Comment 1 - Proposed repeal of Rule 10.4 re: non-resident licensee renewal

The proposal would remove the ability of non-resident licensees seeking to renew their AR license to satisfy Arkansas CPE requirements by completing their home state CPE requirements. The rule would thus eliminate CPE mobility, a key concept for CPAs with multiple state CPA license. The proposed rule also removes the same ability to rely on the completion of a CPA's home state CPE requirements for those practicing in Arkansas under the substantial equivalency (CPA mobility) provision in A.C.A §17-12-311. The rule change would burden CPAs practicing in the state by requiring them to satisfy Arkansas's CPE requirements though they may only practice in Arkansas on a limited or infrequent basis.

Board Response

After much discussion regarding this comment, the Board ultimately decided that it did not want to create two classes of licensees - those who had to follow the Board's CPE rules and those who do not. The Board believes it is fair / equitable to require all licensees to meet the same standards and requirements.

Proposed repeal of Rule 11.1(b) re: informal review process of possible violations

The proposal would remove the ability of the Board's designee and accused violator to resolve portions of the complaint informally. Where components of a case can be resolved at the agreement of both sides without the need for formal enforcement procedures, the Board's rules should allow it. The cost to both the Board and accused from carrying out formal proceedings may exceed the named charges; where both parties can find equitable settlement and limit costs and time, the Board's representatives should have the flexibility to reach an agreement.

The Board believes this comment was made due to a misunderstanding of the proposed rule change as well as other provisions within our rules. We have no desire to remove the ability of the Board and any accused violators to reach a settlement outside of the hearing process. Currently most of our disciplinary cases are handled by settlements and we do not anticipate that practice changing in the near future. Following its consideration of this comment, the Board decided not to repeal Rule 11.1(b) in its entirety. Instead, the Board revised current Rule 11.1(b) to eliminate the possibility of confusion reflected in this comment.

Proposed repeal of Rule 11.2(e) re: answering of complaints

The proposal removes the ability of defendants to answer the complaint, incorporating their defenses and challenging the sufficiency of the underlying complaint or Board jurisdiction. A defendant's answer allows them to get critical information to the Board which may be used to judge whether further enforcement proceedings should be pursued. Removing the ability of defendant's to answer a complaint results in additional costs to both the Board/state and the defendant as both sides must spend time and resources in pursuing or defending the charges when the Board might have acted earlier with the information currently contained in a defendant's answer.

The Board does not wish to remove the ability of the complainant to respond to the complaint. The licensee is always given the opportunity to respond - often multiple times - well before the disciplinary case rises to the level where a hearing is ordered. The Board believes the current rule is unnecessary because a) opportunities are given to respond to the complaint formally or informally well before a hearing is determined to be necessary; and b) removal of the *obligation* to file an answer to the hearing notice does not prohibit the filing of such answer if the respondent wishes to do so.