



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2017 Wisconsin Act 88
[2017 Assembly Bill 188]

**Modifications to CPA
Certification**

2017 Wisconsin Act 88 (“the Act”) makes changes relating to certification of certified public accountants (CPAs).

CONTINUING EDUCATION

Wisconsin CPAs are not currently required to complete continuing education. The Act directs the Accounting Examining Board (“the Board”) to promulgate rules requiring CPAs to complete up to 80 hours of continuing education every two years, beginning on December 15, 2019. Up to one-half of the credits may be completed by informal, self-directed learning activities.

PEER REVIEW DOCUMENTS

All CPA firms that perform attest services must undergo a peer review every three years. Currently, a person who conducts a peer review may not disclose any information obtained or document produced during the course of or as a result of a review without the firm’s consent. The Act allows the Board to require a CPA or firm to provide certain peer review documents, which must be submitted within 45 days of a request, either directly or through the American Institute of Certified Public Accountants’ Facilitated State Board Access (FSBA) program. The Board may also share documents obtained through such a request with FSBA. Information or data obtained from FSBA is not generally subject to the state open records law.

DATA-SHARING PROGRAMS

The Act requires the Board to participate in data-sharing programs operated or otherwise sponsored by the National Association of State Boards of Accountancy, and to share information

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.wisconsin.gov>.

or data regarding licensed persons as necessary to participate in those programs. Information or data obtained for this purpose is not subject to inspection under the state open records law.

MILITARY TRAINING

The Act authorizes the Board to promulgate rules pursuant to which it may, in its discretion and on a case-by-case basis, apply certain substantially equivalent military training and service of a veteran to satisfy a portion of the education required for CPA certification.

EDUCATION REQUIREMENTS

To be eligible for CPA certification, a person must complete, among other criteria, 150 semester hours of education. To be eligible to take the CPA examination, a person must complete 120 semester hours of education. The Act modifies Board rules specifying the subject areas that the education must include. The rule changes take effect retroactively on June 1, 2017, and are retroactively applicable to applications submitted on or after that date.

Prior Board Rules

The Board's prior rules required that, in the course of completing the 150 hours of education required for CPA certification, a person must also have earned a bachelor's or graduate degree from an accredited business school or college of business and completed either: (1) 24 undergraduate level semester hours in accounting and 24 undergraduate level semester hours in business; or (2) 15 graduate level semester hours in accounting and 15 graduate level semester hours in business. The courses also had to cover a list of accounting and business-related subjects, and the 120 hours required for eligibility to take the CPA exam had to include courses in the same list of accounting and business-related subjects.

The Act

The Act modifies the Board's rules to require that, in the course of completing the 150 semester hours required for CPA certification, a person must earn one of the following:

- A master's degree in accounting from an accounting program accredited by the Association to Advance Collegiate Schools of Business.
- A bachelor's or higher degree from an accredited business program that includes at least: (1) 24 undergraduate semester hours in accounting at the undergraduate level; (2) 15 semester hours in accounting at the graduate level; or (3) an equivalent combination. These courses must cover a list of accounting-related subject areas.
- A bachelor's or higher degree from an accredited institution in any subject area that includes at least: (1) 24 undergraduate level semester hours in accounting and 24 undergraduate level semester hours in other business and economics courses; (2) 15 graduate level semester hours in accounting and 15 graduate level semester hours in other business and economics courses; or (3) an equivalent combination. These courses must cover a list of accounting, business, and economics-related subject areas.

- For persons who apply prior to October 1, 2018, 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, as provided in EmR 1628.

To qualify to take the CPA exam under the Act, an applicant must generally have completed 120 semester hours of education in any of the above categories.

Effective date: December 2, 2017, except as provided above.

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