

NOTICE OF PUBLIC HEARING

Pursuant to Hawaii Revised Statutes (“HRS”) section 466-4 and Chapter 91, notice is hereby given that the Board of Public Accountancy (“Board”) will hold a public hearing on Monday, August 10, 2009 at 8:30 a.m. (HST), in the King Kalakaua Conference Room, First Floor, King Kalakaua Building, Department of Commerce and Consumer Affairs, 335 Merchant Street, Honolulu, Hawaii, to hear all persons interested in the proposed amendments to Hawaii Administrative Rules (“HAR”) Chapter 16-71 pertaining to certified public accountants and public accountants.

The purposes of the proposed amendments are to: (1) Replace the term “continuing education” with the widely-accepted and consistently-used term of “continuing professional education” or “CPE” throughout the chapter and add its definition to the chapter; (2) Require the completion of four hours of CPE in ethics or professional conduct as a requirement for renewal of a CPA license on a biennial basis; (3) Establish applicable limited liability provisions for professional accountancy corporations, in accordance with HRS Chapter 415A; (4) Clarify the definitions of terms used in the chapter and streamline the format of these definitions; (5) Codify Act 35, SLH 1997, which increased the educational requirement for examination and licensure to 150 semester hours of college education effective December 31, 2000, and Act 135, SLH 2002, which subsequently repealed the increased educational requirement for examination only; (6) Implement Act 129, SLH 2003, which authorized the acceptance of

computer-based testing, and expand and clarify the higher security standards inherent in the administration of the new electronic format of a computer-based examination; (7) Further amplify and clarify the provisions of Act 86, SLH 1997, which allowed the Board to accept experience in private or government accounting or auditing work to be equivalent to professional experience in public accountancy practice in fulfillment of the experience requirement for a CPA license; (8) Implement HRS section 466-7(d) or Senate Bill No. 55, S.D.1, H.D.1, C.D.1 (2009) by prescribing the method and requirements for a public accountancy firm to apply for, pay a fee, and obtain a permit to practice to engage in public accounting, and further prescribing that a firm permit to practice is renewed biennially; (9) Allow the Board to conduct audits of CPE on a random basis to ensure compliance to requirements of renewal of a permit to practice; (10) Expand and reorganize the acceptable CPE fields of study and subject areas; (11) Change the expiration date of the Board's approval of a CPE program sponsor from two years after the date of application to December 31 of every odd-numbered year; and (12) Make other non-substantive changes for the purposes of style and clarity.

All interested persons shall be afforded the opportunity to submit data, views, or arguments, orally or in writing, at the time of hearing. All persons wishing to submit written testimony are requested to submit 12 copies of their written testimony by Wednesday, July 29, 2009, to the Professional and Vocational Licensing Division at the address printed below.

A copy of the proposed rules will be mailed to any person who requests a copy upon receipt of \$5.14 for the copy and postage. Please submit your request to the Professional and Vocational Licensing Division at the address noted below or contact the Board's office at (808) 586-2696.

Copies may be picked up at the following address between 7:45 a.m. and 4:30 p.m. (HST), Monday through Friday, excluding holidays: Department of Commerce and Consumer Affairs, Professional and Vocational Licensing Division, 335 Merchant Street, Room 329, Honolulu, Hawaii 96813. The cost of a copy, \$3.80, is due and payable at the time of pick up.

Further, the proposed rules may be reviewed in person free of charge at the Professional and Vocational Licensing Division at the address and hours of operation printed above. In addition, the full text of the proposed rules is available and can be downloaded free of charge from the web site of the Department of Commerce and Consumer Affairs:

http://www.hawaii.gov/dcca/main/har/proposed_har/pvl.

Individuals who require special needs accommodations are invited to call Laureen Kai at (808) 586-2696 at least four (4) working days prior to the hearing.

Doreen L. Griffith, Vice-Chairperson
Board of Public Accountancy
State of Hawaii