

SESSION OF 2016

## SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2512

As Amended by House Committee of the Whole

### **Brief\***

HB 2512, as amended, would provide the option for an individual to take the certified public accountancy (CPA) examination within 60 days prior to meeting the existing statutory education requirements if the person expects to meet the requirements. Applicants would have 120 days after taking the first section of the examination to file official transcripts with either the Board of Accountancy or the testing service administering the examination. An applicant's grades for all sections of the examination could become void, subject to notice and opportunity for a hearing pursuant to the Kansas Administrative Procedure Act, if transcripts and other information are not received by the Board or testing service within 120 days. Under current law, applicants must complete their educational requirements and graduate prior to taking the CPA examination.

### **Background**

The bill was introduced at the request of the Kansas Society of CPAs (KSCPA).

During the hearing before the House Committee on Commerce, Labor and Economic Development, representatives from KSCPA spoke in favor of the bill. KSCPA conducted surveys of students studying accountancy and licensed CPAs, which showed large margins of support for early testing. Proponents stated the bill would provide early access to the CPA examination while students had the

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

necessary academic mindset. Proponents also noted the bill would provide an option to individuals with demanding careers and family obligations.

A professor of accountancy from Kansas State University spoke in opposition to the bill, stating the preparation for the examination would disrupt students' academic studies. The opponent said early testing would provide minimal benefits.

The House Committee, at the suggestion of KSCPA, amended the bill to increase the period of time from 90 days to 120 days for applicants to verify completion of their coursework, to allow sufficient time for official transcripts to be processed by university and college administrators.

The House Committee of the Whole amended the bill to allow examination grades to become void if an applicant's transcripts and verification documentation have not been received by the Board or testing service within 120 days, which would be subject to an administrative hearing.

According to the fiscal note prepared by the Division of the Budget, the bill, as introduced, would have no fiscal effect.