

Report From Agency

STATE OF WISCONSIN  
ACCOUNTING EXAMINING BOARD

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IN THE MATTER OF RULEMAKING : REPORT TO THE LEGISLATURE  
PROCEEDINGS BEFORE THE : CR 17-064  
ACCOUNTING EXAMINING BOARD :

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**I. THE PROPOSED RULE:**

The proposed rule, including the analysis and text, is attached.

**II. REFERENCE TO APPLICABLE FORMS:**

N/A

**III. FISCAL ESTIMATE AND EIA:**

The Fiscal Estimate and EIA is attached.

**IV. DETAILED STATEMENT EXPLAINING THE BASIS AND PURPOSE OF THE PROPOSED RULE, INCLUDING HOW THE PROPOSED RULE ADVANCES RELEVANT STATUTORY GOALS OR PURPOSES:**

These proposed rules modify the semester hours and course subjects required in order to be granted a CPA certificate or to take the CPA examination, as follows:

1. Specifies methods for satisfying the 150 hours requirement for obtaining a CPA certificate. The methods differ depending on the degree received by the applicant and how the educational program, department, or educational institution from which the applicant earned the degree is accredited.
2. Provides that a person may satisfy the 120 hours requirement for taking the CPA examination if the person already satisfies the 150 hours requirement for obtaining a CPA certificate described above, the person otherwise satisfies the course content and semester hours required for a CPA certificate, or the person has completed course work that the board determines is reasonably equivalent to those requirements.

**V. SUMMARY OF PUBLIC COMMENTS AND THE BOARD'S RESPONSES, EXPLANATION OF MODIFICATIONS TO PROPOSED RULES PROMPTED BY PUBLIC COMMENTS:**

The Accounting Examining Board held a public hearing on October 16, 2017. Written comments were received from Western Governors University. The comments suggest the Board define the term "semester hour," provide a note listing terms synonymous to "semester hour" (e.g., "credit hour"), and specify the equivalent of a semester hour will meet the requirements in s. Accy 2.202. The Board did not revise the proposed rules in response to these comments, as 1) over 25 other educational institutions have reviewed the proposed rules and not raised similar concerns and 2) it is not necessary to define a term such as "semester hour" that has an unambiguous meaning.

**VI. RESPONSE TO LEGISLATIVE COUNCIL STAFF RECOMMENDATIONS:**

**Comment:** 1.a.

Section 442.04 (5) (b) 3. and 4., Stats., gives the Accounting Examining Board the authority to determine the specific course work in accounting and business subjects a candidate is required to complete to be eligible for certification as a CPA and to take the CPA examination. As these requirements must be promulgated as a rule, the above-referenced statutory provisions also give the Board specific rulemaking authority.

**Comments:** 5.a. and 5.b.

The Board has considered these recommendations and determined it would not revise the provisions of ss. Accy 2.202 (2) and (3) and 2.303 (1) and (2), as they are not unclear as drafted.

**VII. REPORT FROM THE SBRRB AND FINAL REGULATORY FLEXIBILITY ANALYSIS:**

N/A