

BEFORE THE BOARD OF PUBLIC ACCOUNTANTS
DEPARTMENT OF LABOR AND INDUSTRY
STATE OF MONTANA

In the matter of the amendment of ARM) NOTICE OF AMENDMENT,
24.201.301 definitions; 24.201.535 and) ADOPTION, AND REPEAL
24.201.537 licensing; 24.201.2101)
renewals; 24.201.2106, 24.201.2120,)
24.201.2124, 24.201.2136,)
24.201.2137, 24.201.2138, and)
24.201.2139 continuing education;)
24.201.2410 complaint procedures; the)
adoption of NEW RULE I credit for)
blended learning; and the repeal of)
ARM 24.201.704, 24.201.705,)
24.201.706, 24.201.707, 24.201.708,)
24.201.709, 24.201.710, 24.201.718,)
24.201.720, and 24.201.726)
professional conduct)

TO: All Concerned Persons

1. On July 21, 2017, the Board of Public Accountants (board) published MAR Notice No. 24-201-50 regarding the public hearing on the proposed amendment, adoption, and repeal of the above-stated rules, at page 1088 of the 2017 Montana Administrative Register, Issue No.14.

2. On August 16, 2017, a public hearing was held on the proposed amendment, adoption, and repeal of the above-stated rules in Helena. Two comments were received by the August 18, 2017, deadline.

3. The board has thoroughly considered the comments received. A summary of the comments and the board responses are as follows:

COMMENT 1: One commenter suggested that the current CPE requirement may not allow for a wide variety of non-sponsored professional education. The commenter encouraged the board to simplify the rules and allow for a wider variety of CPE, rather than making the rules more technical and difficult to comply with.

RESPONSE 1: The board does not agree with the commenter's conclusion. The board is expanding the types of delivery methods recognized as acceptable CPE. Except for nano-learning, registration of a program sponsor is not required. Non-sponsored self-study credit can still be earned, but at 1/2 credit.

The proposed amendment to ARM 24.201.2120(1) clarifies that a program is acceptable as CPE if it is delivered from one of the expanded list of recognized delivery methods and "...contributes directly to the licensee's knowledge, ability, and/or competence to perform the licensee's professional responsibilities." The

board concludes that the amendments allow for greater flexibility for a licensee to take meaningful CPE.

COMMENT 2: One commenter included a narrative on the NASBA CPE audit process and the application of board rules by the NASBA CPE tracking system that is not part of this rule notice. Because of the commenter's experience with the rules applied through the CPE tracking system, the commenter requested further clarification of amendments to ARM 24.201.2137(1)(a). The commenter asserted that it creates confusion to determine that a self-study course not recognized by the NASBA National Registry of CPE Sponsors receives half the credit amount granted by the sponsor. Certificates from these non-recognized sponsors generally indicate the credit awarded is based on a "100 minute" hour, which is 1/2 the credit allowed from a recognized provider. After the half-credit amount granted by the sponsor is applied, this results in the licensee receiving 1/4 credit for a non-recognized sponsor self-study course.

RESPONSE 2: The board agrees that this is not the intent of this rule and is amending the rule accordingly.

4. The board has amended ARM 24.201.301, 24.201.535, 24.201.537, 24.201.2101, 24.201.2106, 24.201.2120, 24.201.2124, 24.201.2136, 24.201.2138, 24.201.2139, and 24.201.2410 exactly as proposed.

5. The board has adopted NEW RULE I (24.201.2140) exactly as proposed.

6. The board has repealed ARM 24.201.704, 24.201.705, 24.201.706, 24.201.707, 24.201.708, 24.201.709, 24.201.710, 24.201.718, 24.201.720, and 24.201.726 exactly as proposed.

7. The board has amended ARM 24.201.2137 with the following changes, stricken matter interlined, new matter underlined:

24.201.2137 CREDIT FOR FORMAL SELF-STUDY AND NANO-LEARNING PROGRAMS (1) remains as proposed.

(a) All other formal self-study programs receive continuing education credit ~~equal to half of the credit amount granted by the sponsor~~ based on a 100-minute hour. Self-study courses that are offered by a sponsor that is not recognized by the NASBA National Registry of CPE Sponsors must be at least 50 minutes to receive credit.

(2) and (3) remain as proposed.

BOARD OF PUBLIC ACCOUNTANTS
KATHLEEN VANDYKE
PRESIDING OFFICER

/s/ DARCEE L. MOE
Darcee L. Moe
Rule Reviewer

/s/ GALEN HOLLENBAUGH
Galen Hollenbaugh, Commissioner
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State November 27, 2017.