



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY,
NY 12234

TO: Professional Practice Committee

FROM: Valerie Grey

SUBJECT: Proposed Amendment to the Regulations of the Commissioner of Education Relating to the Requirement for Continuing Education in Professional Ethics for Licensed Certified Public Accountants and Public Accountants

DATE: June 6, 2011

STRATEGIC GOAL: Goal 3

AUTHORIZATION(S):

SUMMARY

Issue for Discussion

Should the Board of Regents amend §70.9 of the Regulations of the Commissioner of Education relating to continuing education requirements for certified public accountants and public accountants?

Reason(s) for Consideration

Review of Policy.

Proposed Handling

The proposed amendment is being submitted for adoption at the June 2011 Regents meeting.

Procedural History

The proposed amendment was discussed with the Professional Practice Committee at its April 2011 meeting. A Notice of Proposed Rule Making concerning the proposed amendment was published in the State Register on April 6, 2011. Supporting materials for the proposed amendment are available from the Secretary to the Board of Regents.

Background Information

The purpose of the proposed amendment is to make the time periods during which licensed certified public accountants (CPAs) and public accountants (PAs) must complete the various elements of continuing education requirements as consistent as possible. Under current law, each licensed CPA and PA must complete, during each calendar year, a specified number of continuing education credits in subject areas related to professional practice. In addition, the Regulations of the Commissioner require that each such licensee must complete four hours of continuing education in professional ethics between the start date and end date of his or her triennial registration period. The triennial registration period varies from licensee to licensee. Changing the three year period during which the ethics continuing education to a calendar year basis will make tracking compliance with the requirement easier for licensees and their employers. This, in turn, will make it easier for licensees to comply with the requirement.

The State Board for Public Accountancy recommended making this change at its November 2010 meeting. Staff of the State Education Department worked with the State Board for Public Accountancy to develop the proposed amendments. In addition, representatives of the Accountants Coalition and the New York State Society of Certified Public Accountants provided input on the proposed regulations.

A Notice of Rule Making was published in the State Register on April 6, 2011. No public comments were received, and no revisions have been made to the proposed amendment.

Recommendation

It is recommended that the Board of Regents take the following action:

VOTED: That section 70.9 of the Regulations of the Commissioner of Education be amended, as submitted, effective July 15, 2011.

Timetable for Implementation

The effective date of the proposed amendment is July 15, 2011.

AMENDMENT TO THE REGULATIONS OF THE COMMISSIONER OF EDUCATION

Pursuant to sections 207, 6501, 6502, 6504, 6507, 6508, and 7409 of the Education Law.

1. Paragraph (5) of subdivision (b) of section 70.9 of the Regulations of the Commissioner of Education is amended, effective July 15, 2011, as follows:

(5) During each triennial registration period ending on or before December 31, 2011, a registered licensee who is subject to the continuing education requirement shall be required to complete at least four contact hours in professional ethics. For each registration ending on or after January 1, 2012, a registered licensee who is subject to the continuing education requirement shall be required to complete at least four contact hours in professional ethics during the prior three calendar year period. For registered licensees who complete the calendar year contact hour requirement in the manner described in subparagraph (i) of paragraph (1) of this subdivision, the four contact hours of professional ethics may be counted toward the annual contact hour requirement in the calendar year that they are taken. For registered licensees who complete the calendar year contact hour requirement in the manner described in subparagraph (ii) of paragraph (1) of this subdivision, the four contact hours of professional ethics may be counted toward the annual contact hour requirement in the year that they were completed if the hours in professional ethics were taken in the recognized subject area of the concentration.