



Notice of Proposed Changes in The Regulations of the State Board of Public Accountancy

Proposed Regulations - FAQ

January 2024

1. What is the purpose of the proposed regulations? What will this regulation do?

1. **Article I. Rules of Professional Conduct (12 AAC 04.004 – 12 AAC 04.120)** is proposed to be amended to update outdated section references and current publication dates for the Code of Professional Conduct of the AICPA Professional Standards, adopted by reference.
2. **Article II. The Board (12 AAC 04.130 – 12 AAC 04.145)** is proposed to be amended to update professional terminology to align with nationwide industry standards and provide clarification regarding special meetings of the board.
3. **Article III. License and License Renewal Requirements (12 AAC 04.150 – 12 AAC 04.189)** is proposed to be amended to provide clarification regarding the licensure requirements for individuals, including the addition of background checks and confirming the board's authority to use its discretion in accepting an education from a board approved a college or university on application for a license.
4. **Article IV. Examination (12 AAC 04.190 – 12 AAC 04.235)** is proposed to be amended to update the length of time an exam candidate has to pass the CPA examination and provide clarification regarding when a score extension request can be made.
5. **Article V. Permits and Practice Privileges (12 AAC 04.240 – 12 AAC 04.285)** is proposed to be amended adding clarity regarding the instances when a firm must obtain a permit in the state, updating redundant wording to remove references to "out of state permit" and insert a new definition of "firm" with conforming language implementing statutory changes to AS 08.04 under 1 Chapter 5 SLA 2022 (HB44).
6. **Article VI. Continuing Education (12 AAC 04.300 – 12 AAC 04.440)** is proposed to be amended to provide clarity regarding the purpose of continuing education, confirmation of approved subjects, and including a provision regarding inactive CPAs and how they are allowed to hold themselves out. Terminology has been updated to current industry standards and regulations referenced have been updated.

7. **Article VII. Disciplinary Guidelines (12 AAC 04.500 – 12 AAC 04.530)** is proposed to be amended to update out of date terminology and publication dates for adopted reference materials to align with industry standards, to also include technical edits and updates to statutory and regulatory citations throughout.
8. **Article VIII. Quality Review (12 AAC 04.600 – 12 AAC 04.690)** is proposed to be amended updating wording with current industry terminology, replacing all references to “quality review” with “peer review.” Sections within this article have been repealed and amended to reflect current publication dates and to remove any unnecessary language.

2. What are the costs to comply with the proposed regulations?

There are no known costs to comply with the proposed regulations.

3. When will the regulations be effective?

After the public comment deadline, comments received are compiled and given to the Board for consideration. The Board may adopt the regulation as written/publicly noticed, may amend and adopt them, choose to take no action, or may withdraw the proposed regulations in part or in its whole. After Board action, the adopted regulations goes to Department of Law (DOL) for final review/approval. DOL either approves or disapproves regulations. Once approved by DOL, it goes to the Lt. Governor for filing. Regulation takes effect on the 30th day after they have been filed by the Lt. Governor.

Do you have a question that is not answered here? Please email RegulationsAndPublicComment@alaska.gov so it can be added.