

Melanie S. Griffin, Secretary

Ron DeSantis, Governor

July 11, 2024
Board of Accountancy
Department of Business and Professional Regulations
Division of Real Estate Board Room,
400 W. Robinson Street, Suite N901, Orlando, Florida 32801

Notice

Thursday, July 11, 2024

1:30 p.m. Call to Order Brent Sparkman
Roll Call and Quorum Roger Scarborough

1. FIPCA Presentation – Mobility
2. Substantially Equivalent Jurisdictions
 - a. Education Requirements for Licensure
 - b. Rule 61H1-29.001 (NEW)
 - c. Rule 61H1-29.002 (Revised)
3. IQAB Candidates for Licensure and IQEX Examination
4. Rule 61H1-31.006, Reactivation Fees
 - a. Retired Status Reactivation
5. Clay Ford Scholarship
 - a. Rule 61H1-38.004
 - b. Rule 61H1-38.005
6. Public Comments
7. Future Meetings

September 12th PC Orlando, FL
September 13th BD Orlando, FL

October 24th PC Orlando, FL
October 25th BD Orlando, FL

December 12th PC Orlando, FL
December 13th BD Orlando, FL

8. Adjourn

LICENSE EFFICIENTLY. REGULATE FAIRLY.

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Please Note: The Board of Accountancy may hear agenda items out of order rather than as presented on the agenda

61H1-29.001 Substantially Equivalent Jurisdictions.

(1) Pursuant to s. 473.3141, the Board acknowledges that the following jurisdictions have adopted standards that are substantially equivalent to the requirements in s. 5 of the Uniform Accountancy Act: Alaska, Arizona, Arkansas, California, Colorado, CNM, Connecticut, Delaware, District of Columbia, Georgia, Guam, Idaho, Indiana, Iowa, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virgin Islands, Virginia, Washington, West Virginia, Wisconsin, Wyoming

(2) The Board recognizes Alabama, Hawaii, Illinois, Kansas, Maine, Montana, Nebraska, Oklahoma as substantially equivalent if the criteria in subsection (a) of this paragraph is met. Applicants who solely meet the criteria of subsection (b) of this paragraph are not eligible to claim substantial equivalency of the states listed in this paragraph.

(a) Licensure: Only those individuals who hold an active license to practice in their home state are eligible to practice in Florida without Florida licensure, pursuant to section 473.3141(1)(a), Florida Statutes.

(b) Examination: For those applicants issued a certificate after solely passing the Uniform CPA examination and are not deemed eligible to practice as a CPA in their home state are also not deemed eligible to practice in Florida.

(3) New York and Ohio have legacy pathways to licensure. Individuals licensed or certified through one of these legacy pathways after 2012 do not automatically qualify as being substantially equivalent to the Uniform Accountancy Act (UAA) and are not eligible for mobility practice privileges in other substantially equivalent states. Is there any language we can add that directs them on how they would qualify for substantial equivalency?

Rulemaking Authority 473.304, 473.314 FS. Law Implemented 473.314, 473.315, 473.3141 FS. History–New XX-X-24

61H1-29.002 Temporary License.

(1) In each instance in which out-of-state certified public accountants or firms, not authorized to practice public accounting pursuant to the practice privileges granted to Section 473.3141, F.S., send out-of-state personnel into the state to perform a specific engagement, a temporary license will be required. Applications for temporary licenses must be filed thirty (30) days prior to commencement of the engagement. A temporary license shall not be required of a person entering this state solely for the purpose of preparing federal tax returns or advising as to federal tax matters.

(2) Applications for temporary licenses to fulfill specific engagements shall be in writing directed to the Department on forms prescribed by the Department.

(3) Each application will be accompanied by the statement of the applicant, or if it is a partnership or professional service corporation, by a partner or shareholder of the applicant, to the effect that:

(a) Said work qualifies for a temporary license;

(b) That the applicant is not maintaining a full-time office and staff in the state for the full-time public accounting practice in the state through the use of a temporary license.

(4) The out-of-state certified public accountant shall furnish the Department with the names of all out-of-state personnel coming into the state to fulfill the specific engagement and such other information as required by Chapters 455 and 473, F.S., and rules promulgated pursuant thereto. If the out-of-state certified public accountant desires to substitute personnel or bring additional personnel into the state to fulfill the specific engagement, he shall notify the Department of the names of such substituted personnel or additional personnel as soon as practicable after the substitution or addition.

(5) An out-of-state certified public accountant who is a resident of Florida may not practice as a certified public accountant in Florida through the use of temporary licenses or the practice privileges granted to Section 473.3141, F.S., nor may he assume or use the titles or designations "certified public accountant," or "public accountant" or the abbreviation "CPA," or any other title, designation, words, letters, abbreviations, sign, card, or device tending to indicate that he holds an active license under Chapter 473, F.S., nor shall such person attest as an expert in accountancy to the reliability or fairness of presentation of financial information or utilize any form of disclaimer of opinion which is intended or conventionally understood to convey an assurance of reliability as to matters not specifically disclaimed unless such person holds an active license under Chapter 473, F.S. This rule shall not prohibit the performance by such persons of other services involving the use of accounting skills, including the preparation of tax returns and the preparation of financial statements without expression of opinion thereon.

(6) A temporary license may be denied for any one of the following:

(a) The applicant has failed to fully complete required application;

(b) The applicant has committed any of the acts specified by Rule 61H1-36.004, F.A.C., which constitutes grounds for disciplinary action against a certified public accountant.

(7) Notwithstanding the above-stated requirements, a temporary license will not be required for an individual who does not have an office as defined by subsection 61H1-20.001(8), F.A.C., and either:

(a) Holds a valid license as a certified public accountant from a state the Board has determined to have adopted standards that are substantially equivalent to the certificate requirements in s. 5 of the Uniform Accountancy Act in the issuance of licenses, as identified in Rule 61H1-29.001, F.A.C. (the Board's list of approved states, effective January 1, 2024, is incorporated herein and available at <https://www.flrules.org/Gateway/reference.asp?No=Ref-16541> or at <http://www.myfloridalicense.com/DBPR/certified-public-accounting/mobility/>); or

(b) Holds a valid license as a certified public accountant and obtains verification from the National Association of State Boards of Accountancy CredentialNet service that the individual meets certificate requirements in s. 5 of the Uniform Accountancy Act, seventh edition revised May 2014, which is incorporated herein by reference. The Board has determined that posting the incorporated material on the Internet would constitute a violation of federal copyright law. At the time of adoption, the copyrighted incorporated material will be available for public inspection and examination, but may not be copied, at the Board of Accountancy, 240 N.W. 76th Dr., Suite A, Gainesville, Florida 32607, and at the Department of State, Administrative Code and Register Section, Room 701, The Capitol, Tallahassee, Florida 32399-0250. CredentialNet can be reached at credentialnet@nasba.org or (866)350-0017. 103

Rulemaking Authority 473.304, 473.314 FS. Law Implemented 473.314, 473.315, 473.3141 FS. History—New 12-4-79, Amended 2-3-81, 10-19-83, Formerly 21A-29.02, Amended 5-3-88, 12-3-89, 6-13-90, 3-29-92, 12-2-92, Formerly 21A-29.002, Amended 6-28-94, 1-11-95, 8-28-06, 12-10-09, 6-21-11, 1-7-13, 3-18-15, 5-3-20, 4-23-24, ~~X-XX-24~~.

Updating List of IQAB Countries:

The Florida Board will:

The Board will rely on the IQAB's determination of foreign credential equivalency. (eliminates the need for the Board to ratify an IQAB decision and change our list of approved countries)

The Board may accept a foreign accounting credential equivalency in partial satisfaction of its domestic credentialing requirements.

Issues around IQEX

Per 473.306(4) the Board adopts as an alternative licensure exam, the International Qualification Exam (IQEX) for applicants applying under an IQAB MRA.

The Department may rely on NASBA's determination that an applicant is eligible to sit for the IQEX.

The Department may rely on the NASBA, the AICPA, or other professional bodies to develop, administer, and grade such qualifying examination(s)

The Department may rely on NASBA's eligibility determination to decide what supporting documentation is required from an IQAB applicant.

Pre-licensure Experience:

The Board will accept work experience gained in a foreign country with an IQAB ratified agreement towards the work experience required in F.S. 473.308(4)(a). (Pre-licensure work experience.)

Self-Disclosing Investigations/Discipline and Criminal Convictions in a Foreign country

IQAB Mutual Recognition Agreements (Draft of Proposed Rule)

61H1-XX.XXXX International Qualification Exam Candidates

(1) The Board recognizes the existence of the International Qualifications Appraisal Board (IQAB), a joint body established by the National Association of State Boards of Accountancy (NASBA) and the American Institute of Certified Public Accountants (AICPA), which is charged with:

- (a) Evaluating the professional credentialing process of CPAs, or their equivalents, from countries other than the United States; and
- (b) Negotiating principles of mutual recognition agreements with the appropriate professional and/or governmental bodies of other countries seeking recognition as having requirements substantially equivalent to the requirements for the certificate of a CPA in the United States.

(3) Applicants currently licensed to practice certified public accountancy or its equivalent in a foreign country with an IQAB ratified agreement with that country, may submit their credentials for review by the Board. The Board may:

- (a) Accept a foreign accounting credential equivalency in partial satisfaction of its domestic credentialing requirements if:
 - 1. the holder of the foreign accounting credential met the issuing body's education requirement and passed the issuing body's examination used to qualify its own domestic candidates; and
 - 2. the foreign credential is valid and in good standing at the time of application for a domestic credential.
- (b) Consider the academic accounting programs approved by the provincial education bodies or the equivalent educational accreditation body to be accredited educational institutions at the time the applicant's degree was received.

(4) Per 473.306(4), **F.S.**, the Board adopts the International Qualification Exam (IQEX) as an alternative licensure exam. The Board may:

- (a) Accept NASBA's determination regarding applicant eligibility to sit for the IQEX.
- (b) Authorize NASBA, the AICPA, or other professional bodies to develop, administer, and grade such qualifying examination(s).
- (c) Accept work experience gained in a foreign country with an IQAB ratified agreement towards the work experience required in F.S. 473.308(4)(a).

(5) Pursuant to s. 473.323, **F.S.**, a Florida licensee holding a foreign license may be disciplined for any violation in Rule 61H1-36.004 to include the following:

- (a) Failure to report any investigations undertaken, or sanctions imposed, by a foreign credentialing body against the CPA's foreign credential.
- (b) Suspension or revocation of, or refusal to renew, the CPA's foreign accounting credential by the foreign credentialing body may be evidence of conduct reflecting adversely upon the CPA's fitness to retain the certificate and may be a basis for Board action.
- (c) Conviction of a felony or any crime involving dishonesty or fraud under the laws of a foreign country is evidence of conduct reflecting adversely on the CPA's fitness to retain the certificate and is a basis for Board action.

(6) The Board may notify the appropriate foreign credentialing authorities of any sanctions imposed against a CPA.

(7) The Board may participate in joint investigations with foreign credentialing bodies and may rely on evidence supplied by such bodies in disciplinary hearings.

Rulemaking Authority: _____; *Law Implemented* _____

DRAFT

61H1-31.006 Reactivation Fee.

(1) The application fee for reactivation of an inactive status license to active status shall be \$250.00; for reactivation of a delinquent status license to active, \$250.00. In all cases completion of the requirements of Rule 61H1-33.006, F.A.C., shall be required for reactivation.

(2) The application fee for reactivation of a retired status license to active status shall be \$250.00. In all cases completion of the requirements of Rule 61H1-30.060 (7) (b) , F.A.C., shall be required for reactivation.

Rulemaking Authority 473.305, 473.313 FS. Law Implemented 473.305, 473.313 FS. History–New 1-7-13, Amended X-XX-24.

RM's Suggested Recommendations (Clean Copy):

61H1-31.006 Reactivation Fee.

(1) The application fee for reactivation of an inactive status license to active status shall be \$250.00. The application fee to reactivate a delinquent status license to active is \$250.00. Applicants seeking reactivation of an inactive or delinquent license shall comply with the requirements of Rule 61H1-33.006, F.A.C.

(2) The application fee for reactivation of a retired status license to active status shall be \$250.00. Applicants seeking reactivation of a retired license shall comply with the requirements of Rule 61H1-30.060 (7)(b), F.A.C.

Rulemaking Authority 473.305, 473.313 FS. Law Implemented 473.305, 473.313 FS. History–New 1-7-13, Amended X-XX-24.

61H1-38.004 Eligibility Criteria.

A student who meets the foregoing general criteria shall be eligible to be chosen to receive a scholarship so long as the following criteria are met:

(1) Applicants must demonstrate a financial need which is defined as the cost of attendance at an institution of higher education less the expected family contribution and any gift aid for which the student is entitled. "Cost of attendance" is defined as a Board approved estimate of the expenses incurred by a typical financial aid student attending college. It includes direct educational costs (tuition, books, supplies, computers) as well as indirect costs (room and board, transportation, laundry, child care and personal expenses). Applicants will be required to authorize the Certified Public Accountant Education Minority Assistance Advisory Council (Council) to verify information submitted including financial assistance and educational costs. It is the intent that scholarship money from this source should not affect a student's eligibility for other scholarships, but should reduce their self-help aid. However, the Council shall take other assistance into consideration when determining a student's eligibility for a scholarship under this section.

(2) Applicants must be enrolled as full-time or part-time students, as designated by the academic institution, in a fifth year accounting program as defined in Section 473.306(2), F.S., at an approved institution as defined in Rule 61H1-27.001, F.A.C., and declared a major in accounting.

(3) Applicants must demonstrate scholastic ability of a minimum undergraduate grade point average of 2.5 based on a 4.0 scale.

(4) Applicants must be academically in good standing as defined by the college or university.

(5) Applicants must be of "good moral character" as that term is defined in Section 473.306(2)(b), F.S.

(6) All applications must be postmarked by June 1 of the academic year to which the scholarship will apply.

Rulemaking Authority 473.304(1), 473.3065(3) FS. Law Implemented 473.3065 FS. History—New 9-22-99, Amended 5-28-06, 10-9-13, X-XX-24.

61H1-38.005 Scholarships.

(1) Scholarships for full-time students will be awarded in an amount not to exceed \$8,000.00, per semester up to a maximum of two (2) semesters.

(2) Scholarships for part-time students will be awarded at half the amount provided to full-time students, not to exceed \$4,000.00, per semester up to a maximum of two (2) semesters.

~~(2)~~ 3 Scholarship awards will be made payable to the institution and will be transmitted during September for those enrolled in the fall term and during January for those enrolled in the winter term.

~~(3)~~ 4 A maximum of \$200,000.00 may be expended for all scholarships each year.

~~(4)~~ 5 A minimum of \$1,000.00 must be maintained in the program account.

Rulemaking Authority 473.304(1), 473.3065(3) FS. Law Implemented 473.3065 FS. History—
New 9-22-99, Amended 10-5-09, 10-9-13, 1-31-18, 1-26-22, ~~X-XX-24~~.