

STATE OF WISCONSIN  
ACCOUNTING EXAMINING BOARD

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IN THE MATTER OF RULEMAKING : ORDER OF THE  
PROCEEDINGS BEFORE THE : ACCOUNTING EXAMINING BOARD  
ACCOUNTING EXAMINING BOARD : ADOPTING RULES  
: (CLEARINGHOUSE RULE 19-160)

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ORDER

An order of the Accounting Examining Board to amend Accy 2.304 (2), relating to examinations.

Analysis prepared by the Department of Safety and Professional Services.

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ANALYSIS

**Statutes interpreted:**

Section 442.04 (5) (d), Stats.

**Statutory authority:**

Sections 15.08 (5) (b) and 227.11 (2) (a), Stats.

**Explanation of agency authority:**

Section 15.08 (5) (b), Stats., provides an examining board “shall promulgate rules for its own guidance and for the guidance of the trade or profession to which it pertains. . .”

Section 227.11 (2) (a), Stats., provides “[e]ach agency may promulgate rules interpreting the provisions of any statute enforced or administered by the agency, if the agency considers it necessary to effectuate the purpose of the statute . . . .”

**Related statute or rule:**

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

**Plain language analysis:**

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 rules revise ch. Accy 2 to reflect continuous testing on the Uniform CPA Examination.

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

None.

**Summary of public comments and feedback on the statement of scope and the Board's responses:**

The Board held a public comment period and conducted a public hearing on November 21, 2019. The Board did not receive written comments or testimony concerning the statement of scope.

**Comparison with rules in adjacent states:**

**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.].

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

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

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

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

**Fiscal Estimate and Economic Impact Analysis:**

The Fiscal Estimate and Economic Impact Analysis document is attached.

**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.

**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, P.O. Box 8366, Madison, WI 53708-8366, or by email to DSPSAdminRules@wisconsin.gov. Comments must be received at or before the public hearing to be held on the proposed rules. Information concerning the date, time, and location of the public hearing will be published in the Wisconsin Administrative Register and posted on the Legislature’s website at <https://docs.legis.wisconsin.gov/code/chr/hearings>.

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TEXT OF RULE

SECTION 1. Accy 2.304 (2) is amended to read:

**Accy 2.304 (2)** A candidate shall retain credit for any section passed for 18 months. A candidate may ~~not~~ retake a ~~failed~~ section within once the same calendar quarter grade for the previous attempt of the same section has been released.

SECTION 2. 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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