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SALUS POPULI SUPREMA LEX ESTO

"The welfare of the people shall be the supreme law."



ROBIN CARNAHAN
SECRETARY OF STATE

MISSOURI
REGISTER

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Documents will be accepted for filing on all regular workdays from 8:00 a.m. until 5:00 p.m. We encourage early filings to facilitate the timely publication of the *Missouri Register*. Orders of Rulemaking appearing in the *Missouri Register* will be published in the *Code of State Regulations* and become effective as listed in the chart above. Advance notice of large volume filings will facilitate their timely publication. We reserve the right to change the schedule due to special circumstances. Please check the latest publication to verify that no changes have been made in this schedule. To review the entire year's schedule, please check out the website at <http://www.sos.mo.gov/adrules/pubsched.asp>

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HOW TO CITE RULES AND RSMo

RULES—Cite material in the *Missouri Register* by volume and page number, for example, Vol. 28, *Missouri Register*, page 27. The approved short form of citation is 28 MoReg 27.

The rules are codified in the *Code of State Regulations* in this system—

Title	Code of State Regulations	Division	Chapter	Rule
1	CSR	10-	1.	010
Department		Agency, Division	General area regulated	Specific area regulated

They are properly cited by using the full citation, i.e., 1 CSR 10-1.010.

Each department of state government is assigned a title. Each agency or division within the department is assigned a division number. The agency then groups its rules into general subject matter areas called chapters and specific areas called rules. Within a rule, the first breakdown is called a section and is designated as (1). Subsection is (A) with further breakdown into paragraph 1., subparagraph A., part (I), subpart (a), item I. and subitem a.

RSMo—The most recent version of the statute containing the section number and the date.

The Secretary of State shall publish all executive orders beginning January 1, 2003, pursuant to section 536.035.2, RSMo Supp. 2005.

EXECUTIVE ORDER 06-14

WHEREAS, I have been advised by the Director of the State Emergency Management Agency that several severe storm systems causing damages associated with tornados, high winds, hail, and flooding have impacted communities across the State of Missouri; and

WHEREAS, there has been loss of life in Stoddard, Pemiscot and St. Louis Counties, 60 percent of Caruthersville was damaged with more than 25 injuries directly attributed to the storm system; and

WHEREAS, damage to the affected areas and loss of property and interruption of public services have occurred as a result of the severe weather beginning April 2, 2006; and

WHEREAS, the severe weather that began on April 2, 2006 and continues, has created a condition of distress and hazard to the safety, welfare, and property of the citizens of the State of Missouri beyond the capabilities of some local and other established agencies; and

WHEREAS, protection of the safety and welfare of the citizens of the affected communities require an invocation of the provisions of Sections 44.100 and 44.110, RSMo.

NOW, THEREFORE, I MATT BLUNT, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and Laws of the State of Missouri, including Sections 44.100 and 44.110, RSMo, do hereby declare that a State of Emergency exists in the State of Missouri. I do hereby direct that the Missouri State Emergency Operations Plan be activated.

I further authorize the use of State agencies to provide support to the affected areas, as needed.

This order shall terminate on May 03, 2006, unless extended in whole or in part.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri in the City of Jefferson on this 3rd day of April, 2006.

A handwritten signature in black ink that reads "Matt Blunt". The signature is written in a cursive style with a large, prominent "M".

Matt Blunt
Governor

ATTEST:

A handwritten signature in black ink that reads "Robin Carnahan". The signature is written in a cursive style with a large, prominent "R".

Robin Carnahan
Secretary of State

**EXECUTIVE ORDER
06-15**

WHEREAS, I have been advised by the Director of the State Emergency Management Agency that several severe storm systems causing damages associated with tornados, high winds, hail, and flooding have impacted communities across the State of Missouri; and

WHEREAS, there has been loss of life in Stoddard, Pemiscot and St. Louis Counties, 60 percent of Caruthersville was damaged with more than 25 injuries directly attributed to the storm system; and

WHEREAS, damage to the affected areas and loss of property and interruption of public services have occurred as a result of the severe weather beginning April 2, 2006; and

WHEREAS, the severe weather that began on April 2, 2006 and continues, has created a condition of distress and hazard to the safety, welfare, and property of the citizens of the State of Missouri beyond the capabilities of some local and other established agencies; and

WHEREAS, protection of the safety and welfare of the citizens of the affected communities require an invocation of the provisions of Section 41.480.2, RSMo.

NOW, THEREFORE, I, MATT BLUNT, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and Laws of the State of Missouri, including Section 41.480.2, RSMo, order and direct the Adjutant General of the State of Missouri, or his designee, to forthwith call and order into active service such portions of the organized militia as he deems necessary to aid the executive officials of Missouri, to protect life and property, and it is further ordered and directed that the Adjutant General or his designee, and through him, the commanding officer of any unit or other organization of such organized militia so called into active service take such action and employ such equipment as may be necessary in support of civilian authorities, and provide such assistance as may be authorized and directed by the Governor of this State.

This order shall terminate on May 3, 2006, unless extended in whole or in part.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri in the City of Jefferson on this 3rd day of April, 2006.

Matt Blunt
Governor

ATTEST:

Robin Carnahan
Secretary of State

**EXECUTIVE ORDER
06-16**

WHEREAS, I have been advised by the Director of the State Emergency Management Agency that several severe storm systems causing damages associated with tornados, high winds, hail, and flooding have impacted communities across the State of Missouri; and

WHEREAS, on April 3, 2006, I issued Executive Order 06-14, declaring a state of emergency for the severe weather that began on April 2, 2006; and

WHEREAS, I have been informed that severe storms also caused damage beginning on March 29, 2006; and

WHEREAS, the severe weather that began on March 29, 2006, and continuing, has created a condition of distress and hazard to the safety, welfare, and property of the citizens of the State of Missouri beyond the capabilities of some local and other established agencies; and

WHEREAS, local officials are continuing to provide updated damage reports to the State Emergency Operations Center; and

WHEREAS, the citizens and communities of Missouri are still recovering from the effects of the March 2006 severe storms; and

WHEREAS, the resources of the State of Missouri may be needed to assist affected jurisdictions and to help relieve the condition of distress and hazard to the safety and welfare of our fellow Missourians; and

WHEREAS, protection of the safety and welfare of the citizens of the State requires an invocation of the provisions of Sections 44.100 and 44.110, RSMo.

NOW, THEREFORE, I, MATT BLUNT, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and Laws of the State of Missouri, including Sections 44.100 and 44.110, RSMo, do hereby declare that a State of Emergency exists in the State of Missouri. I do hereby direct that the Missouri State Emergency Operations Plan be activated.

I further authorize the use of state agencies to provide assistance, as needed.

This order shall terminate on May 3, 2006, unless extended in whole or in part.



ATTEST:

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri in the City of Jefferson on this 3rd day of April 2006.

A handwritten signature in black ink that reads "Matt Blunt".

Matt Blunt
Governor

A handwritten signature in black ink that reads "Robin Carnahan".

Robin Carnahan
Secretary of State

**EXECUTIVE ORDER
06-17**

WHEREAS, I have been advised by the Director of the State Emergency Management Agency that several severe storm systems causing damages associated with tornados, high winds, hail, and flooding have impacted communities across the State of Missouri; and

WHEREAS, on March 13, 2006 I issued Executive Order 06-12 declaring a state of emergency as a result of the severe weather that began on March 11, 2006; and

WHEREAS, I have been informed that severe storms also caused damage beginning on March 8, 2006; and

WHEREAS, the severe weather that began on March 8, 2006, has created a condition of distress and hazard to the safety, welfare, and property of the citizens of the State of Missouri beyond the capabilities of some local and other established agencies; and

WHEREAS, local officials are continuing to provide updated damage reports to the State Emergency Operations Center; and

WHEREAS, the resources of the State of Missouri may be needed to assist affected jurisdictions and to help relieve the condition of distress and hazard to the safety and welfare of our fellow Missourians; and

WHEREAS, protection of the safety and welfare of the citizens of the State requires an invocation of the provisions of Sections 44.100 and 44.110, RSMo.

NOW, THEREFORE, I, MATT BLUNT, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and Laws of the State of Missouri, including Sections 44.100 and 44.110, RSMo, do hereby declare that a State of Emergency exists in the State of Missouri. I do hereby direct that the Missouri State Emergency Operations Plan be activated.

I further authorize the use of state agencies to provide assistance, as needed.

This order shall terminate on May 3, 2006, unless extended in whole or in part.



ATTEST:

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri in the City of Jefferson on this 3rd day of April 2006.

A handwritten signature in black ink that reads "Matt Blunt".

Matt Blunt
Governor

A handwritten signature in black ink that reads "Robin Carnahan".

Robin Carnahan
Secretary of State

EXECUTIVE ORDER
06-18

WHEREAS, Missouri has a current need to meet the public safety demands imposed by a continuing system of devastating storms throughout the state; and

WHEREAS, in this time of emergency the commitment expected of our state law enforcement authorities is anticipated to rapidly exhaust our ability to respond adequately; and

WHEREAS, the Missouri Division of Fire Safety, Department of Natural Resources, the Department of Conservation and numerous other state departments/agencies employ investigators, Park Rangers, and Conservation Agents who are certified Missouri peace officers currently possessing limited police authority in the State of Missouri; and

WHEREAS, those investigators, Park Rangers, and Conservation Agents have met the State of Missouri's training requirement for peace officers within the State of Missouri as provided in Chapter 590, RSMo and are located at strategic sites throughout the state where their services as fully empowered peace officers could be readily utilized in the interest of public safety and peace maintenance; and

NOW, THEREFORE, I, MATT BLUNT, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and laws of the State of Missouri, including Chapter 44, RSMo, do hereby authorize the investigators from the Division of Fire Safety, the Park Rangers from the Department of Natural Resources, the Conservation Agents from the Department of Conservation, and other POST certified state agency investigators to exercise full state wide police authority as vested in other Missouri peace officers pursuant to Chapter 590, RSMo during the period of this State declaration of emergency.

This order shall terminate on May 3, 2006, unless extended in whole or in part.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri in the City of Jefferson on this 3rd day of April 2006.



Matt Blunt
Governor

ATTEST:

Robin Carnahan
Secretary of State

**EXECUTIVE ORDER
06-19**

WHEREAS, I have been advised by the Director of the Missouri State Emergency Management Agency that a natural disaster of significant proportions has occurred in Missouri, which has been affected by severe weather; and

WHEREAS, the severe weather that began on March 29, 2006, has created a condition of distress and hazards to the safety and welfare of the citizens of the State of Missouri beyond the capabilities of some local jurisdictions, and other established agencies; and

WHEREAS, the Missouri Department of Natural Resources is charged by law with protecting and enhancing the quality of Missouri's environment and with enforcing a variety of environmental rules and regulations; and

WHEREAS, to respond to the emergency and to expedite the cleanup and recovery process, it is necessary to adjust certain environmental rules and regulations on a temporary and short-term basis.

NOW, THEREFORE, I, MATT BLUNT, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by Chapter 44, RSMo, do hereby issue the following order:

The Director of the Missouri Department of Natural Resources is vested with full discretionary authority to temporarily waive or suspend the operation of any statutory or administrative rule or regulation currently in place under his purview in order to best serve the interest of the public health and safety during the period of the emergency and the subsequent recovery period. The authority granted by the Order shall remain in effect for the duration of the emergency.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri in the City of Jefferson on this 3rd day of April, 2006.





Matt Blunt
Governor

ATTEST:



Robin Carnahan
Secretary of State

Under this heading will appear the text of proposed rules and changes. The notice of proposed rulemaking is required to contain an explanation of any new rule or any change in an existing rule and the reasons therefor. This is set out in the Purpose section with each rule. Also required is a citation to the legal authority to make rules. This appears following the text of the rule, after the word "Authority."

Entirely new rules are printed without any special symbology under the heading of the proposed rule. If an existing rule is to be amended or rescinded, it will have a heading of proposed amendment or proposed rescission. Rules which are proposed to be amended will have new matter printed in boldface type and matter to be deleted placed in brackets.

An important function of the *Missouri Register* is to solicit and encourage public participation in the rulemaking process. The law provides that for every proposed rule, amendment or rescission there must be a notice that anyone may comment on the proposed action. This comment may take different forms.

If an agency is required by statute to hold a public hearing before making any new rules, then a Notice of Public Hearing will appear following the text of the rule. Hearing dates must be at least thirty (30) days after publication of the notice in the *Missouri Register*. If no hearing is planned or required, the agency must give a Notice to Submit Comments. This allows anyone to file statements in support of or in opposition to the proposed action with the agency within a specified time, no less than thirty (30) days after publication of the notice in the *Missouri Register*.

An agency may hold a public hearing on a rule even though not required by law to hold one. If an agency allows comments to be received following the hearing date, the close of comments date will be used as the beginning day in the ninety (90)-day-count necessary for the filing of the order of rulemaking.

If an agency decides to hold a public hearing after planning not to, it must withdraw the earlier notice and file a new notice of proposed rulemaking and schedule a hearing for a date not less than thirty (30) days from the date of publication of the new notice.

certified public accounting firms who have been found to have violated the provisions of Chapter 326, RSMo; and

(6) The board shall hold regular meetings as determined by the board. The annual meeting of the board shall be held between May 1 and July 31 of each year. Four (4) voting members of the board shall constitute a quorum at any meeting. Information as to the dates and place of meetings can be obtained by contacting the Executive Director, PO Box 613, Jefferson City, MO 65102-0613, (573) 751-0012 or [www.ded.state.mo.us/pr/account] www.pr.mo.gov/accountancy.asp.

(8) Any person may contact the Missouri State Board of Accountancy, PO Box 613, Jefferson City, MO 65102-0613, (573) 751-0012 or [www.ded.state.mo.us/pr/account] www.pr.mo.gov/accountancy.asp for information and application forms or to register a complaint involving the public accounting profession as provided in 4 CSR 10-1.030.

AUTHORITY: sections 326.256, 326.259.4, 326.262, 326.268.1 and 326.319, RSMo Supp. [2003] 2005. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Dec. 7, 1982, effective March 11, 1983. Amended: Filed Aug. 3, 1988, effective Nov. 24, 1988. Amended: Filed Nov. 13, 1992, effective June 7, 1993. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Amended: Filed Feb. 1, 1996, effective July 30, 1996. Amended: Filed April 5, 2004, effective July 30, 2004. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Proposed Amendment Text Reminder:
Boldface text indicates new matter.

[Bracketed text indicates matter being deleted.]

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 10—Missouri State Board of Accountancy Chapter 1—Organization and Description of Board

PROPOSED AMENDMENT

4 CSR 10-1.010 General Organization. The board is proposing to amend subsection (5)(E) and sections (6) and (8).

PURPOSE: This rule is being amended to clarify the language in subsection (5)(E) and update the board's website address in sections (6) and (8).

(5) The board has superintending control over the practice of accounting in Missouri and its primary duties consist of—

(E) Disciplinary action including sanctioning of **practice rights**, certificates, licenses, and permits of certified public accountants and

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 10—Missouri State Board of Accountancy Chapter 1—Organization and Description of Board

PROPOSED AMENDMENT

4 CSR 10-1.020 Board Compensation. The board is proposing to amend section (1).

PURPOSE: This rule is being amended to remove language that is outdated.

(1) Each member of the Missouri State Board of Accountancy shall receive as compensation the sum of fifty dollars (\$50) for each day that any member devotes to the affairs of the board. *l, except any member whose term of office began before September 28, 1977 who shall receive as compensation the sum of twenty-five dollars (\$25) for each day that member devotes to the affairs of the board.*

AUTHORITY: sections [326.110, RSMo Supp. 1993 and

326.200, RSMo 1986] 326.268 and 326.271, RSMo Supp. 2005. Emergency rule filed Sept. 9, 1981, effective Sept. 19, 1981, expired Dec. 10, 1981. Original rule filed Sept. 9, 1981, effective Dec. 11, 1981. Amended: Filed July 13, 1993, effective Jan. 31, 1994. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 10—Missouri State Board of Accountancy Chapter 1—Organization and Description of Board

PROPOSED RULE

4 CSR 10-1.050 Board Subpoena Power

PURPOSE: This rule establishes a procedure for the power, handling and disposition of subpoenas issued by the board, pursuant to the mandate of section 326.262, RSMo.

(1) The executive director or his/her designee shall have the power to issue a subpoena or to summon on behalf of the board as necessary for the attendance and testimony of any witness, and shall have the power to issue a subpoena duces tecum for the production of any book, paper, document or thing.

(2) The board as an administrative body having superintending control over the practice of public accounting in Missouri shall have the power of subpoena and this power of subpoena shall exist in all manner necessary with respect to complaints, investigations, disciplinary actions, or in the course of pursuing settlement. The board's power of subpoena shall not be interpreted as superceding or removing the limitations set forth in section 326.289.13, RSMo.

(3) In lieu of requiring attendance of a person to produce original documents in response to a subpoena duces tecum, the board may require sworn copies of such documents to be filed with it or delivered to its designated representative.

(4) In the course of any board investigation of a licensee, the board may subpoena client work papers or client communications maintained by a licensee that relate to and are in connection with services rendered to the client by the licensee or, alternatively, are material to the defense of the licensee.

(5) Information obtained by subpoena shall be considered a closed record of the board pursuant to 326.295, RSMo, unless otherwise provided by law, and except for use only in the proceeding of the matter for which such material was obtained.

(6) The board may enforce its subpoenas, including subpoenas duces tecum, by applying to the circuit court of Cole County, the county of the investigation, hearing or proceeding, or any county where the

person resides or may be found, for an order upon any person or firm who shall fail to obey a subpoena to show cause why such subpoena should not be enforced, which such order and a copy of the application therefore shall be served upon the person or firm in the same manner as a summons in a civil action, and if the circuit court shall, after a hearing, determine that the subpoena should be sustained and enforced, such court shall proceed to enforce the subpoena in the same manner as though the subpoena had been issued in a civil case in the circuit court.

AUTHORITY: sections 326.262 and 326.268, RSMo Supp. 2005. Original rule filed April 3, 2006.

PUBLIC COST: This proposed rule will cost state agencies or political subdivisions approximately twenty-six dollars and thirty-four cents (\$26.34) annually for the life of the rule. It is anticipated that the total cost will recur biennially for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 - Department of Economic Development
Division 10 - Missouri State Board of Accountancy
Chapter 1 - Organization and Description of Board
Proposed Rule - 4 CSR 10-1.050 Board Subpoena Power

Prepared February 15, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
Missouri State Board of Accountancy	\$26.34
Total Annual Cost of Compliance for the Life of the Rule	
	\$26.34

III. WORKSHEET

The executive director or his designee shall have the power to issue a subpoena or to summon on behalf of the board as necessary for the attendance and testimony of any witness, and shall have the power to issue a subpoena duces tecum for the production of any book, paper, or document. (4) In the course of any board investigation of a licensee, the board may subpoena client work papers or client communications maintained by a licensee that relate to and are in connection with services rendered to the client by the licensee or, alternatively, are material to the defense of the licensee. The Clerk II will spend approximately 15 minutes entering the information into the division's licensing system and the Executive Director will spend 30 minutes reviewing and signing the documentation. It is anticipated that the Auditor Investigator could be spending a varying amount of time processing and serving the subpoena depending on where the individual to be served is located in the state. However, for the purpose of this fiscal note, the board is estimating an average of 4 hours will be spent per subpoena.

Employee's salaries were calculated using the annual salary multiplied by 48.89% for fringe benefits and then divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per minute. The cost per minute was then multiplied by the amount of time individual staff spent on the processing of applications or renewals. The total cost was based on the cost per application multiplied by the estimated number of applications or renewals.

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE BENEFIT	HOURLY SALARY	COST PER MINUTE	TIME PER APPLICATION	COST PER APPLICATION	TOTAL COST
Executive Director	\$61,320	\$91,299.35	\$43.89	\$0.73	30 minutes	\$21.95	\$21.95
Auditor Investigator	\$40,848	\$60,818.59	\$29.24	NA	4 hours	\$116.96	\$116.96
Clerk II	\$22,272	\$33,160.78	\$15.94	\$0.27	15 minutes	\$3.99	\$3.99

Total Personal Service Costs **\$25.93**

Expense and Equipment Dollars for Initial Applications

Letterhead and Paper	\$0.25
Envelope for Mailing Application	\$0.16
Total Expense and Equipment Cost	\$0.41

Total Expense and Equipment Costs **\$0.41**

IV. ASSUMPTION

- The above figures were based on FY06 projections.
- The board anticipates that the majority of subpoenas will be served in conjunction with another investigation, therefore, no expenses for lodging or meals are included in this fiscal note.
- It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED AMENDMENT

4 CSR 10-2.005 Definitions. The board is proposing to amend subsection (6)(A).

PURPOSE: This rule is being amended to provide additional clarity.

(6) Practice of public accounting means:

(A) Performing or offering to perform for an enterprise, client or potential client one (1) or more services involving the use of accounting or auditing skills or one (1) or more management advisory or consulting services or the preparation of tax returns or the furnishing of advice on tax matters by a person or firm using the title **Certified Public Accountant**, or “CPA” in signs, advertising, directory listings, business cards, letterheads, or other public representations, except that this shall not contradict section 326.292, RSMo;

AUTHORITY: sections 326.256, [and] 326.262, and 326.26, RSMo Supp. [2003] 2005. Original rule filed July 3, 1975, effective Aug. 25, 1975. For intervening history, please consult the *Code of State Regulations*. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED RESCISSION

4 CSR 10-2.022 Provisional License to Practice. This rule set forth requirements for practice privilege of substantial equivalency and provisional licensure for certified public accountants from other states who want to practice public accounting in Missouri but who were not relocating to the state.

PURPOSE: This rule is being rescinded and readopted to provide for interstate practice without notification to the board for certified public accountants from other states who are not relocating to this state and whose accountancy statutes are substantially equivalent to Missouri, or certified public accountants whose individual qualifications meet the requirements to be considered substantially equivalent and provisionally licensed in Missouri.

AUTHORITY: sections 326.256.1(9) and 326.283.1(1), RSMo Supp. 2002. Emergency rule filed Nov. 15, 2001, effective Nov. 25, 2001, expired May 23, 2002. Original rule filed Nov. 15, 2001, effective

June 30, 2002. Amended: Filed Nov. 13, 2002, effective June 30, 2003. Rescinded: Filed April 3, 2006.

PUBLIC COST: The proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: The proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED RULE

4 CSR 10-2.022 Provisional License to Practice and Practice Privilege

PURPOSE: This rule sets forth requirements for practice privilege of certified public accountants from other states who are not relocating to this state and whose accountancy statutes are substantially equivalent to Missouri, or certified public accountants whose individual qualifications meet the requirements to be considered substantially equivalent and provisionally licensed in Missouri.

(1) An individual, whose principal place of business is not in this state, and:

(A) Who has a valid and unrestricted license to practice public accounting from any state whose licensing requirements are determined by the board to be substantially equivalent to the Missouri Accountancy Act; or

(B) Who has a valid and unrestricted license to practice public accounting from any state and whose individual qualifications are determined by the board or National Association of State Boards of Accountancy (NASBA) National Qualification Appraisal Service to be substantially equivalent to the licensure requirements of the Missouri Accountancy Act; or

(C) Who has a valid and unrestricted license to practice public accounting from any state, and has practiced as a licensed certified public accountant outside of this state, with experience of the type described in section 326.286.3, RSMo, for a minimum of four (4) years within the immediately preceding ten (10) years, provided that the applicant has a minimum of a bachelor's degree from an accredited college or university and has passed the uniform certified public accountant examination;

Shall be presumed to have qualifications substantially equivalent to this state's requirements and shall have all the practice privileges of a licensee of this state, and by entering or practicing in this state will be considered a provisional licensee of this state.

(2) Any individual who has a valid but restricted license that otherwise meets the provisions of section (1), shall apply to the board in writing, on a provisional licensure form provided by the board, for practice privilege.

(3) By entering and practicing public accounting in this state, in person or through electronic means or in any other manner, the provisional licensee shall be considered to have notified this state and shall

be required to conform to, and comply with, Missouri statutes and rules.

(4) To provide compilation, review or attest services, a provisional licensee must do so through a firm holding a current permit to practice in this state.

(5) A provisional licensee shall be subject to the provisions of section 326.310, RSMo.

(6) The lack of a Missouri license, provisional or otherwise, shall not prevent the board from having disciplinary authority over any individual practicing public accounting in Missouri.

AUTHORITY: sections 326.256.1(9), 326.283.1(1) and 326.286.3, RSMo Supp. 2005. Emergency rule filed Nov. 15, 2001, effective Nov. 25, 2001, expired May 23, 2002. Original rule filed Nov. 15, 2001, effective June 30, 2002. Amended: Filed Nov. 13, 2002, effective June 30, 2003. Rescinded and readopted: Filed April 3, 2006.

PUBLIC COST: This proposed rule will cost state agencies or political subdivisions approximately two thousand nine hundred twelve dollars and sixty-five cents (\$2,912.65) annually for the life of the rule. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 - Department of Economic Development

Division 10 - Missouri State Board of Accountancy

Chapter 2 - General Rules

Proposed Rule - 4 CSR 10-2.022 Provisional License to Practice & Practice Privilege

Prepared February 15, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
Missouri State Board of Accountancy	\$2,912.65
Total Annual Cost of Compliance for the Life of the Rule	
	\$2,912.65

III. WORKSHEET

Applications are received and processed by the board. The Account Clerk II will deposit the money; the Licensure Technician I will process the application; the Administrative Office Support Assistant will review and approve the application; and the Executive Director will perform the final review and approval.

The board estimates staff will spend the following time per application: Account Clerk II - 30 minutes; Licensure Technician I - 30 minutes; Administrative Office Support Assistant - 10 minutes; and the Executive Director - 10 minutes. The figures below represent costs paid by the State Board of Accountancy for implementation of this rule.

Employee's salaries were calculated using the annual salary multiplied by 48.89% for fringe benefits and then divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per minute. The cost per minute was then multiplied by the amount of time individual staff spent on the processing of applications or renewals. The total cost was based on the cost per application multiplied by the estimated number of applications or renewals.

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE BENEFIT	HOURLY SALARY	COST PER MINUTE	TIME PER APPLICATION	COST PER APPLICATION	TOTAL COST
Executive Director	\$61,320	\$91,299.35	\$43.89	\$0.73	10 minutes	\$7.32	\$1,097.35
Administrative Office Support Assistant	\$24,660	\$36,716.27	\$17.65	\$0.29	10 minutes	\$2.94	\$441.30
Account Clerk II	\$22,272	\$33,160.78	\$15.94	\$0.27	30 minutes	\$7.97	\$1,195.70
Licensure Technician I	\$ 20,556	\$30,605.83	\$14.71	\$0.25	30 minutes	\$7.36	\$1,103.58

Total Costs \$2,912.65

IV. ASSUMPTION

1. The above figures were based on FY05 actuals and FY06 projections. The board anticipates the number of provisional applications will remain constant for the life of the rule.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

**Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED AMENDMENT

4 CSR 10-2.041 Eligibility Requirements for the CPA Examination. The board is proposing to amend subsections (2)(A) and (2)(C) and sections (5) and (6).

PURPOSE: This rule is being amended to provide additional clarity regarding the number of hours required and type of courses needed to meet eligibility requirements. This amendment also updates course information and the name of the accreditation program.

(2) The equivalent of a concentration in accounting shall be determined in the following manner:

(A) For candidates who sat for the examination for the first time prior to May 1996, thirty-six (36) semester hours or fifty-four (54) quarter hours of accounting and other related courses are required. At least eighteen (18) semester hours or twenty-seven (27) quarter hours shall be accounting courses with at least one (1) course in auditing. The remaining eighteen (18) semester hours or twenty-seven (27) quarter hours shall be in accounting or other areas of business administration such as business law, tax, statistics, economics, finance, marketing, management, *[data processing]* information technology and business communications. These courses shall be taken at an accredited college or university recognized by the board.

(C) For candidates whose applications for the initial examination were postmarked on or after June 30, 1999, the concentration or major in accounting, or the equivalent of a concentration in accounting shall be sixty (60) semester hours or ninety (90) quarter hours of accounting and other related courses. At least *[twenty-seven (27)]* **thirty-three (33)** semester hours or *[forty (40)]* **fifty (50)** quarter hours shall be accounting courses with at least one (1) course in auditing and at least eighteen (18) semester hours or twenty-seven (27) quarter hours of accounting courses taken at the upper division level. *[Introductory accounting courses will not be credited toward the required number of hours of accounting courses, but may be credited toward the other related courses.]* For the purposes of this rule “upper division level” courses shall mean courses taken beyond the elementary level. The remaining *[thirty-three (33)]* **twenty-seven (27)** semester hours or *[fifty (50)]* **forty (40)** quarter hours shall be in accounting or other areas of business administration such as business law, statistics, economics, finance, marketing, management, *[data processing]* information technology and business communications. These courses shall be taken at an accredited college or university recognized by the board.

(5) An applicant who satisfies the requirements of section 326.280.1(1), (2) and (3), RSMo shall be eligible to take the examination if the applicant reasonably expects to satisfy the educational requirements of *[section 326.280.1(4), RSMo]* **this rule** within sixty (60) days after the examination. No license shall be issued or credit for the examination issued unless the educational requirements are, in fact, met within the sixty (60)-day period.

(6) Any university or college accredited by the Middle States Association of Colleges and Schools, New England Association of Schools and Colleges, North Central Association of Colleges and Schools, *[Northwest Association of Schools and Colleges]* **Northwest Commission on Colleges and Universities**, Southern Association of Colleges and Schools or Western Association of Schools and Colleges is recognized by the board and will satisfy the requirements of section 326.280.1, RSMo and this rule. The board may recognize as accredited, any university or college accepted by

two (2) or more states for the purpose of allowing a candidate to sit for the certified public accountant examination.

AUTHORITY: sections 326.262 and 326.280.1, RSMo Supp. [2003] 2005. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. For intervening history, please consult the Code of State Regulations. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED AMENDMENT

4 CSR 10-2.051 Registration of Certified Public Accounting Firms. The board is proposing to amend sections (4) and (8).

PURPOSE: This amendment provides clarity to the text of the rule.

(4) All out-of-state certified public accounting firms that practice public accounting in this state must obtain a permit to practice. All partners, members, shareholders and employees of these firms, who practice in this state, must obtain a license or be a provisional licensee to practice *[issued]* under Chapter 326, RSMo. There must be at least one (1) active individual Missouri certified public accountant (CPA) licensee or Missouri CPA provisional licensee in the firm for the firm’s permit to be considered active.

(8) Each certified public accounting firm shall attest that all employees, representatives, *[and]* agents, *[practicing public accounting in Missouri and all Missouri]* resident partners, members, managers, and shareholders of certified public accounting firms **practicing public accounting in Missouri** who *[hold]* have held a Missouri certificate/s issued under prior law or any individual who received an initial license on or after August 28, 2001 hold an active Missouri license to practice in a certified public accounting firm.

AUTHORITY: sections 326.262 and 326.289, RSMo Supp. [2003] 2005. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed March 14, 1984, effective July 12, 1984. Amended: Filed Oct. 13, 1993, effective May 9, 1994. Amended: Filed April 5, 2004, effective July 30, 2004. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED RULE

4 CSR 10-2.065 Requirements for Licensure through Reciprocity

PURPOSE: This rule clarifies the requirements for licensure of out-of-state applicants who are relocating to Missouri.

(1) The board may issue a license to applicants who have a current certificate or license in another state or have a current foreign certificate or license that is acceptable to the board, and shall meet the following conditions:

(A) Meets the eligibility requirements to sit for the Uniform Certified Public Accountant (CPA) examination as prescribed in 4 CSR 10-2.041; or

(B) Has passed the Uniform CPA examination; and

(C) Has successfully completed a written examination in professional ethics acceptable to the board as prescribed in 4 CSR 10-2.061(6); and

(D) Has met the experience requirements as prescribed in 4 CSR 10-2.061.

(2) The board may issue a license to an out-of-state applicant who:

(A) Has had four (4) years of experience, as a licensed certified public accountant, outside of this state, of the type described in subdivision 326.280.1(6), RSMo within the ten (10) years immediately preceding the application;

(B) Has passed the Uniform CPA examination;

(C) Has successfully completed a written examination in professional ethics acceptable to the board as prescribed in 4 CSR 10-2.061(6);

(D) Has met the continuing education requirements in the state of licensure; and

(E) Has a minimum of a bachelor's degree from an accredited college or university.

(3) If the applicant for licensure sat and passed the examination in another state but is not a current certificate or license holder in that state, he or she shall meet the requirements as prescribed in section (1) of this rule and will be required to submit all information on forms provided by the board and pay the initial reciprocity fee.

AUTHORITY: section 326.262, RSMo Supp. 2005. Original rule filed April 3, 2006.

PUBLIC COST: This proposed rule will cost state agencies or political subdivisions approximately two thousand five hundred fifteen dollars and sixty-six cents (\$2,515.66) annually for the life of the rule. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

PRIVATE COST: This proposed rule will cost private entities approximately forty-three thousand eight hundred forty-six dollars and eighty cents (\$43,846.80) annually for the life of the rule. It is antic-

ipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 10 - Missouri State Board of Accountancy

Chapter 2 - General Rules

Proposed Rule - 4 CSR 10-2.065 Requirements for Licensure through Reciprocity

Prepared February 15, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
Missouri State Board of Accountancy	\$2,515.66
Total Annual Cost of Compliance for the Life of the Rule	
	\$2,515.66

III. WORKSHEET

Applications are received and processed by the board. The Account Clerk II will deposit the money; the Licensure Technician I will process the application and update the division's licensing system; the Administrative Office Support Assistant will review and approve the application; and the Executive Director will perform the final review and approval.

The board estimates staff will spend the following time per application: Account Clerk II - 15 minutes; Licensure Technician I - 1 hour; and Administrative Office Support Assistant - 10 minutes. The figures below represent costs paid by the State Board of Accountancy for implementation of this rule.

Employee's salaries were calculated using the annual salary multiplied by 48.89% for fringe benefits and then divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per minute. The cost per minute was then multiplied by the amount of time individual staff spent on the processing of applications or renewals. The total cost was based on the cost per application multiplied by the estimated number of applications or renewals.

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE BENEFIT	HOURLY SALARY	COST PER MINUTE	TIME PER APPLICATION	COST PER APPLICATION	TOTAL COST
Administrative Office Support Assistant	\$24,660	\$36,716.27	\$17.65	\$0.29	10 minutes	\$2.94	\$353.04
Account Clerk II	\$22,272	\$33,160.78	\$15.94	\$0.27	15 minutes	\$3.99	\$478.28
Licensure Technician I	\$22,620	\$33,678.92	\$16.19	\$0.27	1 hour	\$16.19	\$1,943.01

Total Personal Service Costs \$2,296.06

Expense and Equipment for Initial Applications

Application Printing	\$0.25
Envelope for Mailing Application	\$0.16
Postage for Mailing Application	\$0.32
Printing Wallhanging License	\$0.35
Envelope for Mailing Wallhanging	\$0.16
Postage for Mailing Wallhanging	\$0.59
Total Expense and Equipment Cost per Application:	\$1.83

Total Expense and Equipment Costs (for 120 applications) \$219.60

IV. ASSUMPTION

1. Currently the board process approximately 120 applications annually. However, this number could decrease with the implementation of the proposed amendment to 4 CSR 10-2.022 should a person not be physically relocating to Missouri.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

NOTE: The public fiscal note for this rule only reflects the cost for this particular process. However, private entity fees are set at an amount to cover the total actual cost incurred by the board, which includes personal service, expense and equipment and transfers.

PRIVATE ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 10 - Missouri State Board of Accountancy

Chapter 2 - General Rules

Proposed Rule - 4 CSR 10-2.065 Requirements for Licensure through Reciprocity

Prepared February 15, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Estimate the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimated cost of compliance with the rule by affected entities:
120	Applicants (Licensure by Reciprocity - S365)	\$43,800.00
120	Licensees (postage @ \$.39)	\$46.80
	Estimated Annual Cost of Compliance for the Life of the Rule	\$43,846.80

III. WORKSHEET

See table above.

IV. ASSUMPTION

1. Currently the board process approximately 120 applications annually. However, this number could decrease with the implementation of the proposed amendment to 4 CSR 10-2.022 should a person not be physically relocating to Missouri.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTE: The board is statutorily obligated to enforce and administer the provisions of Chapter 326, RSMo. Pursuant to Section 326.319, RSMo, the board shall by rule and regulation set the amount of fees authorized by Chapter 326, RSMo so that the revenue produced is sufficient, but not excessive, to cover the cost and expense to the board for administering the provisions of Chapter 326, RSMo. This proposed amendment is necessary because the board's projected revenue will not support the expenditures necessary to enforce and administer the provisions of Chapter 326, RSMo, which will result in an endangerment to the health, welfare, and safety of the public.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED AMENDMENT

4 CSR 10-2.070 Renewal of Licenses. The board is proposing to amend sections (2)–(4), delete section (5), renumber the remaining sections and amend the newly renumbered section (6).

PURPOSE: This amendment provides clarification concerning the violations that must be reported to the board, adds the Public Company Accounting Oversight Board to the list of agencies required to receive discipline reports from licensees and clarifies who is required to hold a license.

(2) Each certified public accountant (CPA) shall provide the board with the following information at the time of application for renewal of his or her individual license to practice:

(E) Details regarding any conviction of any criminal offense other than a minor traffic violation **whether or not a sentence is imposed or executed;**

(F) Details regarding any suspension, revocation or cancellation of the certificate or permit to practice by any jurisdiction; details regarding any suspension, revocation or restriction of his or her right to practice by the Internal Revenue Service, Securities Exchange Commission, **Public Company Accounting Oversight Board,** or any other federal or state agency;

(H) Details regarding any willful violation of the rules and standards of professional conduct governing the practice of public accounting; *[and]*

(I) Each licensee shall report to the board any revocation, suspension, restriction, modification, limitation, reprimand, warning, censure, probation or other final disciplinary action to practice any profession regulated by this chapter, or by another state, territory, federal agency or country, whether voluntarily agreed to by the certified public accountant or applicant, including but not limited to the denial of licensure, surrender of a license, allowing a license to expire or lapse, or discontinuance or limitation of a professional practice while subject to an investigation or while actually under investigation by any licensing authority, branch of the armed forces of the United States of America, court, agency of the state or federal government; and

[(I)] **(J) Each licensee shall notify the board in writing within thirty (30) days of any change in subsections (1)(A) through (1)(I) above occurring during the *[renewal]* licensing period.**

(3) All employees, representatives, *[and]* agents, *[practicing public accounting in Missouri and all Missouri]* resident partners, members, managers, and shareholders of certified public accounting firms **practicing public accounting in Missouri who *[hold]* have held a Missouri certificate[s] issued *[under]* prior *[law]* to August 28, 2001 or *[any individual]* who received an initial license on or after August 28, 2001 *[is]* are required to have an active Missouri license to practice in a certified public accounting firm.**

(4) License renewal applications will be mailed to each licensee at the last known address at least *[thirty (30)]* **sixty (60)** days before the license expiration date. Failure to receive this notice does not relieve the licensee of the obligation biennially to renew the license to practice.

[(5)] **An applicant who has allowed his or her license to expire because he or she was not employed in public accounting in Missouri and who is reentering the practice of public accounting in Missouri shall apply for a license to practice within sixty (60) days of the date he or she reenters public**

accounting. If an application for a license to practice is not received by the board within sixty (60) days after the date the applicant reenters the practice of public accounting in Missouri, the applicant is required to pay the license fee plus a delinquent fee.]

[(6)] **(5)** Before a current license to practice will be issued, an applicant must pay all required fees and penalties, *[which he or she has not paid previously, for all years]* **including any fees and penalties owed for periods during which the applicant was engaged in the practice of public accounting in Missouri.** No license shall be issued or reinstated until all required fees and penalties are paid by the applicant.

[(7)] **(6)** The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.286 and 620.010.15(2), RSMo Supp. [2003] 2005. Original rule filed Sept. 11, 1974, effective Sept. 21, 1974. For intervening history, please consult the Code of State Regulations. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED AMENDMENT

4 CSR 10-2.072 Renewal of a Certified Public Accounting Firm Permit. The board is proposing to amend section (3).

PURPOSE: This amendment increases the number of days the board will mail a renewal notice to the licensee prior to renewal.

(3) Permit renewal applications will be mailed to each applicant at the last known address, provided to the board, at least *[thirty (30)]* **sixty (60)** days before the permit expiration date. Failure to receive this notice does not relieve the firm of the annual obligation to renew the permit to practice. Failure to renew timely may cause the board to assess additional penalties as provided in 4 CSR 10-2.160.

AUTHORITY: sections 326.262 and 326.289, RSMo Supp. [2003] 2005. Original rule filed April 5, 2004, effective July 30, 2004. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 10—Missouri State Board of Accountancy Chapter 2—General Rules

PROPOSED AMENDMENT

4 CSR 10-2.075 Reinstatement of License to Practice. The board is proposing to amend sections (1), (3) and (4).

PURPOSE: This rule is being amended to decrease the number of continuing professional education (CPE) that is needed for reinstatement.

(1) The board *[shall not]* may reinstate the license of any licensee *[unless—]* **provided:**

(A) That person submits evidence to the board that he or she has completed *[one hundred twenty (120)]* **forty (40)** hours of continuing professional education (CPE) during the *[three (3) years]* **twelve (12) months** previous to making application for reinstatement of the license *[with not less than twenty (20) hours in the year immediately preceding the date of application for reinstatement];* or

(B) That person agrees to *[a regular program to]* obtain the required *[one hundred twenty (120)]* **forty (40)** hours of continuing professional education within *[one (1) year]* **sixty (60) days** of applying for reinstatement. **Continuing professional education taken within sixty (60) days before or after applying for reinstatement may be used to meet the requirement for the first year of licensure.**

(3) Continuing education courses required under sections (1) and (2) of this rule shall comply with the provisions of the current continuing education requirements as set forth in 4 CSR 10-4.011.010 to 4 CSR 10-4.041. **The forty (40) hours required in subsections (1)(A) and (B) above shall include a minimum of two (2) hours taken in the area of ethics.**

(4) *[No license]* **An applicant for reinstatement who has been practicing public accounting in Missouri without a license shall not be reinstated until [the applicant] he or she pays all required fees and penalties, which he or she has not paid previously, and fulfills the continuing professional education requirement or agrees to obtain the required hours of continuing professional education within one (1) year of reinstatement,** for any periods during which he or she was practicing public accounting in Missouri.

AUTHORITY: sections 326.262, 326.286, 326.310 and 326.316, RSMo Supp. [2003] 2005 and 620.149, RSMo 2000. Original rule filed June 13, 1984, effective Oct. 11, 1984. Amended: Filed July 15, 1985, effective Dec. 12, 1985. Amended: Filed Jan. 26, 1995, effective July 30, 1995. Amended: Filed Sept. 4, 1996, effective March 30, 1997. Amended: Filed April 5, 2004, effective July 30, 2004. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 10—Missouri State Board of Accountancy Chapter 2—General Rules

PROPOSED RESCISSION

4 CSR 10-2.130 Applications for Examination. This rule provided the applicant with necessary information regarding the actual procedures relating to the applications for the certified public accountant examination.

PURPOSE: This rule is being rescinded and readopted due to the examination moving from paper and pen to a computer based test. New language is needed to provide clarification to applicant regarding the process of submitting the application for computerized testing.

AUTHORITY: sections 326.262, 326.268 and 326.286, RSMo Supp. 2003. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Dec. 7, 1982, effective March 11, 1983. Amended: Filed March 14, 1984, effective July 12, 1984. Amended: Filed Feb. 5, 1990, effective June 28, 1990. Amended: Filed June 10, 1998, effective Dec. 30, 1998. Amended: Filed April 5, 2004, effective July 30, 2004. Rescinded: Filed April 3, 2006.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT Division 10—Missouri State Board of Accountancy Chapter 2—General Rules

PROPOSED RULE

4 CSR 10-2.130 Applications for Examination

PURPOSE: This rule provides the applicant with necessary information regarding the actual procedures relating to the applications for the certified public accountant examination.

(1) Persons desiring to take the examination shall apply on forms provided by the board and obtainable from the firm which administers the examination for the board, CPA Examination Services (CPAES). The forms are available online at www.nasba.org or by calling CPA Examination Services at 800-CPA-EXAM or 615-880-4250. Different application forms are provided for initial examination and reexamination candidates.

(2) Initial applications must be completed by candidates who:

(A) Have never taken the examination;

(B) Have previously taken the examination as candidates in another state but who have not earned credit;

(C) Have previously taken the examination as candidates of another state and wish to transfer credit to this state; or

(D) Have previously applied as candidates of this state and were found eligible but who have not yet taken the examination.

(3) Applicants transferring credit(s) from another jurisdiction into Missouri are responsible for completing the Authorization for Transfer of the Uniform CPA Examination Grades form. The form must be completed and submitted to CPAES. This form may be obtained online at www.nasba.org or by calling CPA Examination Services at 800-CPA-EXAM or 615-880-4250.

(4) A candidate who has been found qualified to take the examination and fails to pass the examination shall remain qualified to apply for reexamination if the candidate in the meantime has not committed an act which is grounds to refuse to issue a license under section 326.310, RSMo. Only those candidates who have taken at least one (1) part of the examination as a Missouri candidate may apply using a reexamination form. Applicants wishing to apply for reexamination must call 1-800-CPA-Exam or register online at www.nasba.org and pay the appropriate fee.

(5) Items which constitute a complete initial application are: a completed and notarized application form, the appropriate fee, one (1) recent two-inch by two-inch (2" × 2") passport-type photograph of the applicant, official transcripts from each institution at which original credit towards the educational requirements was earned, completed certificate of enrollment, if applicable and authorization for transfer form if required by section (3) above. The applicant is responsible for insuring that transcripts are received by CPAES at least thirty (30) days before the examination or the application will be considered incomplete.

(6) Applicants who are applying for examination under the provisions of section 326.280, RSMo and who expect to satisfy the educational requirements within sixty (60) days after the examination also must submit a certificate of enrollment as required by 4 CSR 10-2.135. The applicant is responsible for insuring that the certificate of enrollment is received by CPAES at least thirty (30) days before the date of the examination or the application will be considered incomplete.

(7) In accordance with the provisions of the Americans with Disabilities Act, examination administration modifications are available for applicants who qualify. Such applicants must obtain an official modification form from CPAES. Applicants must complete and submit this form each time they apply for the examination and require special modifications. The completed form must be returned to CPAES with all required documentation. This form may be obtained online at www.nasba.org or by calling CPAES at 800-CPA-EXAM or 615-880-4250.

(8) To assist the board in evaluating the educational qualifications of

applicants who have degrees from colleges or universities outside the United States of America, these applicants shall have their educational qualifications and transcripts evaluated by a qualified evaluator which has been approved in advance by the board. Names and application forms of approved evaluators may be obtained online at www.nasba.org or by calling CPAES at 800-CPA-EXAM or 615-880-4250. The applicant shall be responsible for paying any fees charged by the evaluator. The applicant is responsible for insuring that, at least thirty (30) days before the date of the examination, the evaluator's report detailing the evaluator's findings is received by CPAES or the application will be considered incomplete.

(9) Reference to books, or other matter, by a candidate during the examination or exchange of information with other persons shall be considered fraud or deceit and shall be grounds for the board to refuse to issue a license under section 326.310, RSMo.

(10) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.268 and 326.286, RSMo Supp. 2005. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Dec. 7, 1982, effective March 11, 1983. Amended: Filed March 14, 1984, effective July 12, 1984. Amended: Filed Feb. 5, 1990, effective June 28, 1990. Amended: Filed June 10, 1998, effective Dec. 30, 1998. Amended: Filed April 5, 2004, effective July 30, 2004. Rescinded and readopted: Filed April 3, 2006.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will cost private entities approximately two hundred eighty-five thousand seven hundred fifty dollars (\$285,750) annually for the life of the rule. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

PRIVATE ENTITY FISCAL NOTE

I. RULE NUMBER**Title 4 -Department of Economic Development****Division 10 - Missouri State Board of Accountancy****Chapter 2 - General Rules****Proposed Rule - 4 CSR 10-2.130 Application for Examination**

Prepared February 15, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Estimate the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimated cost of compliance with the rule by affected entities:
450	Applicants (Licensure by Examination - \$625)	\$281,250.00
450	Applicants (transcript @ \$10)	\$4,500.00
	Estimated Annual Cost of Compliance for the Life of the Rule	\$285,750.00

III. WORKSHEET

See table above.

IV. ASSUMPTION

1. The board estimates that approximately 450 applicants will annually register directly with the examination a company to be scheduled for the examination. For the purpose of this fiscal note the board is going to assume that applicants will register for all 4 sections at one time. The cost is approximately \$156.25 per section x 4 sections is a total of \$625.
2. Applicants will be required to obtain their original transcript. The cost of the transcripts vary from school to school. For the purpose of this fiscal note the board is estimating obtaining the original transcript will cost approximately \$10.00.
3. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTE: The board is statutorily obligated to enforce and administer the provisions of Chapter 326, RSMo. Pursuant to Section 326.319, RSMo, the board shall by rule and regulation set the amount of fees authorized by Chapter 326, RSMo so that the revenue produced is sufficient, but not excessive, to cover the cost and expense to the board for administering the provisions of Chapter 326, RSMo. This proposed amendment is necessary because the board's projected revenue will not support the expenditures necessary to enforce and administer the provisions of Chapter 326, RSMo, which will result in an endangerment to the health, welfare, and safety of the public.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED AMENDMENT

4 CSR 10-2.140 Granting of Credit for the Examination. The board is proposing to delete sections (1), (4), and (6)–(8), add a new section (3), renumber the remaining sections accordingly, and amend new renumbered sections (4), (6) and (7).

PURPOSE: This rule clarifies the requirements for granting credit for the examination.

[(1) A candidate who passes two (2) parts of the exam and receives a score of fifty percent (50%) or more on the remaining parts of the examination at one (1) sitting shall be granted conditional credit for the part(s) of the examination passed. The conditional credit shall expire unless the candidate is granted credit for passing all remaining parts of the examination within the next six (6) regularly scheduled examinations. A candidate may add conditional credit of additional parts by passing one (1) or more parts of the exam and by receiving a score of fifty percent (50%) or more on any parts he or she did not pass. Adding to conditional credit shall not extend the time limit of the condition.]

[(2)] (1) Candidates who were granted credit for passing parts of the examination prior to the May 1994 examination are deemed to have been granted conditional credit according to the following guidelines:

(A) Credit granted for passing audit prior to May 1994 shall be retained as credit for auditing until either the remaining sections are passed or credit expires under this rule;

(B) Credit granted for passing business law prior to May 1994 shall be retained as credit for business law and professional responsibilities until either remaining sections are passed or credit expires under this rule;

(C) Credit granted for passing accounting theory prior to May 1994 shall be retained as credit for financial accounting and reporting—business enterprises (FARE) until either remaining sections are passed or credit expires under this rule;

(D) Credit granted for passing accounting practice prior to May 1994 shall be retained as credit for accounting and reporting—taxation, managerial and governmental and not-for-profit organizations (ARE) until either remaining sections are passed or credit expires under this rule; and

(E) Candidates who passed the practice section prior to May 1994 shall be considered to have passed two (2) parts for the purpose of determining conditioning.

[(3)] (2) A candidate shall be deemed to have passed the certified public accountant examination when he or she has been granted credit for all four (4) parts of the examination.

[(4) In addition to the conditions set out in sections (1) and (2) of this rule, a grade of at least seventy-five percent (75%). After the November 2003 written examination, applicants are required to pass the computer-based Uniform CPA Examination.]

(3) A score of at least seventy-five percent (75%) is required to pass any part.

[(5)] (4) Transfer-of-credit of parts passed in another state will be allowed provided the candidate [meets] met the requirements of [this] that state for granting credit [as set out in this rule] at the time the examination section was passed.

[(6) An applicant who was not required to take one (1) or more parts of the examination prior to May 1994 because of being licensed by this state as an attorney-at-law will not be required to pay the fee for that part(s) of the examination. Conditional credit granted under this section shall expire at the time of the May 1994 examination.

(7) An applicant who has been granted credit for parts passed in another state will not be required to pay the fee for that part(s) of the examination. Conditional credit granted under this section shall expire as provided in sections (1) and (2) of this rule.

(8) A candidate must sit for all parts of the examination for which the candidate has not already been granted conditional credit by this state.]

[(9)] (5) Candidates who have attained conditional status as of the launch date of the computer-based Uniform CPA Examination will be allowed a transition period to complete any remaining sections of the CPA examination. The transition period is the period of time or maximum number of opportunities (whichever is first exhausted) the candidates who have conditioned under the paper-and-pencil examination have remaining, at the launch of the computer-based CPA examination, to complete all remaining sections.

[(10)] (6) If a previously conditioned candidate does not pass all remaining sections during the transition period, conditioned credits earned under the paper-and-pencil examination will expire and the candidate will lose credit for the sections earned under the paper-and-pencil examination. However, any section passed during the transition period is subject to the conditioning provisions of the computer-based examination as indicated in the [aforementioned] following conditioning recommendation, except that a previously conditioned candidate will not lose conditional credit for a section of the computer-based examination that is passed during the transition period, even though more than eighteen (18) months may have elapsed from the date the section is passed, until the end of the transition period.

[(11)] (7) After [the launch date of the uniform computer-based examination when] April 5, 2004 a candidate [first] who initially passes one (1) or more sections of the CPA examination [the candidate] must pass any remaining sections within eighteen (18) months. In the event all four (4) sections of the Uniform CPA Examination are not passed within the rolling eighteen (18)-month period, credit for any section(s) passed outside the eighteen (18)-month period will expire and that section(s) must be retaken.

[(12)] (8) No information pertaining to grades or passing or failing of candidates shall be given to anyone by telephone.

[(13)] (9) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.268, and 326.280, RSMo Supp. [2003] 2005. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Oct. 16, 1979, effective Feb. 11, 1980. Amended: Filed July 10, 1984, effective Dec. 13, 1984. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Amended: Filed April 5, 2004, effective July 30, 2004. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED RESCISSION

4 CSR 10-2.150 Examination Procedures. This rule provided the applicant with information regarding the actual examination procedures.

PURPOSE: This rule is being rescinded and readopted to eliminate old conditioning requirements, outlines the current process associated with computer-based testing and establishes the passing score.

AUTHORITY: sections 326.262, 326.268, 326.280 and 326.286, RSMo Supp. 2003. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Oct. 16, 1979, effective Feb. 11, 1980. Amended: Filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Oct. 22, 1987, effective March 25, 1988. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Amended: Filed April 5, 1995, effective Oct. 30, 1995. Amended: Filed April 5, 2004, effective July 30, 2004. Rescinded: Filed April 3, 2006.

PUBLIC COST: The proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: The proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED RULE

4 CSR 10-2.150 Examination Procedures

PURPOSE: This rule provides the applicant with information regarding the actual examination procedures. All candidates are advised to read the Candidate Bulletin at www.nasba.org for complete instructions.

(1) After a candidate has submitted an application pursuant to 4 CSR 10-2.130 and eligibility to take the examination is determined as pre-

scribed in 4 CSR 10-2.041, an Authorization To Test (ATT) will be sent to the National Candidate Database (NCD), and a Notice To Schedule (NTS) will be issued the applicant (now known as a candidate). These notices will be issued by the National Association of State Boards of Accountancy (NASBA), examinations department (CPAES).

(2) The NTS will be sent to the candidate by the method of notification indicated on the candidate's application. The NTS will be valid for a six (6)-month period and will include the expiration date of that NTS. Once an NTS has been issued, an eligible candidate has six (6) months from the date of the NTS to schedule and take the approved examination section(s). If the candidate's NTS expires prior to their taking the examination section(s), the candidate will not be able to reschedule or receive a refund on any of the fees they have paid and the candidate will have to reapply for the examination and pay the appropriate application and examination fees.

(3) Upon receipt of the NTS, candidates are required to contact Prometric, Inc. (Prometric) to schedule their examination. Candidates can view the bulletin on-line at www.nasba.org for complete instructions on how to schedule the examination. Candidates can take their examination at any board approved testing center. Candidates can find a complete list of these centers on-line at www.nasba.org, www.prometric.com, or by calling 1 (800) 272-3986.

(4) The board and CPA examination services do not control space availability or location of the test centers. Candidates who need to reschedule or cancel must contact Prometric. Complete instructions on how to schedule or cancel the examination can be found in the candidate bulletin. Candidates should note that they may be required to pay a penalty and/or forfeit their examination fees, depending on when they notify Prometric of the change or cancellation.

(5) Candidates should arrive at least thirty (30) minutes prior to their scheduled testing appointment, with their required identification and NTS, and should have read the candidate bulletin for detailed instructions. If a candidate arrives for their scheduled appointment anytime after the scheduled start time it may result in the candidate being denied permission to test, and the candidate will not receive a refund of application or examination fees.

(6) Once a candidate has taken the examination, the testing center will forward their examination to the American Institute for Certified Public Accountants (AICPA) for grading. The AICPA will forward the advisory scores and performance information to NASBA, and NASBA then will forward the advisory scores to boards of accountancy for approval and subsequent distribution to candidates. Each board of accountancy sets its own schedule for score approval and release.

(7) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.268, 326.280 and 326.286, RSMo Supp. 2005. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Oct. 16, 1979, effective Feb. 11, 1980. Amended: Filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Oct. 22, 1987, effective March 25, 1988. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Amended: Filed April 5, 1995, effective Oct. 30, 1995. Amended: Filed April 5, 2004, effective July 30, 2004. Rescinded and readopted: Filed April 3, 2006.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

sidered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 10—Missouri State Board of Accountancy
Chapter 2—General Rules**

PROPOSED AMENDMENT

4 CSR 10-2.160 Fees. The board is proposing to amend section (1).

PURPOSE: This rule is being amended to delete obsolete language and add the inactive license fee.

(1) The following fees are established by the Missouri State Board of Accountancy:

(D) Individual License Fee (initial) [—]	\$100.00
1. For annual renewal	\$ 50.00
2. For biennial renewal	
\$100.00]	
(E) Individual License Fee (biennial renewal)	\$100.00
1. For annual renewal	\$ 50.00
2. For biennial renewal	\$100.00]
[(H) Provisional License to Practice (one year)	\$150.00
(I) Proctoring Fee (proctoring exam candidates for other state boards)	\$ 60.00]
(H) Inactive License Fee (initial)	\$ 25.00
(I) Inactive License Fee (biennial renewal)	\$ 25.00

AUTHORITY: sections 326.262, 326.271, 326.277, 326.280, 326.283, 326.286 and 326.289, RSMo Supp. [2003] 2005. Emergency rule filed Aug. 6, 1981, effective Aug. 16, 1981, expired Dec. 10, 1981. Original rule filed Aug. 6, 1981, effective Dec. 11, 1981. For intervening history, please consult the Code of State Regulations. Amended: Filed April 3, 2006.

PUBLIC COST: This proposed amendment will reduce the State Board of Accountancy Fund by approximately forty thousand seven hundred fifty dollars (\$40,750) annually for the life of the rule. It is anticipated that the total reduction will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

PRIVATE COST: This proposed amendment will save private entities approximately forty thousand seven hundred fifty dollars (\$40,750) annually for the life of the rule. It is anticipated that the total savings will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri State Board of Accountancy, Ken L. Bishop, Executive Director, PO Box 613, Jefferson City, MO 65102-0613. To be con-

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 10 - Missouri State Board of Accountancy

Chapter 2 - General Rules

Proposed Rule - 4 CSR 10-2.160 Fees

Prepared February 15, 2006 by the Division of Professional Registration

Affected Agency or Political Subdivision	Estimated Loss of Revenue
Missouri State Board of Accountancy	-\$40,750
Total Loss of Revenue	
Biennially for the Life of the Rule	
	-\$40,750

III. WORKSHEET

See Assumptions

IV. ASSUMPTION

1. The board estimates approximately 50 licensees will request an inactive license annually.
2. The fiscal impact for the deletion of the provisional license fee is shown in the fiscal note accompanying 4 CSR 10-2.022.
3. It is anticipated that the total reduction will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight

NOTE: The public fiscal note for this rule only reflects the cost for this particular process. However, private entity fees are set at an amount to cover the total actual cost incurred by the board, which includes personal service, expense and equipment and transfers.

PRIVATE ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 10 - Missouri State Board of Accountancy

Chapter 2 - General Rules

Proposed Rule - 4 CSR 10-2.160 Fees

Prepared February 15, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Estimate the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimated cost of compliance with the rule by affected entities:
260	Applicants (deletion of \$150 Provisional License Fee)	-\$39,000.00
50	(Applicants - (deletion of \$60 Proctoring Exam Fee)	-\$3,000.00
50	Licensees (Inactive License - \$25)	\$1,250.00
Estimated Annual Reducation for the Life of the Rule		-\$40,750.00

III. WORKSHEET

See table above.

IV. ASSUMPTION

1. The board estimates approximately 50 licensees will request an inactive license annually.
2. The fiscal impact for the deletion of the provisional license fee is shown in the fiscal note accompanying 4 CSR 10-2.022.
3. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTE: The board is statutorily obligated to enforce and administer the provisions of Chapter 326, RSMo. Pursuant to Section 326.319, RSMo, the board shall by rule and regulation set the amount of fees authorized by Chapter 326, RSMo so that the revenue produced is sufficient, but not excessive, to cover the cost and expense to the board for administering the provisions of Chapter 326, RSMo. This proposed amendment is necessary because the board's projected revenue will not support the expenditures necessary to enforce and administer the provisions of Chapter 326, RSMo, which will result in an endangerment to the health, welfare, and safety of the public.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 250—Missouri Real Estate Commission
Chapter 3—Applications for License; License
Examinations**

PROPOSED AMENDMENT

4 CSR 250-3.010 Applications for License. The commission is proposing to delete section (3) and propose new language in section (3) and (4), renumber the remaining sections accordingly, and amend section (4), add a new section (6) and amend the newly renumbered section (7) and (8).

PURPOSE: This rule is being amended to require individuals to take the Missouri Real Estate Practice course before they get their salesperson license instead of taking the course during their first renewal period.

[(3)] Every application for original license shall be accompanied by proof acceptable to the commission that the applicant has met all applicable requirements of the license law and these rules, including but not limited to:

(A) Proof of successful completion of the prescribed pre-license course in an accredited school prior to the date of examination and within six (6) months prior to the date the application for license is postmarked by a postal service; and

(B) Proof of satisfactory completion of both portions of the required examination within six (6) months prior to the date the application for license is postmarked by a postal service.]

(3) Salesperson.

(A) Every application for original salesperson license shall be accompanied by proof acceptable to the commission that the applicant has met all applicable requirements of sections 339.010 through 339.190, RSMo and these rules, including but not limited to:

1. Proof of successful completion of an approved forty-eight (48)-hour course of study known as “Salesperson Pre-Examination Course” prior to the date of examination and no more than six (6) months prior to the postmark date applied by the postal service or hand delivery date of license application to the Missouri Real Estate Commission;

2. Proof of satisfactory completion of both national and state portions of the required examination after the successful completion of the course identified as “Salesperson Pre-Examination Course”; and

3. Proof of successful completion of an approved twenty-four (24)-hour course known as “Missouri Real Estate Practice Course” completed after successful completion of the “Salesperson Pre-Examination Course.”

(4) Broker Type License.

(A) Every application for original broker type license shall be accompanied by proof acceptable to the commission that the applicant has met all applicable requirements of the license law and these rules, including but not limited to:

1. Proof of having been actively licensed as a salesperson for at least one (1) year immediately preceding date of application, and proof of satisfactory completion of both national and state portions of the required broker examination no more than six (6) months prior to the postmark date applied by the postal service or hand delivery date of license application to the Missouri Real Estate Commission after having completed the “Broker Pre-Examination Course”; or

2. Proof of having completed all requirements to obtain a Missouri salesperson’s license, proof of successful completion of an approved forty-eight (48)-hour course of study known as the

“Broker Pre-Examination Course” prior to the date of examination and no more than six (6) months prior to the postmark date applied by the postal service or hand delivery date of license application to the Missouri Real Estate Commission, and proof of satisfactory completion of both national and state portions of the required examination after the successful completion of the course identified as “Broker Pre-Examination Course.”

[(4)] (5) Applicants will have six (6) months after satisfactory completion of the required course(s) of study within which to pass the required examination and apply for license. After six (6) months, credit for *[that]* such course(s) and examination will expire, and satisfactory completion of the required course(s) and examination must be repeated before applying for license.

(6) The respective pre-examination course must be completed and the completion certificate received prior to the candidate attempting to take the required examination.

[(5)] (7) The commission may require an applicant for a license to furnish a recent passport-type photograph and court documents, as well as any other information deemed necessary by the commission to determine the applicant’s qualifications for a license.

[(6)] (8) The commission reserves the right, at its discretion, to hold any application for a reasonable length of time for investigation.

AUTHORITY: sections 339.090 and 339.120, RSMo [2000] Supp. 2005. Original rule filed Nov. 14, 1978, effective Feb. 11, 1979. Amended: Filed Oct. 2, 1985, effective Dec. 26, 1985. Amended: Filed June 15, 1990, effective Dec. 31, 1990. Amended: Filed Feb. 2, 1994, effective Aug. 28, 1994. Amended: Filed June 28, 2002, effective Dec. 30, 2002. Amended: Filed April 6, 2006.

PUBLIC COST: This proposed amendment will cost state agencies or political subdivisions approximately twenty-two thousand four hundred thirty dollars and fourteen cents (\$22,430.14) annually for the life of the rule. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

PRIVATE COST: This proposed amendment will cost private entities approximately five hundred one thousand nine hundred fifty dollars (\$501,950) annually for the life of the rule. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Commission, Janet Carder, PO Box 1339, Jefferson City, MO 65102, by facsimile at (573) 751-2777 or via e-mail to realestate@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development
Division 250 - Missouri Real Estate Commission
Chapter 3 - Applications for License; License Examinations
Proposed Rule - 4 CSR 250-3.010 Applications for License
 Prepared March 20, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
Missouri Real Estate Commission	\$22,430.14

**Total Annual Cost of Compliance \$22,430.14
for the Life of the Rule**

III. WORKSHEET

Applications are received and processed by the board. The Office Support Assistant will process the mail; the Account Clerk II will deposit the money, review the printed license for accuracy, and reconcile and mail the license; the Licensure Technician II will enter data into the division's licensing system, process the application, and issue and approve the license.

The board estimates staff will spend the following time per application: Administrative Office Support Assistant - 2 minutes; Account Clerk II - 3 minutes; Licensure Technician II - 10 minutes The figures below represent costs paid by the Missouri Real Estate Commission for implementation of this rule.

Employee's salaries were calculated using the annual salary multiplied by 48.89% for fringe benefits and then divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per minute. The cost per minute was then multiplied by the amount of time individual staff spent on the processing of applications or renewals. The total cost was based on the cost per application multiplied by the estimated number of applications.

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE	HOURLY SALARY	COST PER	TIME PER	COST PER	TOTAL COST
Administrative Office Support Assistant	\$25,860	\$38,502.95	\$18.51	\$0.31	2 minutes	\$0.62	\$3,085.17
Account Clerk II	\$21,900	\$32,606.91	\$15.68	\$0.26	3 minutes	\$0.78	\$3,919.10
Licensure Technician II	\$ 25,860	\$38,502.95	\$18.51	\$0.31	10 minutes	\$3.09	\$15,425.86

Total Costs \$22,430.14

IV. ASSUMPTION

1. The board estimates approximately 5000 applicants will be required to successfully complete the Salesperson Pre-Examination Course or Broker Pre-Examination Course prior to making application to the board for licensure.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

NOTE: The public fiscal note for this rule only reflects the cost for this particular process. However, private entity fees are set at an amount to cover the total actual cost incurred by the board, which includes personal service, expense and equipment and transfers.

PRIVATE ENTITY FISCAL NOTE

I. RULE NUMBER**Title 4 -Department of Economic Development****Division 250 - Missouri Real Estate Commission****Chapter 3 - Applications for License; License Examinations****Proposed Rule - 4 CSR 250-3.010 Applications for License**

Prepared March 20, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Estimate the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimated cost of compliance with the rule by affected entities:
5,000	Applicants (Application for Original License - Cost of Course \$100)	\$500,000
5,000	Applicants (Postage - \$.39)	\$1,950
	Estimated Annual Cost of Compliance for the Life of the Rule	\$501,950

III. WORKSHEET

See table above.

IV. ASSUMPTION

1. The board estimates approximately 5000 applicants will be required to successfully complete the Salesperson Pre-Examination Course or Broker Pre-Examination Course prior to making application to the board for licensure.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTE: The board is statutorily obligated to enforce and administer the provisions of Chapter 326, RSMo. Pursuant to Section 326.319, RSMo, the board shall by rule and regulation set the amount of fees authorized by Chapter 326, RSMo so that the revenue produced is sufficient, but not excessive, to cover the cost and expense to the board for administering the provisions of Chapter 326, RSMo. This proposed amendment is necessary because the board's projected revenue will not support the expenditures necessary to enforce and administer the provisions of Chapter 326, RSMo, which will result in an endangerment to the health, welfare, and safety of the public.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 250—Missouri Real Estate Commission
Chapter 3—Applications for License; License
Examinations**

PROPOSED AMENDMENT

4 CSR 250-3.020 License Examinations. The commission is proposing to amend section (1).

PURPOSE: This proposed amendment allows great flexibility with regard to professional testing services.

(1) The form, content, method of administration, passing standards and schedule of written license examinations shall be determined by the commission and the date and place of examinations shall be announced as far in advance as is practicable. In conducting examinations, the commission may utilize professional [computerized] testing services.

AUTHORITY: sections 339.090 and 339.120, RSMo [2000] Supp. 2005. Original rule filed Nov. 14, 1978, effective Feb. 11, 1979. Amended: Filed Oct. 2, 1985, effective Dec. 26, 1985. Amended: Filed Feb. 2, 1994, effective Aug. 28, 1994. Amended: Filed Sept. 8, 2003, effective March 30, 2004. Amended: Filed April 6, 2006.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Commission, Janet Carder, PO Box 1339, Jefferson City, MO 65102, by facsimile at (573) 751-2777 or via e-mail to realestate@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 250—Missouri Real Estate Commission
Chapter 5—Fees**

PROPOSED AMENDMENT

4 CSR 250-5.030 Miscellaneous Fees. The board is proposing to delete subsection (1)(A) and add new subsections (1)(A) and (1)(B).

PURPOSE: This amendment eliminates copying and research fees and implements costs for bad check replacements and pin card replacements.

(1) The following miscellaneous fees for certain services rendered by the Missouri Real Estate Commission are as follows:

- [(A) Name Search Fee
(as determined by the Missouri
State Highway Patrol)]*
- (A) Duplicate Pin Card Fee \$ 25
- (B) Bad Check Replacement Fee \$ 25

AUTHORITY: sections [43.543,] 339.090 and 339.120, [and 610.026,] RSMo Supp. [2004] 2005 and 620.140.2, RSMo 2000. Original rule filed March 16, 1988, effective July 1, 1988. Amended:

Filed Feb. 2, 1994, effective Aug. 28, 1994. Amended: Filed Dec. 30, 2004, effective June 30, 2005. Amended: Filed April 6, 2006.

PUBLIC COST: This proposed amendment will cost state agencies or political subdivisions approximately one thousand three hundred eighty-three dollars and fifty cents (\$1,383.50) annually for the life of the rule. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

PRIVATE COST: This proposed amendment will cost private entities approximately seven thousand five hundred dollars (\$7,500) annually for the life of the rule. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Commission, Janet Carder, PO Box 1339, Jefferson City, MO 65102, by facsimile at (573) 751-2777 or via e-mail to realestate@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 250 - Missouri Real Estate Commission

Chapter 5 - Fees

Proposed Rule - 4 CSR 250-5.030 Miscellaneous Fees

Prepared March 20, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
Missouri Real Estate Commission	\$1,383.50
Total Annual Cost of Compliance for the Life of the Rule	
	\$1,383.50

III. WORKSHEET

The Account Clerk II will spend approximately 20 minutes per notification of a insufficient funds notifying the individual, updating the division's licensing system, and monitoring the replacement fees. The License Technician I will spend approximately 5 minutes issuing and mailing duplicate pin cards. The figures below represent costs paid by the Missouri Real Estate Commission for implementation of this rule.

Employee's salaries were calculated using the annual salary multiplied by 48.89% for fringe benefits and then divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per minute. The cost per minute was then multiplied by the amount of time individual staff spent on the processing of duplicate licenses and replacement checks. The total cost was based on the cost per application multiplied by the estimated number of request for duplicate licenses and replacement checks.

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE BENEFIT	HOURLY SALARY	COST PER MINUTE	TIME PER APPLICATION	COST PER APPLICATION	TOTAL COST
Account Clerk II	\$21,900	\$32,606.91	\$15.68	\$0.26	20 minutes	\$5.23	\$1,306.37
Licensure Technician II	\$ 25,860	\$38,502.95	\$18.51	\$0.31	5 minutes	\$1.54	\$77.13

Total Costs \$1,383.50

IV. ASSUMPTION

1. The above estimations were based on the assumption that at least a small number of licensees will lose their pin card and will request a duplicate card be produced and issued. The estimated related to the bad check replacement fee is based on historical statistics of bad checks received by the Missouri Real Estate Commission.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

NOTE: The public fiscal note for this rule only reflects the cost for this particular process. However, private entity fees are set at an amount to cover the total actual cost incurred by the board, which includes personal service, expense and equipment and transfers.

PRIVATE ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 250 - Missouri Real Estate Commission

Chapter 5 - Fees

Proposed Rule - 4 CSR 250-5.030 Miscellaneous Fees

Prepared March 20, 2006 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Estimate the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimated cost of compliance with the rule by affected entities:
250	Licensees (Duplicate Pin Card Fee - \$25)	\$6,250
50	Applicants/Licensees (Bad Check Replacement Fee - \$25)	\$1,250
	Estimated Annual Cost of Compliance for the Life of the Rule	\$7,500

III. WORKSHEET

See table above.

IV. ASSUMPTION

1. The above estimations were based on the assumption that at least a small number of licensees will lose their pin card and will request a duplicate card be produced and issued. The estimated related to the bad check replacement fee is based on historical statistics of bad checks received by the Missouri Real Estate Commission.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase at the rate projected by the Legislative Oversight Committee.

NOTE: The board is statutorily obligated to enforce and administer the provisions of Chapter 326, RSMo. Pursuant to Section 326.319, RSMo, the board shall by rule and regulation set the amount of fees authorized by Chapter 326, RSMo so that the revenue produced is sufficient, but not excessive, to cover the cost and expense to the board for administering the provisions of Chapter 326, RSMo. This proposed amendment is necessary because the board's projected revenue will not support the expenditures necessary to enforce and administer the provisions of Chapter 326, RSMo, which will result in an endangerment to the health, welfare, and safety of the public.