CPA firm permit to submit the Universal Application for License Renewal and create an addendum to the Universal Application for the CPA and PA;**

- **Readopt 401.05 on documentation of the completion of continuing professional education without change;**
- **Readopt with amendment Ac 401.06 and Ac 401.07 describing the inactive status designation and return to active status from inactive status, respectively. The rules are being amended to bring the rules into compliance with the Board’s rulemaking under authority RSA 309-B:4, VI and the OPLC’s rulemaking authority pursuant to RSA 310:6;**
- **Repeal Ac 401.08 describing voluntary surrender of a license by a licensee;**
- **Adopt Ac 401.08 describing reinstatement of a license lapsed for non-renewal for no more than one year;**
- **Readopt with amendment Ac 402.01 describing initiation of disciplinary action. The rule is being amended to remove the process for investigations and rename the section “Professional Misconduct” listing what constitutes professional misconduct by the Board;**
- **Readopt with amendment Ac 402.02 describing disciplinary sanctions. The rule is being amended to bring the rules into compliance with the Board’s rulemaking authority RSA 309-B:4, VI and the OPLC’s rulemaking authority pursuant to RSA 310:6;**
- **Repeal Ac 402.03 on revocation, Ac 402.04 on suspension, and Ac 402.05 on primary sanctions;**
- **Adopt Ac 402.03 describing procedures for the imposition of sanctions other than immediate license suspension;**
- **Adopt Ac 402.04 describing how the Board will determine sanctions imposed after a hearing and Ac 402.05 on the standards by which the Board shall select sanctions;**
- **Readopt with amendment Ac 402.06 describing administrative fines. The rule is being amended to remove the Board as the entity that commences an adjudicatory hearing and clarifying that the cost of investigations and hearing are now the responsibility of the OPLC and that the assessment of fines set by the Board shall be made through OPLC as the agent of the Board;**
- **Repeal Ac 402.07 describing the procedures for assessing and collecting fines;**
- **Readopt with amendment Ac 403.01 describing continuing professional education (CPE) requirements. The rule is being amended to:**
  - **Bring the requirements in line with the 2-year renewal cycle;**
  - **Remove the rules describing the prorating of continuing education;**
  - **Change the fine due with the petition to extend the time in which the applicant can obtain the required CPE from \$100.00 to \$250.00 for not meeting the CPE requirements; and**
  - **Make various editorial changes;**

- **Readopt with amendment Ac 403.02 describing continuing professional education. The rule is being amended to:**
  - **Require that CPE activities shall be learning opportunities that contribute directly to a licensee’s knowledge, ability, and competence to perform their professional responsibilities;**
  - **Add webinar to the types of activities or programs allowed;**
  - **Add data analytics to the types of subjects allowed;**
  - **Allow 3 hours of continuing education per year for nano learning;**
  - **Require the licensee to maintain documentation of continuing education that is not a National Association of State Board’s of Accountants (NASBA) approved courses; and**
  - **Require the use of “CE Broker” to report continuing education;**
- **Adopt Ac 403.03 describing the continuing education audit procedure;**
- **Readopt with amendment Ac 404.01 requiring the notification of change in address by all CPA’s. The rule is being amended to require the CPA to notify the OPLC of any change in address or e-mail address;**
- **Readopt Ac 404.02 describing CPA use of third-party providers to outsource tasks and require written disclosure to clients;**
- **Readopt with amendment Ac 404.03 describing retention of client records. The rule is being amended to include depreciation and amortization schedules and cost basis calculation as part of a client’s records and make various editorial changes;**
- **Readopt with amendment Ac 405.01 pertaining to definitions. The rule is being amended to add a definition for “peer review”, remove one of the two definitions for “peer review program”, and organize the definitions so they are in alphabetical order;**
- **Readopt with amendment Ac 405.02 describing the requirements for a peer review. The rule is being amended to require the use of the most recent “Peer Review Program Manual” of the American Institute of Certified Public Accountants (AICA); and**
- **Readopt with amendment Ac 405.03 describing the duties of the individual conducting the peer review. The rule is being amended to remove “Ethical” from the heading of the rule making the heading “Duties of the Reviewer”.**

6. (b) Brief description of the groups affected:

**The groups affected by these rules changes are those individuals licensed by the Board, those seeking to reinstate their license after lapse, and the OPLC.**

6. (c) Specific section or sections of state statute or federal statute or regulation which the rule is intended to implement:

<b>Rule</b>	<b>Specific State Statute which the Rule Implements</b>
Ac 401.01	RSA 541-A:7; RSA 541-A:16, I(b); RSA 541-A:8
Ac 401.02	RSA 541-A:7; RSA 541-A:16, I(b); RSA 541-A:8
Ac 401.03	RSA 309-B:7, II; ; RSA 309-B:8, II
Ac 401.04	RSA 309-B:7, II
Ac 401.05	RSA 309-B:4, VI(c); RSA 309-B:7, III(c); RSA 309-B:7, VII; RSA 309-B:7, XIV
Ac 401.06	RSA 309-B:7, VII and XIV
Ac 401.07	RSA 309-B:7, VII; RSA 161-B:11, VI-a
Ac 401.08 (repeal)	RSA 309-B:6
Ac 401.08	RSA 309-B:4, III; RSA 309-B:13
Ac 402.01	RSA 309-B:10; RSA 309-B:14
Ac 402.02	RSA 309-B:15; RSA 309-B:16; RSA 309-B:17; RSA 310:12
Ac 402.03 (repeal)	RSA 309-B:10
Ac 402.03	RSA 309-B:17; RSA 541-A:30, III
Ac 402.04 (repeal)	RSA 309-B:10
Ac 402.04	RSA 309-B:16
Ac 402.05 (repeal)	RSA 309-B:10
Ac 402.05	RSA 309-B:16
Ac 402.06	RSA 309-B:4(h)
Ac 402.07 (repeal)	RSA 309-B:4
Ac 403.01	RSA 309-B:4, VI(c); RSA 309-B:7, III(c); RSA 309-B:7, VII; RSA 309-B:7, XIV
Ac 403.02	RSA 309-B:4, VI(c); RSA 309-B:7, III(c); RSA 309-B:7, VII; RSA 309-B:7, XIV
Ac 403.03	RSA 309-B:4, VI(c); RSA 309-B:7, III(c); RSA 309-B:7, VII; RSA 309-B:7, XIV
Ac 404.01	RSA 541-A:16, I(b)
Ac 404.02	RSA 309-B:4, VI(j)
Ac 404.03	RSA 309-B:19
Ac 405.01	RSA 541-A:16, I(b)
Ac 405.02	RSA 309-B:4, VI(g); RSA 309-B:8; RSA 309-B:18; RSA 309-B:19, I
Ac 405.03	RSA 309-B:4, VIII (g), RSA 309-B:7, XIII

7. Contact person for copies and questions including requests to accommodate persons with disabilities:

Name: **Tina M. Kelley** Title: **Rules Coordinator**  
Mailing Address: **Office of Professional Licensure & Certification  
7 Eagle Square  
Concord, NH 03301** Phone #: **(603) 271-5247**  
Fax#: **None** E-mail: **OPLC-Rules@oplc.nh.gov**  
TTY/TDD Access: Relay NH 1-800-735-2964 or dial 711 (in NH)

8. Deadline for submission of materials in writing or, if practicable for the agency, in the electronic format specified: **Friday, February 14, 2025 at 4:00 p.m.**

Fax  E-mail  Other format (specify):

9. Public hearing scheduled for:

Date and Time: **Tuesday, February 4, 2025 at 10:30 a.m.**

Physical Location: **Office of Professional Licensure and Certification  
7 Eagle Square  
Concord, NH 03301**

Electronic Access (if applicable): **n/a**

10. Fiscal Impact Statement (Prepared by Legislative Budget Assistant)

FIS # 24:235, dated 12/19/2024

**1. Comparison of the costs of the proposed rule(s) to the existing rule(s):**

When compared to the existing rules, the proposed rules will increase State revenues and increase costs to certain State citizens.

Not applicable to Ac 401.08, Ac 402.03 thru Ac 402.05, which have been repealed and then adopt as new sections.

Not applicable to Ac 403.03 as this is a new rule or Ac 402.07 as this rule is being repealed.

**2. Cite the Federal mandate. Identify the impact on state funds:**

No federal mandate, no impact on state funds.

**3. Cost and benefits of the proposed rule(s):**

The proposed rules align existing rules with current OPLC practices including a biennial renewal cycle and removal of fees from Board rules, instead referring to the existing Plc 1002.01 and Plc 304.12, which have governed fees and renewal cycles on a two-year basis since 2023. Therefore, no new costs or financial impacts arise from these changes, as they simply codify current practices.

The primary fiscal impact stems from an increase in the administrative fee for continuing education non-compliance, which will increase from \$100 to \$250. Based on historical data showing approximately 24 fees paid annually, this change is expected to increase revenue from \$2,400 to \$6,000 per year, adding an estimated \$3,600 annually to the OPLC Fund.

**A. To State general or State special funds:**

No impact on the General Fund, however, there could be an increase to the OPLC Fund (See # 3 above).

**B. To State citizens and political subdivisions:**

Certain State citizens could see an increase cost (See # 3 above). No impact to political subdivisions.

**C. To independently owned businesses:**

None

10. Statement Relative to Part I, Article 28-a of the N.H. Constitution:

**These rules do not violate Part I, Article 28-a of the New Hampshire Constitution. These rules do not mandate or assign this program to any political subdivision in any way.**