



MONTANA
ADMINISTRATIVE
REGISTER



**BOARD OF PUBLIC ACCOUNTANTS
DEPARTMENT OF LABOR AND INDUSTRY**

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2025-167.1

Summary

Implementation of Senate Bill (SB) 166 (2025) and adoption of a rolling 30-month period for examination credits

Hearing Date and Time

Tuesday, July 22, 2025, at 11:00 a.m.

Virtual Hearing Information

A public hearing will be held via remote conferencing to consider the proposed changes to the above-stated rules. There will be no in-person hearing. Interested parties may access the remote conferencing platform in the following ways:

Join Zoom Meeting

<https://mt-gov.zoom.us/j/85950036463>

Meeting ID: 859 5003 6463; Password: 719644

Dial by Telephone: +1 646 558 8656

Meeting ID: 859 5003 6463; Password: 719644

Comments

Concerned persons may present their data, views, or arguments at the hearing. Written data, views, or arguments may also be submitted at dli.mt.gov/rules or P.O. Box 1728; Helena, Montana 59624. Comments must be received by Friday, July 25, 2025, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Tuesday, July 15, 2025, at 5:00 p.m.

Contact

Department of Labor and Industry
(406) 444-5466
laborlegal@mt.gov
Montana Relay: 711

General Reasonable Necessity Statement

The 2025 Legislature passed SB 166, striking a specific credit hour education requirement from statute and requiring the board to establish education and experience requirements for applicants for a CPA license. The board is amending ARM 24.201.502 and 24.201.503 to allow three separate education levels to become licensed, and establishing experience requirements for each of those levels of education. Additionally, the board is amending ARM 24.201.516 to reflect a national trend to allow candidates sitting for the examination to have a rolling 30-month period to pass the four sections, rather than 18 months. The board determined, based on the amount of requests to extend credit for test scores, that 30 months would better allow candidates to prepare for the examinations.

Rulemaking Actions

AMEND

The rules proposed to be amended are as follows, stricken matter interlined, new matter underlined:

24.201.502 ACCOUNTING AND AUDITING EXPERIENCE REQUIREMENTS

- (1) To be issued a license, an applicant must provide evidence of acceptable accounting and/or auditing experience.
- (2) Acceptable experience is performing accounting and/or auditing functions ordinarily required in the practice of public accounting, provided this experience:
 - (a) is attested to by:
 - (i) a U.S. CPA whose license was active and current at the time of attestation; or
 - (ii) a fully licensed individual from a professional accounting body with a MRA with NASBA and the AICPA who supervises or directs the applicant; or
 - (b) is evaluated by the board for military experience based on information provided by the applicant's commanding officer; and
 - (c) takes place in the three years prior to the date of the application; and
 - (d) ~~includes at least 12 calendar months (2000 hours actual work experience) of private, governmental, academic, or public accounting work acceptable to the board; and~~
 - (e) includes at least 12 calendar months and 2000 hours of actual work experience for each year required for licensure under ARM 24.201.503.
- (3) If the attester is not the applicant's supervisor, the attester must:
 - (a) be familiar with the applicant's work and provide a narrative of the step taken to determine the work experience meets professional standards;
 - (b) provide an explanation of how the attested hours were verified; and
 - (c) confirm the hours and work product with the applicant's supervisor.

Authorizing statute(s): 37-1-131, 37-50-203, MCA

Implementing statute(s): 37-1-131, 37-50-203, 37-50-302, 37-50-325, MCA

24.201.503 APPLICANT FOR INITIAL LICENSE

- (1) All applicants for a license must:
 - (a) meet the requirements of 37-50-302, MCA;

- (b) submit a complete application and pay all fees;
- (c) meet ~~the one of the following~~ education and experience requirements ~~of 37-50-305, MCA, and:~~
 - (i) ~~meet the education requirements of ARM 24.201.501; or a post-baccalaureate degree with a concentration in accounting as required by ARM 24.201.501 from an accredited institution and one year of accounting experience meeting the requirements of ARM 24.201.502;~~
 - (ii) ~~for applicants with exam dates prior to November 1997, meet the following education requirements:~~ a baccalaureate degree with a concentration in accounting as required by ARM 24.201.501 plus an additional 30 semester hours and one year of accounting experience meeting the requirements of ARM 24.201.502; or
 - (A) ~~An applicant who has examination scores for an examination administered prior to or in May 1996 must have graduated from a college or university accredited at the time of the applicant's graduation with:~~
 - (I) ~~a baccalaureate degree, with a concentration in accounting, including 24 semester hours (36 quarter hours) of accounting, auditing, and tax courses, and 18 semester hours (27 quarter hours) in other areas of business such as business law, management, marketing, economics, and finance. The other areas of business shall include no more than six semester hours (nine quarter hours) in one area; or~~
 - (II) ~~a baccalaureate degree, with a concentration other than accounting and five years of employment experience at a public accounting firm, or in industry or government in a responsible financial position; or~~
 - (III) ~~a baccalaureate degree, with a concentration other than accounting and related courses in other areas of business administration which the board considers to be an equivalent education, including 12 semester hours (18 quarter hours) of accounting, auditing, and tax courses, and nine semester hours (14 quarter hours) in other areas of business such as business law, management, marketing, economics, and finance. The nine semester hours (14 quarter hours) shall include no more than three semester hours (five quarter hours) in one area.~~
 - (B) ~~An applicant who has examination scores for an examination administered in November 1996 or May 1997 must have~~

~~graduated from a college or university then accredited to offer a baccalaureate degree subsequent to passing the exam, and completed 24 semester hours (36 quarter hours) of accounting, auditing, and tax courses, and 18 semester hours (27 quarter hours) in other areas of business such as business law, management, marketing, economics, and finance. The 18 semester hours (27 quarter hours) shall include no more than six semester hours (nine quarter hours) in one area.~~

- (iii) a baccalaureate degree with a concentration in accounting as required by ARM 24.201.501 and two years of accounting experience meeting the requirements of ARM 24.201.502;
 - (d) pass the Uniform Certified Public Accountant exam in accordance with ARM 24.201.516 or 24.201.517;
 - (e) pass the comprehensive professional ethics for CPAs course developed by the AICPA; and
 - ~~(f) meet the experience requirement of ARM 24.201.502; and~~
 - ~~(g)~~(f) provide a license verification if currently holding or have ever held a professional license in another state.
- (2) Applicants for initial license who did not sit for the exam as a Montana candidate must submit official transcripts for all domestic education to CPAES for evaluation in reference to Montana education requirements.
 - (3) Incomplete applications for licensure that are older than 12 months will be considered invalid and void. The applicant will be required to reapply and pay another fee.

Authorizing statute(s): 37-1-131, 37-50-201, 37-50-203, MCA

Implementing statute(s): 37-1-131, 37-50-203, 37-50-302, 37-50-305, MCA

24.201.516 GRANTING OF EXAMINATION CREDIT

- (1) An examination candidate may take test sections individually and in any order. Any test section passed is valid for ~~18~~ 30 months from the ~~actual~~ date the examination candidate took the test section passing score is released by NASBA to the candidate or the board, as the case may be.

- (2) ~~All test sections must be passed within an 18-month period, which begins on the date the first test section that was passed was taken~~ Candidates shall pass all required test sections within a rolling 30 month period. The rolling 30-month period begins on the date the first passing score(s) are released by NASBA to the candidate or the board, as the case may be. The rolling 30-month period concludes on the date the candidate sits for the final test section passed, regardless of when the score is released by NASBA for the final test section.
- (a) ~~An examination candidate cannot retake any failed test section in any one three-month testing period.~~
- (b) ~~If the board determines that the examination system changes necessary to eliminate the three-month testing period limitations have been implemented, (a) will no longer be effective and a candidate can retake a test section once their scores for any previous attempt of that same test section have been released.~~
- (3) In the event all test sections are not passed in ~~an 18~~ a 30-month period, credit for any test section passed outside the ~~18~~ 30-month period will expire and that test section must be retaken.
- (4) The ~~18-30~~-month period in which to pass all required sections of the examination may be extended if a hardship exception is approved by the board or its designee.

Authorizing statute(s): 37-50-204, MCA

Implementing statute(s): 37-50-204, 37-50-302, MCA

Small Business Impact

The board has determined that the class of persons or small businesses affected are primarily those seeking to become licensed by this board, or those businesses seeking to hire new accountants. The potential effects include the possibility that there will be more prepared candidates more likely to pass the examination, leading to more potential employees and more potential licensees in Montana. However, none of the proposed changes affect the qualifications for licensure. Applicants must still have appropriate education, experience, and passage of the examination to become licensed.

Bill Sponsor Notification

The bill sponsor contact requirements apply and have been fulfilled. The primary bill sponsor was contacted on May 7, 2025, by electronic mail.

Interested Persons

The agency maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the agency. Persons wishing to have their name added to the list may sign up at dli.mt.gov/rules or by sending a letter to P.O. Box 1728, Helena, Montana 59624 and indicating the program or programs about which they wish to receive notices.

Rule Reviewer

Jennifer Stallkamp

Approval

Sarah Swanson, Commissioner

Approval

Mike Johns, CPA, Presiding Officer, Board of Public Accountants