

## AMENDMENT TO THE REGULATIONS OF THE COMMISSIONER OF EDUCATION

Pursuant to sections 207, 6504, 6507, 7401 and 7404 of the Education Law

1. Section 70.4 of the Regulations of the Commissioner of Education is amended, as follows:

### Section 70.4 Licensing examinations

(a) Content. The licensing examination shall consist of an examination designed to test the knowledge and skills required for licensure as a certified public accountant as determined by the Department. The Department may accept an examination to become a licensed certified public accountant as recommended by the State Board for Public Accountancy. [the following sections:

- (1) financial accounting and reporting;
- (2) business environment and concepts;
- (3) regulation; and
- (4) auditing and attestation.]

(b) Passing score. [The passing score in each section shall be 75.0] The Department shall determine a passing score, in consultation with the State Board for Public Accountancy, on an examination accepted pursuant to subdivision (a) of this section.

(c) Retention of credit. [A candidate shall be subject to the retention of credit requirements of paragraph (1) of this subdivision, unless the candidate passed two or more sections of the paper-and-pencil version of the examination administered prior to December 4, 2003 in which case the candidate shall be subject to the retention of credit requirements of paragraph (2) of this subdivision.]

(1) For purposes of this paragraph, examination window means a three-month period in which the examination is available within a quarter of the year, the beginning and ending of which shall be established by the examination provider. A candidate may take the required sections of the examination individually and in any order. Credit for any section passed shall not be valid for more than 18 months, calculated from the last day of the examination window in which the candidate sat for such section of the examination. A candidate must pass all four sections of the examination within a rolling 18-month period, which begins on the last day of the examination window in which the candidate sat for any section of the examination that the candidate passed. A candidate may not retake a failed section of the examination in the same examination window.

(2) Transitional retention period. A candidate who has acquired credit for passing two or more sections of the paper-and-pencil version of the examination administered prior to December 4, 2003 shall be allowed a transitional retention period to obtain a passing score on the remaining sections of the computer-based format of the examination. The transitional retention period shall consist of the three-year period in which the candidate was required to pass all sections of the paper-and-pencil examination, extended to the last day of the month in which the three-year period ends, provided that such period shall terminate before the end of such three-year period as extended, if the candidate has exhausted six opportunities to pass the remaining sections of the licensing examination in whatever format before the end of that period. In that case, the transitional retention period shall terminate on the date the candidate has exhausted the six opportunities. A candidate may not retake a failed section of the examination in

the same examination window, meaning a two-month period in which the examination is available within a quarter of the year.

(3) A candidate who has been awarded credit for passing a section of the licensing examination administered prior to December 4, 2003 shall receive credit for the corresponding section of the licensing examination administered after that date, as follows, provided that the candidate has met the retention of credit requirements of this subdivision:

(i) a candidate who has been awarded credit for financial accounting and reporting shall be awarded credit for financial accounting and reporting;

(ii) a candidate who has been awarded credit for business law and professional responsibilities shall be awarded credit for business environment and concepts;

(iii) a candidate who has been awarded credit for accounting and reporting shall be awarded credit for regulation; and

(iv) a candidate who has been awarded credit for auditing shall be awarded credit for auditing and attestation.]

The retention period on an examination approved pursuant to subdivision (a) of this section shall be for a period of 18-months. Such 18-month period shall be computed in a manner determined by the Department.

(1) Extension requests. The Department may in its discretion provide an applicant with an extension to the retention period prescribed in paragraph (c) of this subdivision. An extension may be granted upon a finding by the Department of extenuating circumstances outside the applicant's control. The length of an extension shall be determined by the Department as it relates to the length of the extenuating circumstances

experienced by the applicant. The Department may consult with the State Board for Public Accountancy on the appropriateness of granting extension requests.

(d) Admission to the examination. [The Department shall accept passing scores on the uniform certified public accountant examination, or on an examination determined to be comparable in content, as meeting the requirement of the licensing examination, except where the Department determines that the administration, scoring, content or other comparable factors concerning such examination have affected the validity and/or integrity of such examination so as to render acceptance of such scores inappropriate.] For admission to the licensing examination as a New York State candidate, the candidate shall meet all education requirements including, but not limited to, [Candidates shall complete] completion of a minimum of 120 semester hours of study in an acceptable [a regionally] accredited college or university which shall include at least one course in each of the mandatory professional accounting content areas defined in subparagraph (i) of paragraph (1) of subdivision (b) of section 52.13 of the Regulations of the Commissioner of Education, or its equivalent as determined by the Department[, for admission to the licensing examination as a New York candidate].

(e) Transfer of examination credit. Candidates who have passed, in another state, [sections of] the licensing examination used by New York State may have their grades transferred upon application, if the requirements of this Part concerning education, and retention of credit [for sections passed] have been met. [A score of 75.0 or higher shall be considered passing for the purposes of transferring grades from another jurisdiction.]

(f) Competency. If it has been more than ten years since the applicant passed the certified public accountant licensing examination, a license shall not be issued until the

applicant completes a satisfactory amount of continuing professional education, acceptable to the Department. The State Board for Public Accountancy shall recommend to the Department the appropriateness of the continuing professional education that is to be completed to satisfy this requirement.