

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 30 Department or Agency Alabama State Board of Public Accountancy  
Rule No. 30-X-5-.05  
Rule Title: Controls And Reporting

         New        X   Amend               Repeal               Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?          No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?          Yes

Is there another, less restrictive method of regulation available that could adequately protect the public?          No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?          No

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?          No

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?          Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule?          No

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Does the proposed rule have an economic impact?          No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer *D. Boyd Busby*  
D. Boyd Busby, CPA, Executive Director

Date November 16, 2022

REC'D & FILED

NOV 16 2022

(DATE FILED)  
(STAMP)

**ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY**

**NOTICE OF INTENDED ACTION**

**AGENCY NAME:** The Alabama State Board of Public Accountancy

**RULE NO. & TITLE:** Section 30-X-5-.05: Controls And Reporting

**INTENDED ACTION:** The Alabama State Board of Public Accountancy intends to amend Rule 30-X-6-.04.

**SUBSTANCE OF PROPOSED ACTION:** Rule will be amended to remove the CPE requirements for Non-licensee Owners whose principal office is not in Alabama.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Interested persons may present their views in writing to the Executive Director of the Alabama State Board of Public Accountancy at any time until and including January 20, 2023 following the 31st day of October 2022, or, if requested in advance, by personally appearing at the Alabama State Board of Public Accountancy Board Meeting to be held at the University of Alabama at Birmingham, Collat School of Business, 710 13th Street South, Birmingham, AL 35233, at 10:00 a.m., January 20, 2023.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:** January 20, 2023

**CONTACT PERSON AT AGENCY:**



D. Boyd Busby, CPA  
Executive Director  
Alabama State Board of Public Accountancy  
PO Box 300375  
Montgomery, AL 36130-0375  
Phone: 334-242-5700

name and contact information.

- (b) Participant's name.
- (c) Course title.
- (d) Course field of study.
- (e) Date offered or completed.
- (f) If applicable, location and instructor name.
- (g) Type of instructional/delivery method used.
- (h) Amount of continuing professional education credit hours recommended.
- (i) Verification by continuing professional education sponsor representative.

(6) Continuing professional education program sponsors must retain adequate documentation for five years to support their compliance with these rules and the reports that may be required of participants.

**Author:** Alabama Board of Public Accountancy

**Statutory Authority:** Code of Ala. 1975, §§34-1-3, 34-1-4.

**History:** Filed September 3, 1982. **Amended:** Filed July 9, 1987. **Amended:** Filed January 24, 2005; effective February 28, 2005. **Amended:** Filed August 16, 2019; effective September 30, 2019. Amended: Filed November 16, 2022

**30-X-5-.05      Controls And Reporting.**

(1) Annual permits to practice expire on the last day of September of each year. Applications and fees for renewal of annual permits shall be submitted to the Board no later than the last day of December of each year. Each licensee applying for renewal of an annual permit to practice public accounting must submit a signed statement to the Board, under penalty of perjury, that all applicable continuing professional education (CPE) requirements have been met and must disclose at a minimum the following information pertaining to each educational program submitted for the purpose of meeting the CPE requirements:

- (a) Sponsoring organization.

- (b) Delivery method.
- (c) Course field of study.
- (d) Title of course.
- (e) Dates of attendance or completion.
- (f) Number of CPE hours.

(2) Licensees shall maintain written evidence of satisfactory completion in the form of certificates of completion, attendance records, examination results, transcripts, or other such independently verifiable evidence of completion acceptable to the Board. All such evidence of completion shall be maintained for a period of five years following completion of each learning activity. The Board at its discretion may require other information it deems necessary to determine the acceptability of a program for the purposes of the continuing professional education requirements or for administration of these rules.

(3) The Board will verify on a test basis the information submitted by licensees for renewal of their annual permits. In cases where the Board determines that the CPE requirement is not met, the Board may grant an additional period of time in which the deficiencies can be resolved or the Board may bring disciplinary action. Any licensee who fails a CPE audit will be automatically audited for two additional fiscal years. If the licensee fails in a follow-up audit, disciplinary action may be brought before the Board.

(4) In all cases, the responsibility for establishing that a particular course or other program for which credit is claimed is acceptable and meets these CPE rules rests solely on the licensee.

(5) A non-resident licensee seeking renewal of an annual permit in this state shall be deemed to have met the CPE requirements of this state by meeting the CPE requirements for renewal of a certificate in the state in which the licensee's principal office is located.

(a) Non-resident licensees applying for renewal of an annual permit in this state shall demonstrate compliance with the CPE renewal requirements of the state in which the licensee's principal office is located by signing a statement to that effect on the annual registration form of this state.

(b) \_\_\_\_\_ If a non-resident licensee's principal office state has no CPE requirements for renewal of a certificate, the non-resident licensee must comply with all the CPE requirements for renewal of an annual permit in this state.

~~(b)~~(c) Non-licensee owners are not required to report CPE if their principal office is not in this state.

**Author:** Alabama Board of Public Accountancy

**Statutory Authority:** Code of Ala. 1975, §34-1-3.

**History:** Filed September 3, 1982. **Amended:** Filed September 12, 1989. **Amended:** Filed January 24, 2005; effective February 28, 2005. **Amended:** Filed August 16, 2019; effective September 30, 2019. **Amended:** Published September 30, 2020; effective November 14, 2020. **Amended:** Published September 30, 2020; effective November 14, 2020. Amended: Filed November 16, 2022

**30-X-5-.06      Annual Permits To Practice And Experience.**

(1) Permits to engage in the practice of public accounting shall be issued by the Board to a holder of a certified public accountant certificate issued under the laws of this state to a person who shall have furnished evidence satisfactory to the Board of one year of experience in public accounting, or its equivalent as defined in (2) below. For the purposes of this section public accounting shall mean full-time employment by a public accounting firm as a staff accountant and supervised by a practicing certified public accountant or registered public accountant holding a valid permit to practice in this or any other state. In addition, experience as a registered public accountant shall qualify as public accounting experience.

(2) The following shall be deemed the equivalent of one year of experience in public accounting: Two years' full-time employment in the accounting field in industry, business, government or college teaching; or any combination of the above; or any combination of the above and experience in public accounting. Such experience in industry, business, government or college teaching must be properly supervised, have sufficient quality and depth, and meet one of the following criteria for the duration of that qualifying experience:

(a) For qualifying experience in industry or business, the candidate must have been employed by a person or entity in the performance of duties primarily involving the use of financial accounting and auditing skills; the installation of