

STATEMENT OF SCOPE

Accounting Examining Board

Rule No.: Chapter Accy 2

Relating to: CPA examination completion deadline

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 may revise ch. Accy 2 to give the board discretion to extend the 18-month period of credit for Uniform CPA Examination sections passed, upon showing to the board's satisfaction that the inability to pass all sections of the examination within the 18-month period was due to circumstances beyond the applicant's control, or for other reasons deemed acceptable by the board.

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:

The current rules require applicants to complete all sections of the Uniform CPA Examination within a rolling 18-month period. If all sections are not passed within that rolling 18-month period, regardless of the circumstances, credit for the sections that the applicant did pass is lost, and the applicant must retake and pass all sections of the exam.

The board realizes that circumstances outside of the applicant's control may arise that prevent an applicant from completing all sections of the exam within the 18-month rolling period, and is interested in possibly revising its rules to allow the board discretion to extend the 18-month period where it deems appropriate.

The alternative to this rule revision would be to continue to not grant exceptions to the 18-month credit expiration deadline. This may result in applicants being required to retake sections of the exam that they have already passed and unnecessarily delay their ability to participate in our state's workforce.

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 "[s]hall promulgate rules for its own guidance and for the guidance of the trade or profession to which it pertains. . ."

Section 442.04 (2), Stats., provides that "[t]he examining board shall hold an examination at least once each year at a time and place determined by the examining board."

Section 442.04 (5) (b) 4., Stats., provides the Board may not grant a certificate as a certified public accountant to any person other than a person who "... has successfully passed an examination in such subjects affecting accountancy and business as the examining board considers necessary."

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 40 hours developing the proposed rule.

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

Candidates for Wisconsin certification as a CPA.

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.

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