

**Department of Legislative Services**

Maryland General Assembly

2003 Session

**FISCAL AND POLICY NOTE**

Senate Bill 116 (Chairman, Education, Health, and Environmental Affairs Committee)

(By Request – Departmental – Labor, Licensing, and Regulation)

Education, Health, and Environmental Affairs

Economic Matters

---

**Certified Public Accountancy - Examinations**

---

This departmental bill requires the State Board of Public Accountancy to adopt regulations that establish the passing score for the examination to qualify for licensure as a certified public accountant.

---

**Fiscal Summary**

**State Effect:** The bill's requirements could be handled with existing budgeted resources.

**Local Effect:** None.

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

---

**Analysis**

**Current Law:** Applicants for certification in public accountancy must receive a score of 75% or better on each section of the Certified Public Accountant Examination.

**Background:** The Uniform Certified Public Accountants Examination is used by each accounting regulatory agency in the United States to establish baseline qualification for licensure. Committees of the American Institute of Certified Public Accountants (AICPA) and the National Association of State Boards of Accountancy (NASBA) are currently reviewing each section of the examination and are actively considering changes

to the scoring scale and required passing grade. The board advises that it intends to adopt the nationwide passing grade.

The board indicates that nine months of administrative preparation time is required to have regulations in place for the May 2004 offering of the examination for certification.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - January 29, 2003  
ncs/jr

---

Analysis by: Daniel P. Tompkins

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510