

STATEMENT OF SCOPE

Accounting Examining Board

Rule No.: Chapters Accy 2 and 7

Relating to: Continuing education

Rule Type: Permanent

1. Finding/nature of emergency (Emergency Rule only):

N/A

2. Detailed description of the objective of the proposed rule:

The Accounting Examining Board will, as required by 2017 Wisconsin Act 88, establish continuing education requirements for renewal of a license to practice as a certified public accountant in Wisconsin.

3. Description of the existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:

Current rules do not require continuing education for renewal of a license to practice as a certified public accountant in Wisconsin. The proposed rules will create ch. Accy 7 and revise ch. Accy 2 to establish continuing education requirements for the renewal and reinstatement of a license to practice as a certified public accountant in Wisconsin.

The alternatives of either partially updating or not updating these rules would be less beneficial to affected entities.

4. Detailed explanation of statutory authority for the rule (including the statutory citation and language):

Section 15.08 (5) (b), Stats., provides an examining board “shall promulgate rules for its own guidance and for the guidance of the trade or profession to which it pertains. . .”

Section 227.11 (2) (a), Stats., provides “[e]ach agency may promulgate rules interpreting the provisions of any statute enforced or administered by the agency, if the agency considers it necessary to effectuate the purpose of the statute”

Section 227.11 (2) (d), Stats., provides “[a]n agency may promulgate rules implementing or interpreting a statute that it will enforce or administer after publication of the statute but prior to the statute’s effective date. A rule promulgated under this paragraph may not take effect prior to the effective date of the statute that it implements or interprets.”

Section 442.083 (2) (a), Stats., as created by 2017 Wisconsin Act 88 effective December 15, 2019, provides the Accounting Examining Board “shall promulgate rules establishing continuing education requirements for renewal of licenses granted to individuals under this chapter. The rules promulgated under this paragraph may not require an individual to complete more than 80 continuing education credits during the 2-year period immediately preceding the renewal date specified under s. 440.08 (2) (a).”

A significant portion of the Board’s administrative responsibilities regarding 2017 Wisconsin Act 88 is, to the extent possible, provide advance guidance to stakeholders as to how the continuing education

requirements will affect them. As the continuing education requirements provided under 2017 Wisconsin Act 88 must be established by rule, effective administration of the Act requires the Board have a rule finalized and available to stakeholders prior to the December 15, 2019 effective date of the requirements. Beginning the rules promulgation after the statute's effective date of December 15, 2019, will lead to uncertainty about the continuing education requirement for the majority of the renewal period in which the continuing education requirement is in effect. Stakeholders will not know which courses fulfill the continuing education requirement until rules are promulgated. Under the authority provided in ss. 15.08 (5) (b) and 227.11 (2) (a) and (d), Stats., and as explicitly required by 2017 Wisconsin Act 88, the Board will promulgate rules with an effective date of December 15, 2019, to establish continuing education requirements for renewal of a license to practice as a certified public accountant in Wisconsin.

5. Estimate of amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:

State employees will spend approximately 120 hours developing the proposed rule.

6. List with description of all entities that may be affected by the proposed rule:

Individuals licensed to practice as a certified public accountant in Wisconsin and providers of continuing education related to the practice of certified public accountants

7. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:

None.

8. Anticipated economic impact of implementing the rule (note if the rule is likely to have a significant economic impact on small businesses):

The proposed rule will have minimal to no economic impact on small businesses and the state's economy as a whole.

Contact Person: Dale Kleven, (608) 261-4472, DSPSAdminRules@wisconsin.gov