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## ACCOUNTING EXAMINING BOARD



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September 27, 2016

**TO:** Senate Committee on Revenue, Financial Institutions, and Rural Issues and  
Assembly Committee on State Affairs and Government Operations  
State Capitol  
2 East Main Street  
Madison, Wisconsin 53707

**FROM:** Wisconsin Accounting Examining Board  
John Scheid, CPA, Chair

**RE:** Wisconsin Accounting Examining Board Continuing Education Legislative Report

2015 Wisconsin Act 217 included the following, "The accounting examining board shall research the feasibility of rules establishing continuing education requirements for renewal of a license under section 442.08 (1) of the statutes. The board shall prepare a report describing its findings and recommendations, including a description of any suggested changes to the statutes or the board's rules, and shall submit the report to the appropriate standing committees of the legislature in the manner provided under section 13.172 (3) of the statutes no later than December 31, 2016."

There are 55 United States CPA licensing jurisdictions. Wisconsin is the only jurisdiction that does not require completion of continuing education for renewal. The requirement varies across jurisdictions, but generally speaking, the majority of jurisdictions require 40 credits of continuing professional education (CPE) annually.

In Wisconsin, 47 licensed professions require completion of continuing education for renewal. For these professions, the Department of Safety and Professional Services provides the administrative infrastructure and support.

After considering the requirements of other licensing jurisdictions, it's the Board's recommendation to pursue continuing education requirements that include:

- 80 CPE hours every two year licensing biennium
- Allow CPAs to accrue continuing education hours in 5 minute increments for activities measured by time
- Out of the 80 required CPE hours, at least 2-3 CPE hours relating to ethics
- Informal learning, to be defined by the Accounting Examining Board to meet up to half of the continuing education requirement, which would include activities such as serving on a professional board, reading a book and writing a summary, teaching a course, etc.

Keeping Wisconsin's requirement in line with other jurisdictions will aid in practice mobility across jurisdictions for Wisconsin licensees.

Based on the findings and recommendations, the Accounting Examining Board suggests adding language to Wis. Stats. 442 providing the Accounting Examining Board with the authority to promulgate administrative rules establishing continuing education requirements for renewal of a certified public accountant license. For example, specific suggested statutory language to include is, "The examining board may establish continuing education requirements by rule for renewal of a certified public accountant license." To allow time for input and communicating with licensees regarding continuing education, the December 15, 2019 – December 14, 2021 biennium is the earliest suggested biennium to require continuing education. Following the recommended timing, Wisconsin CPAs would need to complete 80 CPE hours by December 2021.