



North Carolina State Board of Certified Public Accountant Examiners
1101 Oberlin Road, Suite 104 • PO Box 12827 • Raleigh NC 27605
Phone (919) 733-4222 • Facsimile (919) 733-4209 • Web nccpaboard.gov

Rule-Making Hearing Scheduled for February 18, 2019

The North Carolina State Board of CPA Examiners (Board) has filed a Notice of Text with the [Office of Administrative Hearings \(OAH\)](#) to proceed to a public rule-making hearing (Hearing) to consider the attached rule.

New language is indicated by an underline and deleted language is indicated by a ~~strike-through~~.

A person may submit written comments and/or be present at the hearing to make oral comments on the attached rules. The Hearing is scheduled for 10:00 a.m. on Monday, February 18, 2019, at the Board office at 1101 Oberlin Road, Raleigh, NC 27605.

Anyone wishing to be present to speak at the hearing must notify Robert N. Brooks, the Board's Executive Director, no later than 5:00 p.m. on Thursday, February 7, 2019.

Anyone wishing to submit a written comment on the rules must send the comment(s) to one of the following:

MAIL Robert N. Brooks, Executive Director
NC State Board of CPA Examiners
PO Box 12827
Raleigh NC 27605-2827

FAX (919) 733-4209, ATTN. ROBERT N. BROOKS

EMAIL rbrooks@nccpaboard.gov

All written comments must be received by the Board no later than 5:00 p.m. on March 18, 2019.

No fiscal note is required regarding these proposed rules as there is no fiscal impact on any local, state, state budget, or federal funds. No federal certification of these proposed rule changes is required as these rules are not mandated by any federal statutes or rules.

Posted to nccpaboard.gov on 12/20/2018 in accordance with NCGS 150B-19.1

TITLE 21 – OCCUPATIONAL LICENSING BOARDS AND COMMISSIONS

CHAPTER 08 – BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS

Notice is hereby given in accordance with G.S. 150B-21.2 that the Board of Certified Public Accountant Examiners intends to amend the rule cited as 21 NCAC 08F .0105.

Link to agency website pursuant to G.S. 150B-19.1(c): nccpaboard.gov

Proposed Effective Date: January 1, 2020

Public Hearing:

Date: February 18, 2019

Time: 10:00 a.m.

Location: NC State Board of CPA Examiners, 1101 Oberlin Road, Suite 104, Raleigh, NC 27605

Reason for Proposed Action: 21 NCAC 08F .0105 explains how many times a Uniform CPA Examination (Exam) candidate can take the same section of the Exam. The Exam vendor is changing when an Exam candidate may retake the same section of the Uniform CPA Examination.

Comments may be submitted to: Robert N. Brooks, NC State Board of CPA Examiners, 1101 Oberlin Road, Suite 104, Raleigh, NC 27605; phone (919) 733-1425; fax (919) 733-4209; email rbrooks@nccpaboard.gov

Comment period ends: March 18, 2019

Procedure for Subjecting a Proposed Rule to Legislative Review: If an objection is not resolved prior to the adoption of the rule, a person may also submit written objections to the Rules Review Commission after the adoption of the Rule. If the Rules Review Commission receives written and signed objections after the adoption of the Rule in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive those objections by mail, delivery service, hand delivery, or facsimile transmission. If you have any further questions concerning the submission of objections to the Commission, please call a Commission staff attorney at 919-431-3000.

Fiscal impact (check all that apply).

- State funds affected
- Environmental permitting of DOT affected
- Analysis submitted to Board of Transportation
- Local funds affected
- Substantial economic impact (≥\$1,000,000)
- Approved by OSBM
- No fiscal note required by G.S. 150B-21.4

SUBCHAPTER 08F - REQUIREMENTS FOR CERTIFIED PUBLIC ACCOUNTANT EXAMINATION AND CERTIFICATE APPLICANTS

SECTION .0100 - GENERAL PROVISIONS

21 NCAC 08F .0105 CONDITIONING REQUIREMENTS

(a) Passing Grades. A candidate shall pass all sections of the examination with a grade of 75 or higher on each section.

(b) Military Service. A candidate who is on active military service shall not have the time on active military service counted against Subparagraph (c)(1) of this Rule unless the candidate applies to take the examination during the active military service, in which case each month a candidate sits shall be counted toward Subparagraph (c)(1) of this Rule.

(c) A candidate is subject to the following conditioning requirements:

- (1) a candidate shall obtain a passing grade on all sections of the examination within an 18-month period;
- (2) a candidate may sit for any section of the examination individually;
- (3) a candidate may ~~sit for each retake a section of the examination up to four times during a one-year period but not more than one time in a three-month testing window as defined by the examination vendors(s); once the candidate's grade for any previous attempt of that same section has been released;~~ and
- (4) credit awarded by the Board for passage of a section of the examination is valid for an 18-month period beginning on the date the section is taken.

History Note:

Authority G.S. 93-12(3); 93-12(5);

Eff. February 1, 1976;

Readopted Eff. September 26, 1977;

Amended Eff. January 1, 2020; February 1, 2011; January 1, 2006; January 1, 2004; August 1, 1998; April 1, 1994; April 1, 1991; March 1, 1990;

Readopted Eff. February 1, 2016.



NOTICE OF TEXT [Authority G.S. 150B-21.2(c)]

OAH USE ONLY

VOLUME:

ISSUE:

CHECK APPROPRIATE BOX:

- Notice with a scheduled hearing
 Notice without a scheduled hearing
 Republication of text. Complete the following cite for the volume and issue of previous publication, as well as blocks 1 - 4 and 7 - 13. If a hearing is scheduled, complete block 5.
Previous publication of text was published in Volume: Issue:

1. Rule-Making Agency: N. C. State Board of CPA Examiners
2. Link to agency website pursuant to G.S. 150B-19.1(c): nccpaboard.gov
3. Proposed Action -- Check the appropriate box(es) and list <u>rule citation(s)</u> beside proposed action: <input type="checkbox"/> ADOPTION: <input type="checkbox"/> READOPTION <u>with</u> substantive changes: <input type="checkbox"/> READOPTION <u>without</u> substantive changes: <input checked="" type="checkbox"/> AMENDMENT: <input type="checkbox"/> REPEAL:
4. Proposed effective date: January 1, 2020
5. Is a public hearing planned? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes: Public Hearing date: February 18, 2019 Public Hearing time: 10:00 a.m. Public Hearing Location: N. C. State Board of CPA Examiners 1101 Oberlin Road, Suite 104 Raleigh, NC 27605
6. If no public hearing is scheduled, provide instructions on how to demand a public hearing:

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2018 DEC 18 PM 12:02
OFFICE OF ADMIN HEARINGS

7. Explain Reason For Proposed Rule(s):

21 NCAC 08F .0105 explains how many times a Uniform CPA Examination (Exam) candidate can take the same section of the Exam. The Exam vendor is changing when an Exam candidate may retake the same section of the Uniform CPA Examination.

8. Procedure for Subjecting a Proposed Rule to Legislative Review: If an objection is not resolved prior to the adoption of the rule, a person may also submit written objections to the Rules Review Commission. If the Rules Review Commission receives written and signed objections in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive those objections by mail, delivery service, hand delivery, or facsimile transmission. If you have any further questions concerning the submission of objections to the Commission, please call a Commission staff attorney at 919-431-3000.

Rule(s) is automatically subject to legislative review. Cite statutory reference:

9. The person to whom written comments may be submitted on the proposed rule(s):

Name: Robert N. Brooks

Address:

N. C. State Board of CPA Examiners, 1101 Oberlin Road, Suite 104, Raleigh, NC 27605

Phone (optional): 919-733-1425

Fax (optional): 919-733-4209

E-Mail (optional): rbrooks@nccpaboard.gov

10. Comment Period Ends: March 18, 2019

11. Fiscal impact (check all that apply).

If this form contains rules that have different fiscal impacts, list the rule citations beside the appropriate impact.

- State funds affected
- Environmental permitting of DOT affected
Analysis submitted to Board of Transportation
- Local funds affected
- Substantial economic impact (≥\$1,000,000)
- Approved by OSBM
- No fiscal note required by G.S. 150B-21.4
- No fiscal note required by G.S. 150B-21.3A(d)(2)

12. Rule-making Coordinator:

Felecia F. Ashe

Address:

N. C. State Board of CPA Examiners
1101 Oberlin Road, Suite 104
Raleigh, NC 27605

Phone: 919-733-4223

E-Mail: feleciaa@nccpaboard.gov

Agency contact, if any:

Phone:

E-mail:

13. The Agency formally proposed the text of this rule(s) on

Date: December 17, 2018

14. Signature of Agency Head* or Rule-making Coordinator:



*If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.

Typed Name:

Title:

1 21 NCAC 08F .0105 is proposed for amendment as follows:
2

3 **21 NCAC 08F .0105 CONDITIONING REQUIREMENTS**

4 (a) Passing Grades. A candidate shall pass all sections of the examination with a grade of 75 or higher on each section.

5 (b) Military Service. A candidate who is on active military service shall not have the time on active military service
6 counted against Subparagraph (c)(1) of this Rule unless the candidate applies to take the examination during the active
7 military service, in which case each month a candidate sits shall be counted toward Subparagraph (c)(1) of this Rule.

8 (c) A candidate is subject to the following conditioning requirements:

9 (1) a candidate shall obtain a passing grade on all sections of the examination within an 18-month
10 period;

11 (2) a candidate may sit for any section of the examination individually;

12 (3) a candidate may ~~sit for each~~ retake a section of the examination ~~up to four times during a one-year~~
13 ~~period but not more than one time in a three-month testing window as defined by the examination~~
14 ~~vendors(s);~~ once the candidate's grade for any previous attempt of that same section has been
15 released; and

16 (4) credit awarded by the Board for passage of a section of the examination is valid for an 18-month
17 period beginning on the date the section is taken.

18
19 *History Note: Authority G.S. 93-12(3); 93-12(5);*

20 *Eff. February 1, 1976;*

21 *Readopted Eff. September 26, 1977;*

22 *Amended Eff. January 1, 2020; February 1, 2011; January 1, 2006; January 1, 2004; August 1,*
23 *1998; April 1, 1994; April 1, 1991; March 1, 1990;*

24 *Readopted Eff. February 1, 2016.*