

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2450-01
Bill No.: SB 595
Subject: Accountants; Licenses - Professional
Type: Original
Date: March 5, 2007

Bill Summary: Modifies equivalency requirements for accountants.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Board of Accountancy	\$0 to (\$30,000)	\$0 to (\$30,000)	\$0 to (\$30,000)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 to (\$30,000)	\$0 to (\$30,000)	\$0 to (\$30,000)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial and Professional Regulation (DIFP)** state the Board of Accountancy estimates approximately 200 individuals would no longer be required to obtain an annual license (\$150 fee). The board may need to increase fees to other licensees to cover the loss of revenue (200 licenses X \$150 = \$30,000).

Oversight assumes the Board of Accountancy will increase licensing fees to cover the loss of revenue, but is unable to determine when the board might take that action. Therefore, **Oversight** is ranging the loss of revenue between \$0 and \$30,000.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
---	---------------------	---------	---------

BOARD OF ACCOUNTANCY FUND

Loss - DIFP

Reduction in licensing revenue	<u>\$0 to (\$30,000)</u>	<u>\$0 to (\$30,000)</u>	<u>\$0 to (\$30,000)</u>
--------------------------------	--------------------------	--------------------------	--------------------------

**ESTIMATED NET EFFECT ON
 BOARD OF ACCOUNTANCY FUND**

	<u>\$0 to (\$30,000)</u>	<u>\$0 to (\$30,000)</u>	<u>\$0 to (\$30,000)</u>
--	---------------------------------	---------------------------------	---------------------------------

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
---	---------------------	---------	---------

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	-------------------	-------------------	-------------------

FISCAL IMPACT - Small Business

This proposal would directly impact small business accountants that currently pay the annual \$150 licensing fee.

FISCAL DESCRIPTION

This proposal bases equivalency requirements for out-of-state practitioners on the examination and experience requirements contained in the American Institute of Certified Public Accounts/National Association of State Boards of Accounting Uniform Accounting Act.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

L.R. No. 2450-01
Bill No. SB 595
Page 4 of 4
March 5, 2007

SOURCES OF INFORMATION

Department of Insurance, Financial and Professional Regulation

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Director
March 5, 2007