

1105.7100 RAP FIRM APPLICATION.

A. Applications by RAP firms for initial issuance and for renewal of RAP firm permit must be made on a form provided by the board and, in the case of applications for renewal, shall be filed no later than December 31. Applications are not considered filed until the applicable fee prescribed in Minnesota Statutes, section 326A.04, and all required documents prescribed in this chapter are received. Applicants who do not supply all required supporting documents and applicable fees for initial issuance of a RAP firm permit within six months of the date that the application was received by the board shall submit a new application with the required fee. If an application for permit renewal is filed late, it must also be accompanied by the delinquency fee prescribed in Minnesota Statutes, section 326A.04.

B. A sole proprietor shall apply simultaneously for renewal of an individual registration and a RAP firm permit, if a permit is required.

C. Applications must include the RAP firm name; addresses and telephone numbers of the main office and of any branch offices of the RAP firm in this state; the name of the person in charge of each such branch office; and the names of the partners, shareholders, members, managers, directors, and officers practicing in this state.

D. The board shall not issue a permit to a RAP firm until all partners, members, managers, shareholders, directors, and officers resident in this state who hold a registration as a RAP have a minimum of two years of qualifying experience of the type specified in part 1105.6900 and:

(1) for initial issuance of a RAP firm permit, individually hold a nonexpired registration issued under part 1105.6600; and

(2) for renewal of a RAP permit, individually renewed their registration for the coming year.

E. RAP firm partners, members, shareholders, directors, or officers resident in this state who do not hold a registration issued under part 1105.6600 shall annually, in connection with initial issuance and renewal of the RAP firm permit, submit with the application a statement signed by the person that:

(1) indicates that person's agreement to comply with rules adopted by the board and to be subject to the board enforcement specified in Minnesota Statutes, section 326A.08;

(2) indicates that the person actively participates in the firm on a full-time basis as those terms are defined in part 1105.4000, item H; and

(3) specifies all professional licenses held by the person that were issued by the state and any disciplinary actions which have been taken against the licensees in the last five years.

F. No licensee may be a partner, member, manager, shareholder, director, or officer of a RAP firm. Persons specified in item E shall annually register with the board before December 31 on a form provided by the board and pay the fee specified in Minnesota Statutes, section 326A.04. The form must provide a space to indicate the percentage of voting and financial interest held by

the individual in the firm. The aggregate amount of percentages must not exceed 50 percent for all persons who do not hold a registration issued under part 1105.6600.

G. The board shall not renew a permit of a RAP firm that has not undergone a peer review specified in part 1105.7400 within the previous three years and has not complied with the board's rules with respect to such reviews.

H. A licensee may be an employee of a RAP firm, provided:

- (1) the licensee maintains an unexpired certificate with a status of active;
- (2) the licensee does not participate in any engagement that results in the issuance of a compilation report unless the licensee complies with Minnesota Statutes, section 326A.10, paragraph (k); and
- (3) the RAP firm quality review required by part 1105.7400 includes verification of the requirement contained in subitem (2).

Statutory Authority: *MS s 197.4552; 326.18; 326A.02*

History: *27 SR 1425; 28 SR 1636; 30 SR 422; 38 SR 1367; 40 SR 953; 42 SR 736; 48 SR 349*

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