

Fiscal Estimate - 2005 Session

Original Updated Corrected Supplemental

LRB Number 05-4264/1		Introduction Number SB-484	
Description Certified public accountants			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Decrease Existing Appropriations	<input checked="" type="checkbox"/> Decrease Existing Revenues		
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected	
2. <input type="checkbox"/> Decrease Costs			
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Towns	<input type="checkbox"/> Village <input type="checkbox"/> Cities
		<input type="checkbox"/> Counties	<input type="checkbox"/> Others
		<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.165(1)(g)			
Agency/Prepared By		Authorized Signature	Date
R&L/ Elizabeth Reinwald (608) 266-0746		Elizabeth Reinwald (608) 266-0746	1/12/2006

Fiscal Estimate Narratives

R&L 1/12/2006

LRB Number 05-4264/1	Introduction Number SB-484	Estimate Type Original
Description Certified public accountants		

Assumptions Used in Arriving at Fiscal Estimate

This bill allows a person from another state to practice as a certified public accountant in Wisconsin without being licensed in this state if the person is licensed by a state that has been verified to have standards in substantial equivalence to standards set by the National Association of State Boards of Accountancy or if the person has obtained individualized verification that his or her qualifications are substantially equivalent to those standards.

The bill also requires the person to consent to disciplinary action in Wisconsin, and to comply with the statutes and regulations applicable to certified public accountants who are licensed here. Finally, the bill requires the Accounting Examining Board to agree to investigate and, if necessary, impose discipline upon any person who is licensed or certified by this state and who is reported to have committed an offense in another state that subjects the person to discipline in that state.

This bill would have the following fiscal impacts on state funds. [All staff cost values assume hourly fringe benefits at 40.64% of salary]

One-time costs: \$8,695

Changes to IT systems to add new regulated group
85 hours IT programmer time @ \$35 hour 2,975

Promulgate rules
80 hours paralegal @ \$27 hour 2,160
40 hours legal counsel @ \$53 hour 2,120
40 hours program manager @ \$36 1,440

Annualized on-going costs: \$12,350

Screen, Investigate and Prosecute complaints
20 hours paralegal @ 25 hour 500
40 hours investigator @ 26 hour 1,040
40 hours prosecutor @ 53 hour 2,120

Hearing on 1 complaint of the above

10 hours administrative law judge @ 53 hour 530

Credentialing Staff services to out of state regulated accountants
480 hours @ 17 hour 8,160

Revenue Assumptions:

The Department of Regulation and Licensing [DRL] assumes that 125 applicants from out of state for initial

licensure as CPA's may choose not to be licensed as they will be regulated as if they were for an annual decrease in revenue of \$6,625, \$5,963 of which is program revenue and \$663 of which is general purpose revenue-earned.

DRL assumes that 125 out of state CPA's currently holding Wisconsin licensure may choose not to renew their biennial licenses for an annualized decrease in revenue of \$3,688--\$3,319 program revenue and \$369 in GPR-E.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-4264/1		Introduction Number SB-484	
Description Certified public accountants			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$8,695			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$12,350	
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$12,350	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS	12,350	
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		-1,031
	FED		
	PRO/PRS		-9,281
	SEG/SEG-S		
	TOTAL State Revenues	\$	-\$10,312
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$12,350	\$
	NET CHANGE IN REVENUE	-\$10,312	\$
Agency/Prepared By		Authorized Signature	Date
R&L/ Elizabeth Reinwald (608) 266-0746		Elizabeth Reinwald (608) 266-0746	1/12/2006