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File Date: 8/13/14

Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.

Agency/Board/Commission:	Tennessee State Board of Accountancy
Division:	Division of Regulatory Boards, Department of Commerce and Insurance
Contact Person:	Chris Whittaker
Address:	500 James Robertson Parkway; Nashville, TN 37243
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Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

ADA Contact:	Don Coleman
Address:	500 James Robertson Parkway, 5 th Floor; Nashville, TN 37243
Phone:	(615) 741-6500
Email:	Don.Coleman@tn.gov

Hearing Location(s) (for additional locations, copy and paste table)

Address 1:	500 James Robertson Parkway		
Address 2:	1 st Floor, Conference Room 1-A		
City:	Nashville, TN		
Zip:	37243		
Hearing Date :	10/17/14		
Hearing Time:	9:00 A.M.	<input checked="" type="checkbox"/> CST/CDT	<input type="checkbox"/> EST/EDT

Additional Hearing Information:

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Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) (ALL chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only **ONE** Rule Number/Rule Title per row.)

Chapter Number	Chapter Title
0020-01	Licensing and Registration Requirements
Rule Number	Rule Title
0020-01-.08	Renewal of Licenses

Chapter Number	Chapter Title
0020-04	Disciplinary Action and Civil Penalties
Rule Number	Rule Title
0020-04-.03	Grounds for Discipline Against Licensees

Chapter Number	Chapter Title
0020-05	Continuing Education
Rule Number	Rule Title
0020-05-.08	Failure to Meet CPE Requirements

Chapter 0020-01
Board of Accountancy, Licensing and Registration Requirements

Amendments

Rule 0020-01-.08 Renewal of Licenses is amended by adding a new paragraph (8) as follows:

- (8) An applicant for licensure meeting the requirements of T.C.A. § 4-3-1304(d)(1) may:
- (a) Be issued a license under this chapter upon application and payment of all fees required for issuance of a regular license of the same type if, in the opinion of the Board, the requirements for certification or licensure in the state where the applicant is licensed are substantially equivalent to that required in Tennessee; or
 - (b) Be issued a temporary permit as described herein if the Board determines that the applicant's license does not meet the requirements for substantial equivalency, but that the applicant could perform additional acts, including - but not limited to - education, training, or experience, in order to meet the requirements for the license to be substantially equivalent. The Board may issue a temporary permit upon application and payment of all fees required for issuance of a regular license of the same type, which shall allow such person to perform services as if fully licensed for a set period of time that is determined to be sufficient for the applicant to complete such requirements.
 - 1. After completing those additional requirements and providing the Board with sufficient proof thereof as may be required, a full license shall be issued to the applicant with an issuance date of the date of the original issuance of the temporary permit and an expiration date as if the full license had been issued at that time.
 - 2. A temporary permit shall be issued for a period of less than the length of a renewal cycle for a full license.
 - 3. A temporary permit shall expire upon the date set by the Board and shall not be subject to renewal except through the completion of the requirements for substantial equivalency as required by the Board or by an extension of time granted for good cause by the Board.
 - 4. Should an extension to a temporary permit cause the permit to be in effect longer than the renewal cycle of a full license, the holder of the temporary permit shall file a renewal application with such documentation and fees, including completion of continuing education, as are required by the Board for all other renewals of a full license of the same type.
- (9) Military education, training, or experience completed by a person described at T.C.A. § 4-3-1304(d)(1)(B)(ii)(a)-(c) shall be accepted toward the qualifications, in whole or in part, to receive any license issued by the Board if such military education, training, or experience is determined by the Board to be substantially equivalent to the education, training, or experience required for the issuance of such license.
- (10) Any licensee who is a member of the National Guard or a reserve component of the armed forces of the United States called to active duty whose license expires during the period of activation shall be eligible for renewal for a period of six (6) months after the licensee is released from active duty without:
- (a) Payment of late fees or other penalties;
 - (b) Obtaining continuing education credits when:
 - 1. Circumstances associated with the person's military duty prevented the obtaining of continuing education credits and a waiver request has been submitted to the Board; or

2. The person performs the licensed or certified occupation as part of such person's military duties and provides documentation sufficient to demonstrate such to the Board, or;
 - (c) Performing any other similar act typically required for the renewal of a license or certification.
- (11) Any person renewing under paragraph (10) shall provide the Board such supporting documentation evidencing activation as may be required by the Board prior to renewal of any license pursuant to that paragraph.

Authority: T.C.A. §§ 62-1-105, 62-1-107, and 4-3-1304.

Chapter 0020-04
Board of Accountancy, Disciplinary Action and Civil Penalties

Amendments

Rule 0020-04-.03 Grounds for Disciplinary Action Against Licensees is amended by adding a new paragraph (c)9. to read as follows:

9. Failure to timely pay professional privilege tax as required by law.

Authority: T.C.A. §§ 62-1-105, 62-1-111, 62-1-113, 62-1-117, 67-4-1702, and 67-4-1704.

Chapter 0020-05
Board of Accountancy, Continuing Education

Amendments

Rule 0020-05-.08 Failure to Meet CPE Requirements is amended by deleting the paragraphs (1)-(3) in their entirety and amending the rule to read as follows:

- (1) A penalty of (8) additional CPE hours will be assessed against those license holders who fail to timely complete the eighty (80) hour two (2) year minimum required by Rule 0020-5-.03 unless an extension of time under Rule 0020-5-.07 is granted by the Board.
- (2) A penalty of eight (8) additional CPE hours will be assessed against those license holders who fail to timely complete the forty (40) hour requirement in the subject areas of accounting, accounting ethics, attest, taxation, or management advisory services required by Rule 0020-5-.03 unless an extension of time under Rule 0020-5-.07 is granted by the Board.
- (3) A penalty of (8) additional CPE hours will be assessed against those license holders who fail to timely complete at least twenty (20) hours in each year of the biennial renewal period as required by Rule 0020-5-.03 unless an extension of time under Rule 0020-5-.07 is granted by the Board.
- (4) A penalty of (8) additional CPE hours will be assessed against those license holders who perform the attest function who fail to timely complete the twenty (20) hour requirement in the subject areas of attest and accounting theory and practice required by Rule 0020-5-.03 unless an extension of time under Rule 0020-5-.07 is granted by the Board.
- (5) A penalty of eight (8) additional CPE hours will be assessed against those license holders who fail to timely complete the two (2) hour state specific continuing professional education ethics course required by Rule 0020-5-.03 unless an extension of time under Rule 0020-5-.07 is granted by the Board.
- (6) A licensee who is assessed a penalty under this rule shall complete such penalty and

shall submit proof of completion of such penalty to the Board no later than one hundred and eighty (180) days from the date the Board notifies the licensee of the deficiency.

Authority: T.C.A. §§ 62-1-105, 62-1-107, and 62-1-111.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: August 12, 2014

Signature: *[Handwritten Signature]*

Name of Officer: Christopher R. Whittaker, Esq.

Title of Officer: Assistant General Counsel, Tennessee
Dept. of Commerce & Insurance

Subscribed and sworn to before me on: August 12, 2014

Notary Public Signature: *[Handwritten Signature]*

My commission expires on: May 5, 2015



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Filed with the Department of State on: 8/13/14

[Handwritten Signature]
Tre Hargett
Secretary of State

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