CERTIFICATE

STATE OF WISCONSIN
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

I, Brittany Lewin, Executive Director, Division of Policy Development in the Wisconsin Department of Safety and Professional Services and custodian of the official records of the Accounting Examining Board, do hereby certify that the annexed emergency rules were duly approved and adopted by the Accounting Examining Board on the 21st day of September, 2016.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 1400 East Washington Avenue, Madison, Wisconsin this 21st day of September, 2016.

Brittany Lewin, Executive Director
Division of Policy Development
Department of Safety & Professional Services

STATE OF WISCONSIN
ACCOUNTING EXAMINING BOARD

IN THE MATTER OF RULEMAKING PROCEEDINGS BEFORE THE ACCOUNTING EXAMINING BOARD	: : :	ORDER OF THE ACCOUNTING EXAMINING BOARD ADOPTING EMERGENCY RULES

The statement of scope for this rule, SS 079-16, was approved by the Governor on August 25, 2016, published in Register 729A1 on September 6, 2016, and approved by the Accounting Examining Board on September 19, 2016.

This emergency rule was approved by the Governor on September 21, 2016.

ORDER

An order of the Accounting Examining Board to amend Accy 2.101 (2), 2.202 (intro.), 2.303, and 2.403 and create Accy 2.202 (3), relating to education required for examination and certification.

Analysis prepared by the Department of Safety and Professional Services.

FINDING OF EMERGENCY

The Accounting Examining Board finds that an emergency exists and that this rule is necessary for the immediate preservation of the public peace, health, safety, or welfare. A statement of facts constituting the emergency is:

Administrative rules that went into effect on June 1, 2016, changed the education requirements for candidates to take the certified public accountant (CPA) examination or be certified in Wisconsin as a CPA. Some candidates who, as of June 1, 2016, had completed or were in the process of completing their education according to the requirements in effect on May 31, 2016, do not or will not meet the education requirements as revised. This proposed rule will help ensure the opportunity for these individuals to be employed or start a business as a CPA in Wisconsin is not delayed or denied.

An expeditious promulgation of this rule is in the best interest of Wisconsin's economy and public welfare, as this will prevent some students who have completed or are nearing completion of programs meeting the education requirements in effect on May 31, 2016, from having to take additional coursework to meet the current education requirements.

ANALYSIS

Statutes interpreted:

Section 442.04 (5) (b) 3. and 4., Stats.

Statutory authority:

Sections 15.08 (5) (b) and442.04 (5) (b) 3. and 4., Stats.

Explanation of agency authority:

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

Section 442.04 (5) (b) 3., Stats., provides the Board may not grant a certificate as a certified public accountant to any person other than a person who "has completed at least 150 semester hours of education at an institution that include course work in accounting and business subjects, as determined by the examining board, and has received a bachelor's or higher degree."

Section 442.04 (5) (b) 4., Stats., provides a person is not eligible to take the CPA examination "unless the person has completed at least 120 semester hours of education at an institution that include course work in accounting and business subjects, as determined by the examining board."

Related statute or rule:

None.

Plain language analysis:

The rules update ch. Accy 2 to provide that, prior to June 1, 2017, a candidate may qualify to take the CPA examination or be certified in Wisconsin as a CPA under either the educational requirements in effect on May 31, 2016, or as revised effective June 1, 2016.

Summary of, and comparison with, existing or proposed federal regulation:

None.

Comparison with rules in adjacent states:

Illinois:

Illinois requires 150 college or university semester hours with an accounting concentration to be admitted to take the certified public accountant examination. The 150 hours must include a baccalaureate or higher degree conferred by an academic institution acceptable to the Board (225 Ill Comp. Stat. 450/3). The Board recognizes institutions of higher education accredited by a regional accrediting association recognized by the Council for Higher Education Accreditation or the U.S. Department of Education. The Board also recognizes business schools accredited by the Association of Advance Collegiate Schools of Business or the Association of Collegiate Business Schools and Programs (23 Ill. Adm. Code 1400.90 (c) (2) (G)).

Iowa:

Qualifications for a certificate as a certified public accountant in Iowa includes completion of at least 150 semester hours of college level education and receiving a baccalaureate or higher degree by a college or university recognized by the Board (Iowa Code §542.5 (7)). The Board recognizes institutions accredited by the American Assembly of Collegiate Schools of Business (193A IAC 3.2). Other qualifications

include one year of verified experience and successful completion of the uniform certified accountant's examination (193A IAC 3.1).

Michigan:

Certification requirements in Michigan include the completion of a least 150 semester hours of college education including a baccalaureate degree or higher with a concentration in accounting (Mich. Admin. Code R 338.5116). For purposes of accreditation the Board recognizes the North Central Association of Colleges and Schools Commission on Institutions of Higher Education (Mich. Admin. Code R 338.5115). Qualifying experience for certification includes 2,000 hours of experience within a period of not less than one calendar year and not more than 5 calendar years (Mich. Admin. Code R 338.5117).

Minnesota:

The requirements for certification include the completion of one year of experience and 150 semester hours or 225 quarter hours at a college or university accredited by a recognized accrediting agency listed with the United States Department of Education, or an equivalent accrediting association (Minn. Stat. §326A.03 Subd. 6.). Before taking the examination an applicant is required to have a "baccalaureate or higher degree, with a major in accounting or a major in business with accounting emphasis, or an equivalent education, from a college or university that is fully accredited by a recognized accrediting agency listed with the United States Department of Education or an equivalent accrediting association." (Minn. Stat. §326A.03 Subd. 3.).

Summary of factual data and analytical methodologies:

The proposed rules were developed by obtaining input and feedback from the Accounting Examining Board.

Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:

These rules do not impose any new requirements. The purpose of the rules is to provide candidates a window of opportunity to qualify for the CPA examination and certification in Wisconsin as a CPA under the educational requirements in place at the time they completed or were nearing completion of their education.

Fiscal estimate:

These rules will not have a fiscal impact.

Effect on small business:

These rules do not have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. The Department's Regulatory Review Coordinator may be contacted by email at Jeffrey.Weigand@wisconsin.gov, or by calling (608) 267-2435.

Agency contact person:

Dale Kleven, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, Wisconsin 53708; telephone 608-261-4472; email at Dale2.Kleven@wisconsin.gov.

Place where comments are to be submitted and deadline for submission:

Comments may be submitted to Dale Kleven, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, Wisconsin 53708, or by email to Dale2.Kleven@wisconsin.gov. Comments must be submitted by the date and time at which the public hearing on these rules is conducted. Information as to the place, date, and time of the public hearing will be published on the Department of Safety and Professional Services' website and in the Wisconsin Administrative Register.

TEXT OF RULE

SECTION 1. Accy 2.101 (2) is amended to read:

Accy 2.101 (2) Proof of fulfilling the educational requirements specified in s. Accy 2.202 and s. 442.04 (5), Stats., by submitting certified copies of transcripts for all academic work completed at an institution, as defined in s. 442.04 (5) (a), Stats., at least one of which must reflect the award of a bachelor's or higher degree and the completion of 150 semester hours, including in courses covering each of the subjects and the semester hours specified in s. Accy 2.202 (1) and (2), or all academic work leading to a bachelor's or graduate degree in accounting meeting the requirements under s. Accy 2.202 (3).

SECTION 2. Accy 2.202 (intro.) is amended to read:

Accy 2.202 (intro.) Education required for certification. ~~A~~ Except as provided in sub. (3), a candidate applying for a certificate to practice as a certified public accountant must, in the course of having completed the 150 semester hours of education have earned a baccalaureate or graduate degree from an accredited business school or college of business and completed all of the following:

SECTION 3. Accy 2.202 (3) is created to read:

Accy 2.202 (3) A candidate applying for a certificate to practice as a certified public accountant fulfills the educational requirements under this section if, prior to June 1, 2017, the candidate has, in the course of completing 150 semester hours of education, earned a bachelor's or graduate degree in accounting from an accounting program or department that is listed by an accrediting agency recognized by the board.

SECTION 4. Accy 2.303 is amended to read:

Accy 2.303 Education required for examination. A candidate for the certified public accountant examination must complete 120 semester hours of education, including courses covering each of the subjects and the semester hours specified in s. Accy 2.202 (1) and (2), or 120 semester hours of education leading to a bachelor's or graduate degree in accounting that meets the requirements under s. Accy 2.202 (3).

SECTION 5. Accy 2.403 is amended to read:

Accy 2.403 Public accounting experience. An individual must have at least one year of public accounting experience or its equivalent as determined by the board. Experience shall be acquired after the applicant has earned 120 semester hours of education from an accredited college or university, including courses covering each of the subjects and the semester hours specified in s. Accy 2.202 (1) and (2), or 120 semester hours of education leading to a bachelor's or graduate degree in accounting that meets the requirements under s. Accy 2.202 (3). This experience must have been acquired within 5 years prior to applying for the certification as a certified public accountant.

SECTION 6. EFFECTIVE DATE. The rules adopted in this order shall take effect upon publication in the official state newspaper, pursuant to s. 227.22 (2) (c), Stats.

(END OF TEXT OF RULE)

Dated 9/21/16

Agency John Scheidt
Chairperson
Accounting Examining Board