

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 81 (Chairman, Economic Matters Committee)
(Departmental – Labor, Licensing, and Regulation)
Economic Matters Education, Health, and Environmental
Affairs

State Board of Public Accountancy - Certified Public Accountants - Examinations

This departmental bill enables the State Board of Public Accountancy to offer licensing examinations more than twice a year, and authorizes the board to select an examination that is equivalent to the examination prepared by the American Institute of Certified Public Accountants (AICPA).

Fiscal Summary

State Effect: State finances would not be materially affected.

Local Effect: None.

Small Business Effect: The Department of Labor, Licensing, and Regulation (DLLR) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: The licensing examination for certified public accountants is offered twice a year and the board must give the examination prepared by the American Institute of Certified Public Accountants.

Background: Because CPA testing is contracted nationally with the AICPA through the National Association of State Boards of Public Accountancy (NASBPA), in practice the

AICPA governs the frequency of testing through release of the tests. DLLR notes that through NASBPA activities and dialog, there is a growing national consensus to offer the CPA exam more than twice per year, particularly with an eye toward electronic testing through the Internet. While the examination content and frequency are practically governed by the negotiations and agreements between the NASBPA and the AICPA, the Maryland State board is further tied to the AICPA through statute. This legislation would eliminate the current statutory requirement to use only the examination prepared by the AICPA in anticipation of changes at the national level that would allow states greater flexibility in choosing the provider and frequency of CPA examinations.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Labor, Licensing, and Regulation; Department of Legislative Services

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