DEPARTMENT OF CONSUMER AFFAIRS

TITLE 16. PROFESSIONAL AND VOCATIONAL REGULATIONS

DIVISION 1. CALIFORNIA BOARD OF ACCOUNTANCY

MODIFIED PROPOSED REGULATORY LANGUAGE

Enhanced Licensure/Modernized Mobility

Legend:	Added text is indicated with an underline. Deleted text is indicated by ~~strikeout~~. Changes to the originally proposed text are indicated in double underline Deletions to the originally proposed text are indicated in ~~double strikeout~~

Repeal Section 5.5 of Article 1 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

~~**§ 5.5. Substantial Equivalency.**~~

~~(a) The Board has determined that the following states require education, examination, and experience qualifications for licensure, when issuing a certified public accountant license to practice public accountancy, substantially equivalent to this state's qualifications:~~

~~Alabama, Alaska, Arizona, Arkansas, Commonwealth of the Northern Mariana Islands, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming.~~

~~(b) Individuals who have not continually practiced public accountancy as a certified public accountant under a valid license issued by any state for at least four of the last 10 years, or who do not hold a license issued by a state that is listed in subdivision (a), shall meet the following requirements in order for their education, examination, and experience qualifications to be considered substantially equivalent to this state's qualifications:~~

~~(1) Obtain an individual qualification evaluation of substantial equivalency by the National Association of State Boards of Accountancy's (NASBA) CredentialNet. Prior to practicing in California under a practice privilege, an individual shall apply to NASBA's CredentialNet, pay the required fee, and obtain the required substantial equivalency determination.~~

~~(2) The individual shall retain the NASBA file number, present it to the Board upon request, and authorize the Board to review the NASBA file upon request.~~

~~Note: Authority cited: Sections 5010 and 5096.9, Business and Professions Code. Reference: Sections 5032, 5093 and 5096, Business and Professions Code.~~

Amend the title of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

Article 2. ~~Examinations~~ Examination and Licensure

Amend Section 6 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 6. Examination Required, Passing Grades, Provisions for Disabled Applicants, Definitions.

(a) Every candidate for the CPA license is required to pass or to have passed the Uniform Certified Public Accountant Examination prepared by the American Institute of Certified Public Accountants (AICPA) or to otherwise have met the examination requirements of Business and Professions Code Sections 5082~~, 5092, 5093,~~ or ~~5093.5~~ 5082.3 and the requirements of this article.

~~On or after January 1, 2024, t~~The Uniform Certified Public Accountant Examination shall be computer-based and include a core component comprised of three required test sections and a discipline component comprised of a minimum of three test sections, only one of which is required. The aforementioned test sections shall be named by the test publisher, AICPA.

(b) The passing score for any test section of the Uniform Certified Public Accountant Examination is 75.

(c) A disabled candidate, upon request and presentation of satisfactory evidence of need, in accordance with the Americans with Disabilities Act will be afforded such accommodation in the examination procedures or the examination conditions as may be reasonable.

(d) For the purposes of this Division, "computer-based" or "computer-based testing" means a computer-based format for testing designed to be administered to a test taker through the use of a computer.

(e) For the purposes of this Article, "test section" or "section of the examination" means a distinct test section within the Uniform Certified Public Accountant Examination that is scored individually and for which credit can be achieved when passed.

(f) For purposes of this Article, "early entry" or "early admission" means the admittance to the Uniform Certified Public Accountant~~examination~~ Examination specified in this

~~section~~ Section prior to completing the educational requirements ~~pursuant to~~ as described in Business and Professions Code ~~Section~~ Sections ~~5093~~5093.2 and 5093.5.

(g) For purposes of this Article, one quarter unit is equivalent to two-thirds of one semester unit. References to semester unit requirements may be satisfied with quarter units. When totaling semester unit equivalents, the total semester unit equivalent shall be rounded to the nearest whole number (e.g., four quarter units are necessary to meet a three-semester unit requirement and 36 quarter units to meet a 24-semester unit requirement).

(h) For purposes of this Article, "institution(s) of higher education" (IHE) means colleges, universities, or other institutions of learning that provide qualifying education as described in subsections (b) and (c) of Business and Professions Code Section 5094.

(1) Whereas "United States institution(s) of higher education" (U.S. IHE) means colleges, universities, or other institutions of learning that provide qualifying education as described in subsection (b) of Business and Professions Code Section 5094.

(2) Whereas "California institution(s) of higher education" (California IHE) means a U.S. IHE with its main campus located in California. A main campus is defined as the IHE's sole or primary teaching location.

(i) For purposes of this Article, "person" means an individual, partnership, firm, association, limited liability company, or corporation as described in Business and Professions Code Section 5035.

Note: Authority cited: ~~Section~~ Sections 5010 and 5082, Business and Professions Code. Reference: Sections 313.2, 5035, 5082, 5082.1, 5082.3, ~~5092,~~ 5093 ~~and~~ 5093.2, 5093.5, and 5094, Business and Professions Code.

Amend Section 6.1 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 6.1. Additional Requirements for Computer-Based Testing.
Upon the commencement of computer-based testing in California, applicants are responsible for contacting the National Association of State Boards of Accountancy to obtain a Notice to Schedule pursuant to Section 8.1 and the examination test centers to obtain a date to examine. Applicants shall pay all required fees and comply with test center procedures and rules.

Note: Authority cited: ~~Section~~ Sections 5010 and 5082, Business and Professions Code. Reference: Sections 5082, 5082.1, 5082.2, ~~5092,~~ 5093, 5093.2, and 5131, Business and Professions Code.

Add Section 6.2 to Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 6.2. Transition to Enhanced Examination and Licensure Requirements.
(a) Between January 1, 2027, and December 31, 2028, applicants for examination and licensure shall satisfy the educational requirements pursuant to Business and Professions Code Section 5093 (Legacy Pathway) or 5093.2 (Enhanced Pathway). Applicants for licensure under the Legacy Pathway ~~requirements of Business and Professions Code Section 5093~~ are ineligible to substitute a portion of qualifying experience by earning a specified advanced degree pursuant to Section ~~12(b)(3)~~12.2 or earning a Board-recognized certificate pursuant to Section ~~12.2~~12(b)(3).

(b) This section shall become inoperative on January 1, 2029.

Note: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5093, 5093.2, 5093.3, and 5094, Business and Professions Code.

Amend Section 7.1 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 7.1. Credit Status for the Computerized Uniform ~~CPA~~ Certified Public Accountant Examination.
(a) ~~On or after January 1, 2024, an~~ An applicant may sit for test sections of the examination specified in Section 6(a) individually and in any order. When the applicant has credit for all three core test sections and one discipline test section within a rolling 30-month period as defined in subsection (b), the applicant shall be considered to have passed the examination. In addition, the following conditions for the administration of that examination shall apply:

(1) Applicants shall be issued an Authorization to Test and a Notice to Schedule as set forth in Sections 8.1 and 8.2.

(2) Applicants are given credit for test sections passed.

(3) Applicants who fail any core test section may retake that section subject to the requirements in Section 8.2. Requests to retake a failed test section are accepted on a continuous basis by the submission of an application for an Authorization to Test that is approved by the Board.

(4) Applicants may take any discipline test section but may schedule only one discipline test section at a time.

(5) Applicants who receive credit for passing one discipline test section will not be permitted to take another discipline test section unless the credit has expired in

accordance with subsection (b).

(6) Applicants who fail a discipline test section may retake any discipline test section provided they do not have credit status for any other discipline test section. Requests to retake a failed test section are accepted on a continuous basis by the submission of an application for an Authorization to Test pursuant to Section 8.2 that is approved by the Board.

(b) Except as provided in subsections (c)(2) and (d), applicants shall retain credit for any test section(s) passed for the rolling period as defined in Section 7.1(a). The rolling period begins with the date the first passing score for a test section is released. The rolling period concludes with the date the applicant takes the final test section passed, regardless of when the score is released. Once credit for a section expires that section must be retaken and passed to re-establish credit.

(c) Early entry applicants qualifying under Section 9.3 shall have a condition placed on any credit earned in accordance with this subsection and shall only be provided conditional credit scores by the Board. For the purposes of this subsection, the "condition" or "conditional credit" shall mean that such credit shall not be used to pass the examination specified in Section 6 until completing the requirements specified in ~~Section~~ subsection (c)(1) and Sections 5093 or 5093.2 of the Business and Professions Code.

(1) Early entry applicants that submit satisfactory evidence, as defined in Section 2.8, of completing educational requirements within 240 days of submitting the application in Section 9.3 to the Board, shall have the condition on any earned credit removed and credit will be granted in accordance with this Section ~~and Section 7.3, as applicable~~.

(2) Early entry applicants shall lose all credit earned if they do not complete the educational requirements and/or meet the 240-day deadline specified in subsection (c)(1) unless an extension has been granted by the Board pursuant to subsection (d).

(d) Credit for passed test sections may be extended by the Board because the applicant was prevented from sitting for an unpassed test section or sections before credit for passed test sections expired pursuant to subsection (b) or credit was lost pursuant to subsection (c) because of one of the following events:

(1) Death of an immediate family member (spouse, child or parent). Documentation, such as a copy of the death certificate, must be submitted.

(2) Catastrophic illness, contagious disease, or major traumatic injury to the candidate or immediate family member (spouse, child or parent). Submit an original letter on letterhead from the physician, which includes the date(s), nature of the

illness, and the physician's signature.

(3) Natural disaster (earthquake, flood, fire, etc.).

(4) Non-issuance of visa for travel to the U.S. Documentation, such as an official letter from the U.S. Embassy or a copy of the passport indicating a visa was requested, must be submitted.

(5) Other good cause.

Note: Authority cited: ~~Section~~ Sections 5010 and 5082, Business and Professions Code. Reference: Sections 5081, 5082, 5082.1, 5082.2, ~~5092,~~ 5093, 5093.2, and 5093.5, Business and Professions Code.

Amend Section 8.1 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 8.1. The Authorization to Test and Notice to Schedule for the Computer-Based Uniform ~~CPA~~ Certified Public Accountant Examination.

(a) An Authorization to Test (ATT) is issued by the Board to permit the applicant to test for specified sections of the computer-based Uniform Certified Public Accountant Examination. An ATT for a specified section or sections of the exam shall go into effect (be open) on the date of issuance. Within 90 calendar days of the date the ATT is issued, the applicant must remit the required fees to the National Association of State Boards of Accountancy to obtain a Notice to Schedule (NTS) pursuant to Section 6.1. If the applicant fails to remit fees and obtain the NTS, the ATT shall be deemed expired and the applicant must reapply and be issued another ATT to be able to test for that section.

(b) The NTS will enable the applicant to schedule testing at an examination test center. Except as provided in subsection (e), the NTS shall remain open until either the applicant schedules testing for the specified section(s) or nine months have transpired since the date the NTS was issued, whichever occurs first. The ATT will remain open until the applicant completes testing for the specified section(s) or nine months have transpired since the date the NTS was issued, whichever occurs first.

(c) If for any reason an applicant does not pass a section of the exam during the time the applicant holds an open ATT for that section, the applicant cannot test for that section until the applicant reapplies and is issued another ATT for that section pursuant to Section 8.2.

(d) An ATT may be suspended by the Board based on a report from the National Association of State Boards of Accountancy that its National Candidate Database has identified that the applicant holds another open ATT for the same section of the exam, has unpaid fees, or may have engaged in subversion of the exam. An ATT may also be

suspended by the Board for other good cause.

(e) The nine-month time periods specified in subsection (b) may be extended by the Board because the applicant was prevented from testing due to one of the following events:

(1) Death of an immediate family member, when accompanied by documentation, such as a copy of the death certificate.

(2) Catastrophic illness, contagious disease, or major traumatic injury to the candidate or immediate family member (spouse, child or parent), when accompanied by an original letter on letterhead from the physician, which includes the date(s), nature of the illness, and the physician's signature.

(3) Natural disaster (earthquake, flood, fire, etc.).

(4) Non-issuance of visa for travel to the U.S., when accompanied by documentation, such as an official letter from the U.S. Embassy or a copy of the passport indicating a visa was requested.

(5) Other good cause.

~~NOTE~~Note: Authority cited: ~~Section~~ Sections 5010 and 5082, Business and Professions Code. Reference: Sections 5081, 5082, 5082.1, 5082.2, ~~5092,~~ 5093, 5093.2, 5093.5, and 5131, Business and Professions Code.

Amend Section 8.2 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 8.2. Requirements for Issuance of the Authorization to Test.
(a) An application for an Authorization to Test (ATT) for the computer-based Uniform ~~CPA~~ Certified Public Accountant Examination pursuant to Section 8.1 must be complete including the candidate's name, application date, date of birth, address, telephone number, summary of education, the appropriate fees pursuant to Section 70, and a signature (or the electronic equivalent) authorizing the release of application information to the National Association of State Boards of Accountancy and the designated exam administrator. The application must also specify the section(s) of the exam the applicant is applying to take. First-time applicants, exclusive of early entry applicants, must also provide official transcripts and/or foreign evaluations pursuant to Section 9 or 9.2. First-time early entry applicants must provide official transcripts and/or foreign evaluations in accordance with Section 2.8 and completed Certificate of Enrollment Form(s) (COE-1 (~~New 7/2022~~11/25)) pursuant to Section 9.3.

(b) An applicant shall not have more than one open ATT for any section of the examination at the same time. At the time of application and during the time any ATT

issued by the California Board of Accountancy is open, the applicant shall not have an open ATT for the same section in any other state or jurisdiction.

(c) The applicant shall not apply to take, or take, any section or sections of the examination for which the applicant holds unexpired credit pursuant to Section 7.1, with the following exception: An applicant for reissuance who does not currently hold a Certified Public Accountant license in another jurisdiction may retake the examination pursuant to Section 37 of these regulations.

(d) The applicant shall certify at the time of application that they are in compliance with subsections (b) and (c). Falsifying this certification; or including any false, fraudulent, or materially misleading statements on the application for the examination; or including any material omission on the application for the examination shall be cause for action by the Board pursuant to Business and Professions Code Section 5110.

(e) Except for a CPA who is required to take specified section(s) of the examination pursuant to a disciplinary action of the Board, no CPA shall apply to take, or take, any section of the Uniform Certified Public Accountant Examination. A CPA who fails to comply with this requirement shall be subject to disciplinary action by the Board.

Note: Authority cited: ~~Section~~ Sections 5010 and 5082, Business and Professions Code. Reference: Sections 5081, 5082, 5082.1, 5082.2, ~~5092,~~ 5093, 5093.2, 5093.5 and 5131, Business and Professions Code.

Add Section 9 to Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 9. Education Required for Examination and Licensure.

(a) Each applicant for examination and licensure shall present satisfactory evidence that they have met the educational requirements of a baccalaureate or advanced degree and an accounting concentration. Satisfactory evidence of an accounting concentration shall include one of the following:

(1) Conferral of a Board-recognized degree pursuant to Section 9.4.

(2) Earning 24 semester units in the accounting subject area, 24 semester units in the business subject area, and three semester units in the ethics subject area.

(b) The subject areas of the accounting concentration are defined as follows:

(1) Accounting Subject Area. Courses from a U.S. institution of higher education's (IHE) accounting department or program shall qualify. Courses from an IHE that are not from an accounting department or program qualify as accounting subject area courses if they are in the areas of accounting, auditing, taxation, financial reporting,

financial statement analysis, and data analytics/acumen in the context of accounting.

(2) Business Subject Area. Courses from the following IHE college departments or programs shall qualify: business, computer science, information systems, economics, finance, management, marketing, mathematics, and statistics. Courses from an IHE that are not from the previously named departments or programs qualify as business subject area courses if they are in the areas of communication or law in the context of accounting or business. Accounting and ethics subject area courses in excess of the minimum accounting or ethics subject area unit requirements may be used to satisfy the business subject area requirement.

(3) Ethics Subject Area. Courses from an IHE at the upper division level or higher in accounting ethics, accountants' professional responsibilities, auditing, or fraud shall qualify. Courses completed at a community college need not be completed at the upper division level or higher.

(c) This section shall become operative on January 1, 2027.

Note: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5090, 5093.2, and 5094, Business and Professions Code.

Amend Section 9.1 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 9.1. Approved Credential Evaluation Service Status.
(a) To receive and to maintain Board approval, a credentials evaluation service shall~~:~~ submit an application on Form ~~11A-54 (11/17)~~CES-54 (11/25), which is incorporated by reference and comply with the following:

(1) Be a member of and certify to its membership in either the American Association of Collegiate Registrars and Admissions Officers, the National Association of Foreign Student Affairs, or the National Association of Credential Evaluation Services~~;~~.

(2) Furnish the Board with a copy of its current written procedure for identifying fraudulent transcripts, and certify on the application to compliance with that procedure~~;~~.

(3) Certify on the application that it maintains a complete set of reference materials, that the references are adequate to prepare complete, accurate evaluations and are the most current editions available~~;~~.

(4) Furnish the Board with resumes or curriculum vitae for each evaluator and translator, which shall provide biographical information, including a list of languages spoken and years in service. The service shall have at least one senior staff member with not less than five years of foreign student college admission experience or

closely related credentials evaluation experience at all academic levels~~;~~.

(5) Furnish the Board with its organization chart showing the ratio of senior staff members to junior staff members is, at most, one to five, and shall not exceed that ratio~~;~~.

(6) Furnish the Board with written evidence that a minimum of 50% of the evaluations performed by junior staff members are reviewed by senior staff members, and shall maintain at least that minimum; for the purposes of this paragraph, "written evidence" means it provides as a part of the application, for the previous five years, the total number of evaluations performed, the total number of evaluations performed by junior staff members, and the total number of evaluations performed by junior staff members that were reviewed by senior staff members.

(7) Furnish the Board with a list of at least three accredited colleges and universities or other licensing agencies using its services~~;~~.

(8) Furnish the Board with three letters of reference, written within the last year, from public or private agencies~~;~~.

(9) Furnish the Board with a copy of its appeal procedure for applicants, and certify to compliance with that procedure on the application~~;~~.

(10) For the initial application, furnish the Board with a sample evaluation that complies with the requirements of ~~subdivision~~ subsection (b)~~;~~.

(11) For the initial application, certifies it has, or agrees to establish within thirty days of Board approval, a minimum six-year document retention policy~~;~~.

(12) As a condition of renewal, a credentials evaluation service shall certify continued compliance with a minimum six-year document retention policy.

(13) If evaluations are sent electronically, furnish the Board with a written description on how evaluations will be submitted and steps to authenticate the electronic submission.

(b) Each evaluation provided by the Board approved service shall:

(1) Affirm in a written statement that the evaluation is based only upon authenticated, original transcripts and degrees received directly from the educational institution or its governing body~~;~~.

(2) Include certified copies of all original transcripts~~;~~.

(3) Be furnished directly to the Board, in English; on tamper-proof paper~~;~~ or by electronic transmission using an application provided by the credentials evaluation

service.

(4) Identify the primary evaluator and any secondary evaluator~~;~~.

(5) Include the name or names of the applicant as shown on the transcripts as well as the name under which the applicant requested the evaluation~~;~~.

(6) Include a report of each degree held by the applicant along with the equivalent degree offered in the United States, the date the degree was granted and the institution granting the degree~~;~~.

(7) Provide the total number of semester units completed and evaluated~~;~~.

(8) Include a listing of the course titles with the semester unit equivalent for each course listed in chronological order without categorization, extra emphasis, or distinguishing formatting for any of the courses listed~~;~~.

(9) Include the following disclaimer: “This evaluation service is not authorized by the California Board of Accountancy to include in this evaluation any opinion as to whether certain courses will be accepted by the Board as meeting the Board's requirements or whether the applicant meets the Board's requirements for taking the Uniform ~~CPA~~ Certified Public Accountant Examination or for licensure.” A Board-approved credentials evaluation service may use an alternative disclaimer of the same meaning upon written approval of the Board.

(c) The credentials evaluation service shall report to the Board annually whether it has undergone any organizational changes, including any change in the ratio required in ~~subdivision~~ subsection (a)(5), or any change in ownership. Approval issued under this section shall expire five years after the date of issuance unless renewed by the Board prior to its expiration by meeting the requirements in subsection (a). For purposes of this ~~subdivision~~ subsection, “change in ownership” means any change in legal ownership of the approved credentials evaluation service or its business entity form, including the acquisition by a person of more than 50% of an interest in or stock of the business entity's parent company, change of the business entity by incorporation or conversion of the business to another business entity form, or a change in the corporate status that requires a new corporate number as issued by the Secretary of State.

(d) In order to remain as a Board approved credentials evaluations service, the credentials evaluation service shall respond to any inquiries by the Board, submit any documents requested by the Board, provide any information requested by the Board and cooperate in any investigation conducted by the Board regarding the service's compliance with the Board's requirements.

(e) Approval may be withdrawn at any time if the credentials evaluation service fails to comply with any of the requirements of this section, or furnishes false, inaccurate,

incomplete, or misleading information to the Board.

(f) A credentials evaluation service that received Board approval prior to the date this ~~subdivision~~ subsection ~~becomes~~ became effective shall meet the requirements of this section at its next renewal.

Note: Authority cited: Sections 5010 and 5094, Business and Professions Code. Reference: ~~Section~~ Sections 5035 and 5094, Business and Professions Code.

Amend Section 9.2 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 9.2. Legacy Pathway Education Required Under Business and Professions Code ~~Sections~~ Section~~5092 and~~ 5093.

(a) Each Legacy Pathway examination applicant shall present satisfactory evidence, as referenced in Section 2.8, that they have received a baccalaureate or higher degree, completed the accounting subjects specified in subsection (b) of this section, and completed the business-related subjects specified in subsection (c) of this section.

(b) The applicant shall have completed a minimum of 24 semester units~~, or the equivalent in quarter units,~~ selected from the following accounting subjects: accounting, auditing, financial reporting, external or internal reporting, financial statement analysis, or taxation.

(c) In addition to the accounting courses described in subsection (b), an applicant shall have completed a minimum of 24 semester units~~, or the equivalent in quarter units,~~ selected from the following business-related subjects: accounting subjects in excess of the 24 semester units as described in subsection (b), business administration, economics, finance, business management, marketing, computer science/information systems, statistics, business communications, mathematics, business law, or business related law courses offered by an accredited law school.

(d) Qualifying education shall be completed within the following time frames specified in this subsection:

(1) Except as provided for in Section 9.3, applicants shall complete the education required by this section before applying for examination for the first time.

(e) ~~For purposes of this article, one quarter unit is equivalent to two-thirds of one semester unit.~~ This section shall become inoperative on January 1, 2029.

Note: Authority cited: Sections 5010~~, 5092~~ and 5093, Business and Professions Code. Reference: Sections ~~5092,~~ 5093, 5093.5, 5094.3, and 5094.6, Business and Professions Code.

Amend Section 9.3 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 9.3. Early Admission to the Uniform ~~CPA~~ Certified Public Accountant Examination ~~Under Business and Professions Code Section 5093.5~~.

(a) To be granted early admission as set forth in ~~Section~~ Sections 5093.2 and 5093.5 of the Business and Professions Code, applicants shall submit the following to the Board:

(1) A completed application for an Authorization to Test as specified in Section 8.2.

(2) Satisfactory evidence~~, defined in Section 2.8,~~ of all finished coursework towards completing the educational requirements of ~~Section~~ Sections 9 or 9.2.

(3) A completed Certificate of Enrollment Form COE-1 (~~New 7/2022~~11/25), which is hereby incorporated by reference.

(b) Only those applicants that submit satisfactory evidence of finished coursework and a completed Certificate of Enrollment Form COE-1 (~~New 7/2022~~11/25) demonstrating they are enrolled in ~~a degree-granting university, college or other~~ an institution of higher education ~~as defined in Section 5094 of the Business and Professions Code~~ and are within 180 days of completing the educational requirements of ~~Section~~ Sections 5093 or 5093.2 of the Business and Professions Code as of the date they submitted their initial application for an Authorization to Test will be admitted to sit for the examination.

(1) The approval of early entry to the examination does not constitute an approval that the applicant will meet the educational requirements as specified in ~~Section~~ Sections 5093 or 5093.2 of the Business and Professions Code.

(2) Early entry applicants that do not supply satisfactory evidence of completing the educational requirements within 240 days from the date they submitted their initial application for an Authorization to Test will not be authorized to continue to sit for the examination unless the applicant meets the requirements in ~~Section~~ Sections 9 or 9.2.

Note: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5093, 5093.2, 5093.5, and 5094, Business and Professions Code.

Add Section 9.4 to Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 9.4. Board Recognized Accounting Degrees.

(a) A baccalaureate or advanced degree in accounting (from this point referred to as an accounting degree) shall meet the following criteria to receive a six-year Board

recognition.

(1) The accounting degree shall be issued by a California institution of higher education (California IHE).

(2) The accounting degree shall be documented on certified transcripts issued by the California IHE. The accounting degree may include concentrations, subplans or be issued in conjunction with a specified degree minor only if such details are documented on certified transcripts issued by the California IHE.

(3) The accounting degree shall require the completion of the accounting concentration courses as described in Section 9. Courses that are mandatory prerequisites to required courses may be included in the calculation of the accounting concentration. This includes mandatory undergraduate prerequisites to an advanced accounting degree.

(4) The accounting degree may be a baccalaureate degree that is conferred in conjunction with a master's degree as part of a dual degree program.

(b) The Board will accept requests for accounting degree recognition from a person authorized to submit such requests on behalf of the California IHE. Such requests for recognition shall be electronically filed by submitting the following information under penalty of perjury via the Board's website:

(1) California IHE name, main campus address, and website address.

(2) Authorized point of contact name, title, mailing address, email, and phone number.

(3) Name of the accounting degree as documented on certified transcripts issued by the California IHE.

(4) Accounting degree requirements related to the accounting concentration, including minimum units, mandatory prerequisites, course titles, and the effective date of the degree requirements.

(5) An agreement to all of the following:

(A) Notify the Board by mail or email within 15 days of a recognized accounting degree no longer meeting the requirements of this Section, if applicable.

(B) Include the following statement when referring to the recognition of an accounting degree in materials published by the California IHE: "This degree is recognized by the California Board of Accountancy as meeting the minimum educational requirements for admission to the Uniform Certified Public

Accountant Examination and CPA licensure."

(C) Not state the Board reviewed or evaluated the quality of the California IHE or its accounting program.

(D) The Board ~~has sole discretion in determining~~determines whether an individual student meets the educational requirements for examination and licensure.

(E) The Board is authorized to request documentation from the California IHE to show the requirements of this Section are being met. The California IHE shall respond in writing within 30 days of receiving such a request.

(F) The Board is authorized to review the requirements of recognized accounting degrees to ensure they meet the requirements of this Section.

(c) The Board ~~may~~ will remove its recognition of an accounting degree for any of the following reasons.

(1) The accounting degree no longer meets the requirements of this Section.

(2) ~~The Board has reason to believe i~~Inaccurate information was provided to the Board during the application process.

(3) The California IHE does not respond to requests for documentation within 30 days.

(4) ~~The Board becomes aware T~~the California IHE, or its representatives, have not complied with the agreements in the recognition application process.

(5) A person authorized by the California IHE submits a written request for the removal of the recognition.

(6) Other good cause, including but not limited to: ~~that gives the Board reason to believe the requirements of this section were not met.~~

(A) The IHE incorrectly or inconsistently applies its degree requirements to students.

(B) The application for recognition is submitted by a person unauthorized to act on behalf of the IHE.

(C) The IHE advertised, represented, or otherwise held out that the IHE's degree program obtained Board recognition before approval of such recognition by the Board.

Note: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5093.2 and 5094, Business and Professions Code.

Amend Section 11 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 11. Legacy Pathway Education Required to Apply for Certified Public Accountant License.

(a) A~~n~~ Legacy applicant for certified public accountant licensure ~~after December 31, 2013,~~ that submits an application for licensure on or before December 31, 2028, pursuant to the legacy pathway specified in Business and Professions Code Section 5093 shall meet all of the following requirements:

(1) ~~completion~~ Completion of 24 semester units~~, or the equivalent in quarter units,~~ of accounting subjects as described in Section 9.2(b),

(2) ~~completion~~ Completion of 24 semester units~~, or the equivalent in quarter units,~~ of business-related subjects as described in Section 9.2(c),

(3) ~~completion~~ Completion of 20 semester units~~, or the equivalent in quarter units,~~ of accounting study as described in Section 11.1; and

(4) ~~completion~~ Completion of 10 semester units~~, or the equivalent in quarter units,~~ of ethics study as described in Business and Professions Code Section 5094.3.

(b) An applicant shall present satisfactory evidence on or before December 31, 2028, that ~~he or she~~ the applicant has completed the units required in subsection (a). If the applicant fails to provide satisfactory evidence of meeting the requirements of this section by December 31, 2028, they are subject to the examination and licensure requirements pursuant to Business and Professions Code Section 5093.2.

(c) This section shall become inoperative on January 1, 2029.

Note: Authority cited: Sections 5010, 5093, and 5094.6, Business and Professions Code. Reference: Sections 5093, ~~5093.2,~~ 5094, 5094.3, and 5094.6, Business and Professions Code.

Amend Section 11.1 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 11.1. Legacy Pathway Accounting Study.

(a) For a~~n~~ Legacy applicant to satisfy the accounting study requirement described in Section 11(a)(3), ~~he or she~~ the applicant shall meet either of the following requirements:

(1) ~~conferral~~ Conferral of a Master of Accounting, Master of Taxation, or Master of

Laws in Taxation degree, or;

(2) ~~completion~~ Completion of 20 semester units~~, or the equivalent in quarter units,~~ that satisfy the following requirements:

(A) ~~a~~ A minimum of six semester units~~, or the equivalent in quarter units,~~ shall be completed in accounting subjects as described in Section 9.2(b),

(B) ~~a~~ A maximum of 14 semester units~~, or the equivalent in quarter units,~~ may be completed in business-related subjects as described in Section 9.2(c),

(C) ~~a~~ A maximum of nine semester units~~, or the equivalent in quarter units,~~ may be completed in other academic work relevant to accounting and business; and

(D) ~~a~~ A maximum of four semester units~~, or the equivalent in quarter units,~~ may come from internships or independent studies courses which meet the subject matter requirements of ~~Section~~subsection 11.1(a)(2)(A) or (B).

(b) For the purposes of this section, “other academic work relevant to accounting and business” means:

(1) ~~a~~ A maximum of three semester units~~, or the equivalent in quarter units,~~ in courses that increase an applicant's oral, verbal, written, and presentation skills, as well as increase ~~his or her~~ the applicant’s ability to gather, critically analyze and assess, and reach conclusions. Courses counted towards this requirement shall be completed in any of the following disciplines: English, Communications, Journalism, or the Physical, Life, Natural, and Social Sciences;

(2) ~~a~~ A maximum of three semester units~~, or the equivalent in quarter units,~~ in courses in foreign languages, which may include sign language, or in courses containing the word “culture,” “cultural,” or “ethnic” in the course title; and,

(3) ~~a~~ A maximum of three semester units~~, or the equivalent in quarter units,~~ in courses that provide applicants with information on the business, economic, or financial market within which a particular industry operates. Courses shall either include the word “industry” or “administration” in the course title, or be completed in one of the following disciplines: Engineering, Architecture, or Real Estate.

(c) This section shall become inoperative on January 1, 2029.

Note: Authority cited: Sections 5010, 5093, and 5094.6, Business and Professions Code. Reference: Sections 5093 and 5094.6, Business and Professions Code.

Amend Section 12 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 12. General Accounting Experience ~~Required Under Business and Professions Code Section 5093~~.

(a) In order to meet the experience requirements of ~~Section~~ Sections 5093 and 5093.3 of the Business and Professions Code, qualifying experience must be supervised by a person holding a valid, active license or comparable authority to practice public accounting as specified in ~~subdivision~~ subsection 5093(d) ~~of~~or Section 5093.3. Supervised experience means that the applicant's supervisor shall have reviewed and evaluated the applicant's qualifying ~~work~~ experience, pursuant to subsection (b) on a routine and recurring basis and shall have authority and oversight over the applicant.

(1) Experience shall be verified by the licensee supervising the experience.

(2) Experience may not be supervised by a licensee who provides public accounting services to the applicant's employer.

(3)(A) The verification shall be submitted to the Board on Form ~~11A-30 (1/22)~~CGE-30 (11/25) for general accounting experience, which is hereby incorporated by reference, and shall be signed under penalty of perjury.

(B) If the applicant is unable to obtain the verification required in subsection (a)(3)(A), the Board may approve another form of verification if it contains the information as required in subsection (a)(3)(A).

(C) Pursuant to Section 69 the CBA is authorized to require a licensee supervising experience to appear before the Qualifications Committee to present work papers, or other evidence, substantiating the determinations the licensee made regarding the applicant's experience. When an applicant's supervisor is required to appear before the Qualifications Committee, the CBA has the authority to request the applicant also appear.

(b) ~~The experience required by Section 5093~~ Qualifying experience involves providing any type of service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax, or consulting skills. ~~Qualifying experience may be gained through employment in public accounting, private industry, or government. Experience acquired in academia is considered qualifying if the requirements of Section 12.1 are met.~~

(1) Qualifying experience may be gained through employment, internship, contract, or volunteer work in public accounting, private industry, or government.

(2) Beginning January 1, 2027, a licensure applicant applying pursuant to Business and Professions Code Section 5093.2 may substitute a maximum of one year of qualifying experience by earning an accounting-related advanced degree as described in Section 12.2.

(3) Beginning January 1, 2027, a licensure applicant applying pursuant to Business and Professions Code Section 5093.2 may substitute a maximum of six months of qualifying experience by earning a Board-recognized accounting certificate pursuant to Section 12.3. An applicant who has substituted qualifying experience pursuant to the conferral of an accounting-related advanced degree is not eligible for an additional substitution of six months of experience by earning a Board-recognized certificate.

(c) ~~The~~ Qualifying experience ~~required by Section 5093 of the Business and Professions Code~~ may be obtained in full-time or part-time ~~employment~~ increments provided the total experience completed by the applicant is the equivalent of at least one year of full-time ~~employment~~experience. In evaluating an applicant's experience, 170 hours of part-time ~~employment~~ experience shall be considered equivalent to one month of full-time ~~employment~~experience.

(d) An applicant who is applying with experience obtained five ~~(5)~~ or more years prior to application and who has not passed the Uniform ~~CPA~~ Certified Public Accountant Examination during this five-year period shall be required to complete 80 hours of continuing education, which shall meet the ~~following~~ requirements~~:~~ of Sections 87 and 88.

~~(1) The 80 hours must be completed in the two years preceding approval of the application by the Board.~~

~~(2) All 80 hours must meet the requirements as described in Section 87(a)(2) (4) and Section 88.~~

~~(3) Certificates of completion must be submitted to the Board and shall contain a verification certified by a program provider representative such as a signature or seal. The certificate of completion must also delineate the subject areas, as described in Section 87(a)(2) and (3), for which the applicant may claim credit.~~

(e) Notwithstanding this Section, general accounting experience may be gained by experience in academia pursuant to Section 12.1.

Note: Authority cited: Sections 5010, ~~and~~ 5080.1, 5093, and 5093.3, Business and Professions Code. Reference: ~~Section~~ Sections 5035, 5093, 5093.2, and 5093.3, Business and Professions Code.

Amend Section 12.1 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 12.1. Experience in Academia Toward General Accounting Experience.
(a) Pursuant to Business and Professions Code ~~section~~ Sections 5093(d)(3) and 5093.3(f), experience in academia qualifies as general accounting experience for

certified public accountant licensure if it meets the requirements provided in this ~~section~~ Section.

(b) In evaluating an applicant's experience in academia, 48 semester units of instruction~~, or its equivalent in quarter units,~~ shall be considered equivalent to one year of general accounting experience.

(c) Experience in academia shall be qualifying when the applicant is the instructor for a course meeting the following requirements:

(1) The course was in a subject listed in ~~section~~ Section 9.2(b) or Section 9(b)(1); and

(2) The course was taught at ~~an accredited institution as described in Business and Professions Code section 5094(b)~~ a U.S. institution of higher education.

(d)(1) All experience must be verified by the dean, head, or chair of the applicant's department who has authority and oversight over the applicant. The verification shall be submitted to the Board on Form ~~11A-29B (11/17)~~CEA-29 (11/25) entitled “Certificate of Experience in Academia,” which is hereby incorporated by reference.

~~(2) If the applicant is unable to obtain the verifications required in subsection (d)(1), the Board may approve other forms of verification if they contain the information as required in subsection (d)(1).~~

(e)(1) Experience in academia may be combined with other general accounting experience meeting the requirements of Section 12 at a ratio of four semester units~~, or its equivalent in quarter units,~~ to one month of general accounting experience.

(2) Notwithstanding ~~subdivision~~ subsection (e)(1), the total qualifying general accounting experience needed for licensure shall not be obtained in less than ~~12~~ 24 calendar months.

(f) An applicant who is applying with experience obtained five ~~(5)~~ or more years prior to application and who has not passed the Uniform ~~CPA~~ Certified Public Accountant Examination during this five-year period shall be required to complete 80 hours of continuing education, which shall meet the ~~following~~ requirements~~:~~ of Sections 87 and 88.

~~(1) The 80~~ hours must be completed in the two years preceding approval of the application by the Board.

~~(2) All 80~~ hours must meet the requirements as described in Section 87(a)(2-4) and Section 88.

~~(3) Certificates of completion must be submitted to the Board and shall contain a~~

~~verification certified by a program provider representative such as a signature or seal. The certificate of completion must also delineate the subject areas, as described in Section 87(a)(2) and (3), for which the applicant may claim credit.~~

Note: Authority cited: ~~Sections~~ Section 5010 ~~and 5093~~, Business and Professions Code. Reference: ~~Section~~ Sections 5093, 5093.3, and 5094, Business and Professions Code.

Add Section 12.2 to Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 12.2. Accounting-Related Advanced Degree Toward General Accounting Experience.

(a) The conferral of an accounting-related advanced degree (i.e., master's degree or doctorate) by a U.S. institution of higher education (IHE) may be substituted for one year of general accounting experience by individuals applying for licensure under the requirements of Business and Professions Code Section 5093.3. Advanced degrees in the following subject areas qualify for substitution of general accounting experience:

(1) Accounting/accountancy.

(2) Business, if a baccalaureate in accountancy has been conferred. For the purposes of this subsection a "baccalaureate in accountancy" means a baccalaureate conferred by a U.S. IHE with the term "accounting" or "accountancy" included in the name of the degree conferred on the official transcript, inclusive of degree concentrations and subplans.

(3) Computer science or information systems, if a baccalaureate degree in accountancy has been conferred.

(4) Data analytics, if a baccalaureate in accountancy has been conferred.

(5) Economics, if a baccalaureate in accountancy has been conferred.

(6) Finance, if a baccalaureate in accountancy has been conferred.

(7) Law, if a baccalaureate in accountancy has been conferred.

(8) Laws in taxation.

(9) Management, if a baccalaureate in accountancy has been conferred.

(10) Taxation.

Note: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5093.3 and 5094, Business and Professions Code.

Add Section 12.3 to Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 12.3. Board Recognized Accounting Certificate Toward General Accounting Experience.

(a) An accounting certificate shall meet the following criteria to receive a six-year Board recognition.

(1) The accounting certificate shall be issued by a California institution of higher education (California IHE) that is either a California Community College or extension program within a university.

(2) The accounting certificate shall be documented on certified transcripts issued by the California IHE.

(3) The accounting certificate shall require the completion of a minimum of 51 semester units.

(4) The accounting certificate shall require the completion of the accounting concentration courses as described in Section 9. Courses that are mandatory prerequisites to required courses may be included in the calculation of the accounting concentration ~~and the IHE should include this information in the request for accounting certificate recognition for the Board's consideration~~.

(5) The accounting certificate curriculum shall include the subject matter of auditing and attestation, financial accounting and reporting, and taxation and regulation.

(6) The accounting certificate allows a maximum of 12 semester units to be transferred from other U.S. institutions of higher education (U.S. IHE).

(b) The Board will accept requests for accounting certificate recognition from a person authorized to submit such requests on behalf of the California IHE. Such requests for recognition shall be electronically filed by submitting the following information under penalty of perjury via the Board's website:

(1) California IHE name, main campus address, and website address.

(2) Authorized point of contact name, title, mailing address, email, and phone number.

(3) Name of the accounting certificate as documented on certified transcripts issued by the California IHE.

(4) Minimum number of units required and maximum units awarded via the transfer of units from other U.S. IHEs.

(5) Certificate requirements related to the accounting concentration, including minimum units, mandatory prerequisites, course titles, coverage of required subject matter (~~business analysis and reporting, information systems and controls, and tax compliance and planning~~auditing and attestation, financial accounting and reporting, and taxation and regulation) and the effective date of the certificate requirements.

(6) An agreement to all of the following:

(A) Notify the Board in writing within 15 days of a recognized accounting certificate no longer meeting the requirements of this Section, if applicable.

(B) Include the following statement when referring to the recognition of an accounting certificate in materials published by the California IHE: "This certificate is recognized by the California Board of Accountancy as meeting the minimum course requirements for the Uniform Certified Public Accountant Examination and CPA licensure and may substitute for six months of general accounting experience."

(C) Not state the Board reviewed or evaluated the quality of the California IHE or its accounting program.

(D) The determination that an individual student meets the educational requirements for examination and licensure is ~~at the discretion of~~made by the Board.

(E) The Board is authorized to request documentation from the California IHE to show the requirements of this Section are being met. The California IHE shall respond in writing within 30 days of receiving such a request.

(F) The Board is authorized to review the requirements of recognized accounting certificates to ensure they meet the requirements of this Section.

(c) The Board ~~may~~ will remove its recognition of an accounting certificate for any of the following reasons.

(1) The accounting certificate no longer meets the requirements of this Section.

(2) ~~The Board has reason to believe~~ Inaccurate information was provided to the Board during the application process.

(3) The California IHE does not respond to requests for documentation within 30 days.

(4) ~~The Board becomes aware~~ T~~t~~he California IHE, or its representatives, have not complied with the agreements in the recognition application process.

(5) A person authorized by the California IHE submits a written request for the removal of the recognition.

(6) Other good cause, including but not limited to: ~~that gives the Board reason to believe the requirements of this section were not met.~~

(A) The IHE incorrectly or inconsistently applies its certificate requirements to its students.

(B) The application for recognition is submitted by a person unauthorized to act on behalf of the IHE.

(C) The IHE advertised, represented, or otherwise held out that the IHE's certificate program obtained Board recognition before approval of such recognition by the Board.

Note: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5093.3 and 5094, Business and Professions Code.

Amend Section 12.5 of Article 2 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 12.5. Attest Experience ~~Under Business and Professions Code Section 5095~~.
(a) To be authorized to sign reports on attest engagements pursuant to Business and Professions Code Section 5095, an applicant for, or holder of, a California Certified Public Accountant license ~~pursuant to Business and Professions Code Sections 5087, or 5093 or holder of an unexpired, valid, active California Certified Public Accountant license issued pursuant to Business and Professions Code Sections 5087, 5092, or 5093~~ shall show to the satisfaction of the Board that they meet the verified attest experience requirements of this ~~section and Business and Professions Code Section 5095~~ Section.

(1) Some or all of the ~~experience required by Section 5095 and this section~~ qualifying attest experience may be ~~completed~~ gained prior to issuance of ~~the~~ a California Certified Public Accountant license.

(2) ~~Any~~ Qualifying attest experience ~~that would be qualifying for purposes of Section 5095 and this section may~~ also serves as qualifying general experience for purposes of ~~Section~~ Business and Professions Code Sections 5093 or 5093.3.

(3) ~~To be qualifying for purposes of Section 5095 and this section, any~~ Attest experience obtained after issuance of the California Certified Public Accountant license must be obtained while the license is held in current, active, and unrestricted status to be considered qualifying attest experience.

(42) A holder of an active California Certified Public Accountant license may commence signing reports on attest engagements upon receipt of notification from the Board that they have met the requirements of this section and Business and Professions Code Section 5095. A holder of an inactive California Certified Public Accountant license may apply under this section Section, but must convert the license to active status before commencing to sign reports on attest engagements.

(53) An applicant for the California Certified Public Accountant license who has met the requirements of this section and Business and Professions Code Section 5095 may commence signing reports on attest engagements upon license issuance.

(b) In order to meet the attest experience requirements of Business and Professions Code Section 5095 an applicant for or holder of a California Certified Public Accountant license shall show to the satisfaction of the Board that the applicant has completed a minimum of 500 hours of qualifying attest experience. This experience shall include all of the following job tasks:

(1) Experience in the planning of the audit including the selection of the procedures to be performed.

(2) Experience in applying a variety of auditing procedures and techniques to the usual and customary financial transactions included in financial statements.

(3) Experience in the preparation of working papers in connection with the various elements of (1) and (2) above.

(4) Experience in the preparation of written explanations and comments on the work performed and its findings.

(5) Experience in the preparation of and reporting on full disclosure financial statements as part of the Audit or other Attest Services. This does not include experience earned through the performance of preparation engagements in accordance with the provisions of the Statements on Standards for Accounting and Review Services (SSARS).

(c) Qualifying attest experience may be gained through employment, internship, contract, or volunteer work in public accounting, private industry, or government. The following shall not qualify as attest experience:

(1) Experience acquired in academia pursuant to subsection (d)(3) of Section 5093 and subsection (f) of Section 5093.3 of the Business and Professions Code is not qualifying.

(2) Conferral of an advanced degree pursuant to subsection (b) of Section 5093.3 of the Business and Professions Code.

(3) Completion of a Board-recognized certificate or training programs pursuant to subsection (c) of Section 5093.3 of the Business and Professions Code.

(d) In order to be qualifying, attest experience ~~obtained pursuant to Section 5095 of the Business and Professions Code~~ must be supervised by a person holding a valid active license or comparable authority to provide attest services as specified in ~~subdivision~~ subsection (b) of Business and Professions Code Section 5095. Supervised experience means that the applicant's supervisor shall have reviewed and evaluated the applicant's qualifying work, pursuant to subsection (b) on a routine and recurring basis and shall have authority and oversight over the applicant.

(1) Experience shall be verified by the licensee supervising the experience.

(2) Experience may not be supervised by a licensee who provides public accounting services to the applicant's employer.

(3)(A) The verification shall be submitted to the Board on Form ~~11A-7 (1/22)~~CAE-7 (11/25) for attest accounting experience, which is hereby incorporated by reference, and shall be signed under penalty of perjury.

(B) If the applicant is unable to obtain the verification required in subsection (d)(3)(A), the Board may approve another form of verification if it contains the information as required in subsection (d)(3)(A).

(e) In order to demonstrate the completion of qualifying attest experience, an applicant for or holder of a California Certified Public Accountant license may be required to appear before the Qualifications Committee to present work papers, or other evidence, substantiating that their experience meets the requirements of subsection (b) and Section 5095 of the Business and Professions Code ~~and of subsection (b) of this section~~.

(f) The applicant who is applying with attest experience obtained outside the United States and its territories must present work papers substantiating that such experience meets the requirements of subsection (b) and generally accepted auditing standards. Alternatively, the applicant may acquire a minimum of 500 hours of United States experience which meets the requirements of Business and Professions Code Section 5095 and subsection (b).

(g) An applicant who is applying with experience obtained five ~~(5)~~ or more years prior to application and who has not passed the Uniform ~~CPA~~ Certified Public Accountant Examination during this five-year period shall be required to complete 80 hours of continuing education, which shall meet the following requirements:

(1) The 80 hours must be completed in the two years preceding approval of the application by the Board.

(2) All 80 hours must meet the requirements as described in ~~Section~~ Sections 87 and 88.

(3) The 80 hours must include, at a minimum, the following:

(A) 16 hours in financial accounting standards.

(B) 16 hours in auditing standards.

(C) ~~8~~Eight hours in compilation and review.

(D) ~~8~~Eight hours in other comprehensive basis of accounting.

(E) ~~8~~Eight hours in the prevention, detection, and/or reporting of fraud affecting financial statements.

(F) 24 hours in courses that meet the requirements of Section 87(a)(2) or Section 87(a)(3).

(4) Certificates of completion must be submitted to the Board and shall contain a verification certified by a program provider representative such as a signature or seal. The certificate of completion must also delineate the subject areas for which the applicant may claim credit.

~~(h) The experience required by Section 5093, or 5095 of the Business and Professions Code may be obtained in full-time or part-time employment provided the total experience completed by the applicant is the equivalent of at least one year of full-time employment for an applicant qualifying under Section 5093. In evaluating an applicant's experience, 170 hours of part-time employment shall be considered equivalent to one month of full-time employment.~~

Note: Authority cited: Sections 5010 and 5095, Business and Professions Code. Reference: Sections 5023, ~~5092,~~ 5093, 5093.3, and 5095, Business and Professions Code.

Amend Section 19 of Article 3 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 19. Practice Privilege Forms for Individuals.

(a) An individual who is required to provide notification to the Board pursuant to Section 5096(i)(1) of the Business and Professions Code shall do so on the Practice Privilege Pre-Notification of Listed Events Form (PP-10 (~~12/19~~11/25)), which is hereby incorporated by reference.

(b) An individual who is required to provide notification to the Board pursuant to Section

5096(f) of the Business and Professions Code shall do so on the Notification of Cessation of Practice Privilege Form (PP-11 (~~12/19~~11/25)), which is hereby incorporated by reference.

(c) An individual applying for reinstatement of a practice privilege under Section 5096.2(c) of the Business and Professions Code shall do so on the Application for Reinstatement of Practice Privilege (PP-12 (~~11/17~~11/25)), which is hereby incorporated by reference.

(d) An individual who is required to provide notification to the Board pursuant to Section 5096(e)(10) of the Business and Professions Code shall do so on the Practice Privilege Notification of Pending Criminal Charges (PP-15 (~~12/19~~11/25)) form, which is hereby incorporated by reference.

(e) An individual whose principal place of business is in a state subject to an action of the Board pursuant to Section 5096.21 of the Business and Professions Code shall, prior to practicing, submit the Practice Privilege Notification Form (PP-16 (~~12/21~~11/25)), which is hereby incorporated by reference. The fee is set at ~~zero dollars (~~$0~~)~~ for the filing of the form.

Note: Authority cited: Sections 5010 and 5096.9, Business and Professions Code. Reference: Sections 5096, 5096.2, 5096.21 and 5096.22, Business and Professions Code.

Amend Section 21 of Article 3 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 21. Appeals.

(a) Any individual practicing or wanting to practice under a practice privilege who wishes to contest an action taken by the Board or the Executive Officer under Section 5096(~~g~~f), 5096(~~h~~g), or 5096(~~i~~h) of the Business and Professions Code may appeal such action to the Board. The appeal shall be filed within 15 days of the date of the action or written notification of the action from the Board. Two signed copies of the appeal shall be mailed or delivered to the office of the California Board of Accountancy. The appeal shall contain the following information:

(1) The name, business address, residence address, and state of licensure of the out-of-state licensee making the appeal.

(2) The action being appealed and the date of the action or written notification of the action from the Board.

(3) A summary of the basis for the appeal, including any information which the out-of-state licensee believes was not given adequate consideration by the Board or the Executive Officer.

(b) If the action taken under Section 5096(~~g~~f), 5096(~~h~~g), or 5096(~~i~~h) of the Business and Professions Code was taken by the Executive Officer, the Board will consider only appeals based on information previously considered by the Executive Officer. If the individual wishes to submit for consideration additional evidence or information not previously submitted to the Executive Officer, such additional information should be submitted with the request for appeal. An appeal based on evidence or information not previously submitted to the Executive Officer will be referred by the Board to the Executive Officer for further consideration.

(c) The out-of-state licensee shall comply with any action or order of the Board until such time as the appeal is acted upon.

Note: Authority cited: ~~Section~~ Sections 5010 and 5096.9, Business and Professions Code. Reference: Sections 5096, 5096.6, 5103, and 5108, Business and Professions Code; and Section 11415.50, Government Code.

Amend Section 36.1 of Article 5 of Division 1 of Title 16 of the California Code of Regulations to read as follows:

§ 36.1. Reciprocity ~~Out-of-State Licensee~~.
(a) The Board will consider licensure applications filed under Section 5087 of the Business and Professions Code from holders of current, active, and unrestricted Certified Public Accountant licenses issued under the laws of any state. The Board may deny an application when the facts indicate that the applicant has been a California resident before, during, or after having obtained a CPA license in another state and when the facts indicate that the applicant's CPA license was obtained in another state to evade otherwise applicable California statutes and rules.

(b) An applicant pursuant to Business and Professions Code Section 5087 may be considered to have met the education, examination, and experience requirements for issuance of the California license if the applicant shows, to the satisfaction of the Board, that ~~he or she~~ the applicant has engaged in the practice of public accounting as a licensed Certified Public Accountant in another state for four of the ten years preceding the date of application for a California license.

(c) An applicant pursuant to Business and Professions Code Section 5087 may be considered to have met the attest experience requirement of Business and Professions Code Section 5095 if the applicant shows to the satisfaction of the Board ~~that he or she~~ the applicant has met all of the following:

(1) The applicant has ~~been authorized to provide~~ provided attest services and engaged in the practice of public accounting as a Certified Public Accountant in another state for four of the ten years preceding the date of application for a California license.

(2) The applicant has completed the job tasks described in Section 12.5(b).

Note: Authority cited: Sections 5010 and 5018, Business and Professions Code. Reference: Sections 5082, 5087, and 5095, Business and Professions Code.