

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Julia Lynn at 8:30 am on Thursday, March 03, 2016, 548-S of the Capitol.

All members were present except:

Senator Tom Holland – Excused
Senator Robert Olson – Excused

Committee staff present:

Debbie Bartuccio, Kansas Legislative Committee Assistant
Reed Holwegner, Legislative Research Department
Edward Penner, Legislative Research Department
Chuck Reimer, Office of Revisor of Statutes

Conferees appearing before the Committee:

Aron Dunn, CPA, Chair, Kansas Society of CPAs Advocacy Task Force
Matthew List, CPA, Chair of the Board, Kansas Society of Certified Public Accountants
Michelle MacBain, Communications and Public Relations Director, Kansas Society of CPAs
Dan Deines, Ph.D., CPA, Kansas State University

Others in attendance:

[See Attached List](#)

Senator Denning moved, seconded by Senator Melcher, to approve the minutes for February 9, 2016, February 10, 2016, February 11, 2016, February 16, 2016, and February 17, 2016. The motion passed.

Hearing on: HB2512 — Allowing students early access to the CPA examination.

Chairperson Lynn opened the hearing on **HB 2512** and requested Revisor Chuck Reimer to provide an overview of the bill.

Chairperson Lynn recognized the following conferees:

Aron Dunn, CPA, Chair, Kansas Society of CPAs Advocacy Task Force, provided testimony in support of the bill. ([Attachment 1](#))

Senator Faust-Goudeau inquired when the bill would go into effect. Revisor Reimer replied it would be effective July 1, 2016.

Matthew List, CPA, Chair of the Board, Kansas Society of Certified Public Accountants, provided testimony in support of the bill. ([Attachment 2](#))

CONTINUATION SHEET

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Michelle MacBain, Communications and Public Relations Director, Kansas Society of CPAs, provided testimony in support of the bill. ([Attachment 3](#))

Chairperson Lynn said she supports initiatives which encourage students to pursue the accounting profession.

Senator Melcher asked if employers are not requiring students to pass their CPA exam prior to hiring the students. Mr. Dunn responded, in some cases, the students are hired and are able to progress to certain levels in the firm, until such time as the CPA becomes a requirement for advancement.

Senator Faust-Goudeau inquired if CPA's are required to take additional exams to retain their certification. Ms. MacBain responded there are continuing education requirements throughout their entire career.

Written only testimony in support of the bill was provided by:

Norman Hope, Ph.D., CPA, CGMA, Professor of Business Administration, Tabor College ([Attachment 4](#))

Rebecca Casey, MBA, CPA, CIA, Accounting Instructor and Internal Auditing Program Coordinator, Pittsburgh State University ([Attachment 5](#))

Karen Linn, Managing Director, Berberich Trahan and Co. P.A. ([Attachment 6](#))

William Pickert, Managing Partner of BKD, LLP, Wichita, Kansas ([Attachment 7](#))

Dan Deines, Ph.D., CPA, Kansas State University, provided testimony in opposition to the bill. ([Attachment 8](#))

Senator Melcher asked Mr. Deines about his reference to the "pipeline" in his testimony. Mr. Deines responded a major concern is the retirement of baby boomers currently in the accounting field and the need to recruit new members to fill the void. He discussed changes which have been made to area high school curriculum to encourage an interest in accounting.

Senator Faust-Goudeau referred to the letter from John Sweeney, Director of the Accounting and Information Systems Area School of Business, University of Kansas, in which he indicated students would not sit for the exam in the state of Kansas if the legislation becomes law because they would then face administrative hurdles in attaining reciprocity from the state in which they are employed.

Senator Baumgardner questioned the premise that students taking the CPA exam early would not focus on maintaining their grades and course work during their final semester.

Written only testimony in opposition to the bill was provided by:

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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The Accounting Faculty at Emporia State University: Lizabeth Diers, Ph.D; Larry Falcetto; M. George Durler, Ph.D.; G. Dean Edmiston, CPA; John C. Rich, Ph.D.; Lei Wen, Ph.D. ([Attachment 9](#))

Paul Harrison, Director, School of Accountancy, Wichita State University ([Attachment 10](#))

Written only testimony neutral to the bill was provided by:

John Sweeney, Director of the Accounting and Information Systems Area School of Business, University of Kansas ([Attachment 11](#))

Chairperson Lynn closed the hearing on **HB 2512**. The meeting was adjourned at 9:28 a.m. The next meeting is scheduled for March 8, 2016.