

MAY 16 2001



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

Ronald Sklansky
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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 01-047

AN ORDER to amend Accy 5.04, relating to experience in public practice.

Submitted by **DEPARTMENT OF REGULATION AND LICENSING**

04-26-01 RECEIVED BY LEGISLATIVE COUNCIL.
05-15-01 REPORT SENT TO AGENCY.

RS:DD:jal;rv

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO



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Comments

[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated September 1998.]

1. Statutory Authority

While the rule does not treat s. Accy 3.04, the rule does cross-reference that provision. Is s. Accy 3.04 consistent with s. 442.04 (4) (bm), Stats.?

2. Form, Style and Placement in Administrative Code

It is suggested that "as described in s. Accy 3.04" be relocated to follow "degree."

4. Adequacy of References to Related Statutes, Rules and Forms

The citation under "statutes interpreted" in the department's analysis is incorrect. Is reference to sub. (5) intended?

STATE OF WISCONSIN
ACCOUNTING EXAMINING BOARD

IN THE MATTER OF RULE-MAKING : PROPOSED ORDER OF THE
PROCEEDINGS BEFORE THE : ACCOUNTING EXAMINING BOARD
ACCOUNTING EXAMINING BOARD : ADOPTING RULES
: (CLEARINGHOUSE RULE 01-)

PROPOSED ORDER

An order of the Accounting Examining Board to amend Accy 5.04, relating to experience in public practice.

Analysis prepared by the Accounting Examining Board.

ANALYSIS

Statutes authorizing promulgation: ss. 15.08 (5) (b) and 227.11 (2), Stats.

Statutes interpreted: s. 442.04 (3), Stats.

reconsidered site - sub. (5)

Accy 3.04
An applicant for a certificate as a certified public accountant is required to have earned a bachelor's or higher degree with an accounting concentration or its reasonable equivalent as determined by the Accounting Examining Board. An applicant must have 1 1/2 years of accounting experience equivalent to that of a senior in public practice. *Accy 5.02*

The Accounting Examining Board amends its rule on experience in public practice to require that an applicant acquire senior level experience after earning a degree with an accounting concentration or a degree that is reasonably equivalent.

TEXT OF RULE

SECTION 1. Accy 5.04 is amended to read:

Accy 5.04 Experience in public practice. An individual must have adequate accounting experience at the level of a junior in public practice before senior experience is possible. Such junior experience normally requires approximately 1 1/2 years, thus at least 3 years of experience in public practice is normally required to earn 1 1/2 years of experience at the senior level. Senior level experience shall be acquired after the applicant has earned a degree that qualifies the applicant to take the CPA examination as described in s. Accy 3.04.

(END OF TEXT OF RULE)

X-ref to degree requirements

cf. s. 442.04 (4) (b) Stats.

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., or 60 days after its adoption by the Accounting Examining Board, pursuant to s. 442.01 (2), Stats.

Dated _____

Agency _____

Chairperson
Accounting Examining Board

FISCAL ESTIMATE

1. The anticipated fiscal effect on the fiscal liability and revenues of any local unit of government of the proposed rule is: \$0.00.
2. The projected anticipated state fiscal effect during the current biennium of the proposed rule is: \$0.00.
3. The projected net annualized fiscal impact on state funds of the proposed rule is: \$0.00.

INITIAL FLEXIBILITY ANALYSIS

These proposed rules will be reviewed by the department through its Small Business Review Advisory Committee to determine whether there will be an economic impact on a substantial number of small businesses, as defined in s. 227.114 (1) (a), Stats.

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4/20/01

**STATE OF WISCONSIN
ACCOUNTING EXAMINING BOARD**

**IN THE MATTER OF RULE-MAKING : PROPOSED ORDER OF THE
PROCEEDINGS BEFORE THE : ACCOUNTING EXAMINING BOARD
ACCOUNTING EXAMINING BOARD : ADOPTING RULES
: (CLEARINGHOUSE RULE 01-047)**

TO: Senator Judy Robson, Senate Co-Chairperson
Joint Committee for the Review of Administrative Rules
Room 15 South, State Capitol
Madison, Wisconsin 53702

PLEASE TAKE NOTICE that the ACCOUNTING EXAMINING BOARD is submitting in final draft form rules relating to experience in public practice.

Please stamp or sign a copy of this letter to acknowledge receipt. If you have any questions concerning the final draft form or desire additional information, please contact Pamela Haack at 266-0495.

**STATE OF WISCONSIN
ACCOUNTING EXAMINING BOARD**

IN THE MATTER OF RULE-MAKING PROCEEDINGS BEFORE THE ACCOUNTING EXAMINING BOARD	:REPORT TO THE LEGISLATURE :ON CLEARINGHOUSE RULE 01-047 : (s. 227.19 (3), Stats.)
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I. THE PROPOSED RULE:

The proposed rule, including the analysis and text, is attached.

II. REFERENCE TO APPLICABLE FORMS:

No new or revised forms are required by these rules.

III. FISCAL ESTIMATES:

These rules will have no significant impact upon state or local units of government.

IV. STATEMENT EXPLAINING NEED:

An applicant for a certificate as a certified public accountant is required to have earned a bachelor's or higher degree with an accounting concentration or its reasonable equivalent as determined by the Accounting Examining Board. An applicant must have one year of public accounting experience or its equivalent as determined by the board.

The Accounting Examining Board amends its rule on experience in public practice to require that an applicant for a CPA certificate to have one year of public accounting experience after the applicant has earned a degree that qualifies the applicant to take the CPA examination after earning a degree with an accounting concentration or a degree that is reasonably equivalent.

V. NOTICE OF PUBLIC HEARING:

A public hearing was held on December 14, 2001. There were no appearances at the public hearing, nor were any written comments received.

VI. RESPONSE TO LEGISLATIVE COUNCIL STAFF RECOMMENDATIONS:

All of the recommendations suggested in the Clearinghouse Report were accepted in whole.

VII. FINAL REGULATORY FLEXIBILITY ANALYSIS:

These rules will have no significant economic impact on a substantial number of small businesses, as defined in s. 227.114 (1) (a), Stats.

STATE OF WISCONSIN
ACCOUNTING EXAMINING BOARD

IN THE MATTER OF RULE-MAKING : PROPOSED ORDER OF THE
PROCEEDINGS BEFORE THE : ACCOUNTING EXAMINING BOARD
ACCOUNTING EXAMINING BOARD : ADOPTING RULES
: (CLEARINGHOUSE RULE 01-047)

PROPOSED ORDER

An order of the Accounting Examining Board to amend Accy 5.04 (title) and 5.04 relating to experience in public practice.

Analysis prepared by the Accounting Examining Board.

ANALYSIS

Statutes authorizing promulgation: ss. 15.08 (5) (b) and 227.11 (2), Stats.

Statutes interpreted: s. 442.04 (5), Stats.

An applicant for a certificate as a certified public accountant is required to have earned a bachelor's or higher degree with an accounting concentration or its reasonable equivalent as determined by the Accounting Examining Board. An applicant must have 1 year of public accounting experience or its equivalent as determined by the board.

The Accounting Examining Board amends its rule on experience in public practice to require that an applicant for a CPA certificate to have one year of public accounting experience after the applicant has earned a degree that qualifies the applicant to take the CPA examination after earning a degree with an accounting concentration or a degree that is reasonably equivalent.

TEXT OF RULE

SECTION 1. Accy 5.04 (title) and 5.04 are amended to read:

Accy 5.04 Experience in public practice (title) Public accounting experience. An individual must have adequate at least one year of public accounting experience at the level of a junior in public practice before senior experience is possible. Such junior experience normally requires approximately 1 ½ years, thus at least 3 years of experience in public practice is normally required to earn 1 ½ years of experience at the senior level or its equivalent as determined by the board. Experience shall be acquired after the applicant has earned a degree as described in s. 442.04, Stats., that qualifies the applicant to take the CPA examination.

(END OF TEXT OF RULE)

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., or 60 days after its adoption by the Accounting Examining Board, pursuant to s. 442.01 (2), Stats.

Dated _____

Agency _____

Chairperson
Accounting Examining Board

FISCAL ESTIMATE

1. The anticipated fiscal effect on the fiscal liability and revenues of any local unit of government of the proposed rule is: \$0.00.
2. The projected anticipated state fiscal effect during the current biennium of the proposed rule is: \$0.00.
3. The projected net annualized fiscal impact on state funds of the proposed rule is: \$0.00.

FINAL REGULATORY FLEXIBILITY ANALYSIS

These proposed rules will have no significant economic on a substantial number of small businesses, as defined in s. 227.114 (1) (a), Stats.

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8/16/02