

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

<b>1. Type of Estimate and Analysis</b> <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	<b>2. Date</b> 12/05/2019
<b>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable)</b> Accy 2	
<b>4. Subject</b> Examinations	
<b>5. Fund Sources Affected</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	<b>6. Chapter 20, Stats. Appropriations Affected</b> 20.165(1)(g)
<b>7. Fiscal Effect of Implementing the Rule</b> <input type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Could Absorb Within Agency's Budget	
<b>8. The Rule Will Impact the Following (Check All That Apply)</b> <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>	
<b>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1).</b> \$0	
<b>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)?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>11. Policy Problem Addressed by the Rule</b> Current rules provide a candidate for the Uniform CPA Examination may not retake a failed test section within the same calendar quarter. In April of 2019, the National Association of State Boards of Accountancy approved a revision to its Accountancy Act Model Rules to allow continuous testing on the Uniform CPA Examination. Under continuous testing, a candidate may retake a test section once their grade for any previous attempt of the same test section has been released. The proposed rules will revise ch. Accy 2 to reflect continuous testing on the Uniform CPA Examination.	
<b>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.</b> The proposed rule was posted on the Department of Safety and Professional Services' website for 14 days in order to solicit comments from businesses, representative associations, local governmental units, and individuals that may be affected by the rule. No comments were received.	
<b>13. Identify the Local Governmental Units that Participated in the Development of this EIA.</b> No local governmental units participated in the development of this EIA.	
<b>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)</b> The proposed rule will not have a significant impact on specific businesses, business sectors, public utility rate payers, local governmental units, or the state's economy as a whole. The Department estimates one-time administrative costs of \$26.99. These costs may be absorbed in the agency budget.	
<b>15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule</b> The benefit to implementing the rule is reflecting current requirements for retaking a section of retaking a section of the Uniform CPA Examination. If the rule is not implemented, it will not reflect current examination requirements.	
<b>16. Long Range Implications of Implementing the Rule</b> The long range implication of implementing the rule is reflecting current requirements for retaking a section of the Uniform CPA Examination.	

## ADMINISTRATIVE RULES

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17. Compare With Approaches Being Used by Federal Government  
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 address procedures for the examinations required for licensure as a CPA. The rules do not explicitly allow continuous testing, however through its rules the Board has adopted and makes use of the Uniform CPA Examination and scoring system of the American Institute of Certified Public Accountants [23 Ill. Adm. Code 1400.150].

**Iowa:**

Rules of the Iowa Accountancy Examining Board address procedures for the examinations required for licensure as a CPA. The rules allow continuous testing on the Uniform CPA Examination [193A IAC 3.6 (1) c.].

**Michigan:**

Rules of the Michigan Department of Licensing and Regulatory Affairs address procedures for the Uniform CPA Examination. The rules do not allow continuous testing, as they provide that applicants may not retake any sections of the exam within the same examination window (calendar quarter) [Mich Admin Code, R 338.5110a (d)].

**Minnesota:**

Rules of the Minnesota Board of Accountancy address the ability to retake a failed section of the Uniform CPA Examination. The rules do not allow continuous testing, as they provide an applicant may not retake a failed section or sections of the examination in the same Board-determined examination window [Minnesota Rules, part 1105.2000 2. B.].

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19. Contact Name

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20. Contact Phone Number

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**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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