

## **Notice of Hearing**

The Accounting Examining Board announces that it will hold a public hearing on a permanent rule for Accy 2, relating to requirements for certification and examination, at the time and place shown below.

### **Hearing Information**

Date: December 2, 2020

Time: 9:00 AM

Location: Virtual Hearing—Connection information will be posted in advance of the hearing at the following webpage:  
<https://dsps.wi.gov/Pages/RulesStatutes/PublicHearingComments.aspx>

### **Appearances at the Hearing and Submittal of Written Comments**

Written comments may be submitted to Dale Kleven, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 4822 Madison Yards Way, P.O. Box 8935, Madison, WI 53705, or by email to [DSPSAdminRules@wisconsin.gov](mailto:DSPSAdminRules@wisconsin.gov). Comments shall be received on or before the time of the hearing scheduled for December 2, 2020 at 9:00 AM to be included in the record of rule-making proceedings.

The rule may be reviewed and comments made at:  
<http://docs.legis.wisconsin.gov/code/chr/hearings>.

### **Initial Regulatory Flexibility Analysis**

The proposed rule will not have an effect on small businesses, as defined under s. 227.114 (1).

### **Agency Small Business Regulatory Coordinator**

Daniel Hereth, [Daniel.Hereth@wisconsin.gov](mailto:Daniel.Hereth@wisconsin.gov), (608) 267-2435

STATE OF WISCONSIN  
ACCOUNTING EXAMINING BOARD

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IN THE MATTER OF RULEMAKING : PROPOSED ORDER OF THE  
PROCEEDINGS BEFORE THE : ACCOUNTING EXAMINING BOARD  
ACCOUNTING EXAMINING BOARD : ADOPTING RULES  
: (CLEARINGHOUSE RULE )

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PROPOSED ORDER

An order of the Accounting Examining Board to repeal Accy 2.101 (2) (c), 2.202 (5), and 2.303 (3), relating to requirements for certification and examination.

Analysis prepared by the Department of Safety and Professional Services.

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ANALYSIS

**Statutes interpreted:**

None.

**Statutory authority:**

Sections 15.08 (5) (b) and 442.04 (5) (b) 3. and 4., Stats.

**Explanation of agency authority:**

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 (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 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 Uniform 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 Board.

**Related statute or rule:**

Subchapter II of ch. Accy 2 provides the requirements for applications for certification as a Certified Public Accountant (CPA). Subchapter IV of ch. Accy 2 provides the requirements and procedures for the examinations required for licensure as a CPA.

**Plain language analysis:**

The proposed rule removes obsolete educational requirements from ss. Accy 2.202 and 2.303. Specifically, the proposed rule removes ss. Accy 2.101 (2) (c) and 2.202 (5), which contain educational requirements pertaining to applications for a certified public accountant certificate submitted prior to October 1, 2018, and s. Accy 2.303 (3), which contains educational requirements pertaining to applications to take the Uniform CPA Examination submitted prior to October 1, 2017.

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

None.

**Comparison with rules in adjacent states:****Illinois:**

Rules of the Illinois Board of Examiners provide the educational requirements for licensure as a CPA and for eligibility to take the Uniform CPA Examination [23 Ill. Adm. Code 1400.90].

**Iowa:**

Rules of the Iowa Accountancy Examining Board provide the educational requirements for certification as a CPA and for eligibility to take the Uniform CPA Examination [193A.3 IAC].

**Michigan:**

Rules of the Michigan Department of Licensing and Regulatory Affairs provide the educational requirements for certification as a CPA and for eligibility to take the Uniform CPA Examination [Mich Admin Code, R 338.5115 and R 338.5116].

**Minnesota:**

Rules of the Minnesota Board of Accountancy provide the educational requirements for certification as a CPA and for eligibility to take the Uniform CPA Examination [Minnesota Rules, parts 1105.1500 and 1105.2900].

**Summary of factual data and analytical methodologies:**

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

**Fiscal estimate and economic impact analysis:**

The fiscal estimate and economic impact analysis are attached.

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

The proposed rules were posted for a period of 14 days to solicit public comment on economic impact, including how the proposed rules may affect businesses, local government units, and individuals. No comments were received.

**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, Dan Hereth, may be contacted by calling (608) 267-2435.

**Agency contact person:**

Dale Kleven, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, P.O. Box 8366, Madison, Wisconsin 53708-8366; telephone 608-261-4472; email at [DSPSAdminRules@wisconsin.gov](mailto:DSPSAdminRules@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, 4822 Madison Yards Way, P.O. Box 8366, Madison, WI 53708-8366, or by email to [DSPSAdminRules@wisconsin.gov](mailto:DSPSAdminRules@wisconsin.gov). Comments must be received on or before the public hearing to be held at 9:00 AM on December 2, 2020 to be included in the record of rule-making proceedings.

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TEXT OF RULE

SECTION 1. Accy 2.101 (2) (c) is repealed.

SECTION 2. Accy 2.202 (5) is repealed.

SECTION 3. Accy 2.303 (3) is repealed.

SECTION 4. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

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(END OF TEXT OF RULE)

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## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	2. Date September 18, 2020
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) Accy 2	
4. Subject Requirements for certification and examination	
5. Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	6. Chapter 20, Stats. Appropriations Affected
7. Fiscal Effect of Implementing the Rule <input checked="" type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget	
8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses <b>(if checked, complete Attachment A)</b>	
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0	
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11. Policy Problem Addressed by the Rule The proposed rule removes obsolete educational requirements from ss. Accy 2.202 and 2.303. Specifically, the proposed rule removes ss. Accy 2.101 (2) (c) and 2.202 (5), which contain educational requirements pertaining to applications for a certified public accountant certificate submitted prior to October 1, 2018, and s. Accy 2.303 (3), which contains educational requirements pertaining to applications to take the Uniform CPA Examination submitted prior to October 1, 2017.	
12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. The rule draft was posted on the department's website for 14 days to solicit comments from businesses, business sectors, associations representing business, local governmental units, and individuals who may be affected by the proposed rule. No comments were received.	
13. Identify the Local Governmental Units that Participated in the Development of this EIA. None.	
14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) No impact.	
15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule The benefit to implementing the rule is removing obsolete educational requirements. If the rule is not implemented, it will continue to reflect obsolete educational requirements.	
16. Long Range Implications of Implementing the Rule The long range implication of implementing the rule is reflecting only current educational requirements for certification as a CPA and for taking the Uniform CPA Examination.	
17. Compare With Approaches Being Used by Federal Government	

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

None

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18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Illinois:

Rules of the Illinois Board of Examiners provide the educational requirements for licensure as a CPA and for eligibility to take the Uniform CPA Examination [23 Ill. Adm. Code 1400.90].

Iowa:

Rules of the Iowa Accountancy Examining Board provide the educational requirements for certification as a CPA and for eligibility to take the Uniform CPA Examination [193A.3 IAC].

Michigan:

Rules of the Michigan Department of Licensing and Regulatory Affairs provide the educational requirements for certification as a CPA and for eligibility to take the Uniform CPA Examination [Mich Admin Code, R 338.5115 and R 338.5116].

Minnesota:

Rules of the Minnesota Board of Accountancy provide the educational requirements for certification as a CPA and for eligibility to take the Uniform CPA Examination [Minnesota Rules, parts 1105.1500 and 1105.2900].

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19. Contact Name

Dale Kleven

20. Contact Phone Number

(608) 261-4472

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This document can be made available in alternate formats to individuals with disabilities upon request.

**ADMINISTRATIVE RULES**  
**Fiscal Estimate & Economic Impact Analysis**

**ATTACHMENT A**

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
  - Less Stringent Schedules or Deadlines for Compliance or Reporting
  - Consolidation or Simplification of Reporting Requirements
  - Establishment of performance standards in lieu of Design or Operational Standards
  - Exemption of Small Businesses from some or all requirements
  - Other, describe:
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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

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5. Describe the Rule's Enforcement Provisions

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)  
 Yes     No

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