

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3449-02  
Bill No.: Perfected SB 896  
Subject: Accountants; Licenses - Professional  
Type: Original  
Date: February 14, 2002

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Economic Development - Division of Professional Registration**, indicate this proposal would have no fiscal impact on their agency.

Officials from **Office of the Secretary of State (SOS)** assume the Department of Economic Development - State Board of Accountancy would promulgate rules to implement this proposed legislation. These rules would be published in the *Missouri Register* and the *Code of State Regulations*. Based on experience with other divisions, the rules, regulations and forms issued by the State Board of Accountancy could require as many as 20 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the **Missouri Register** as in the *Code of State Regulations* because cost statements, fiscal notes and the like are not repeated in the code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the estimated amount of \$1,230. The impact of this legislation in future years is unknown and depends on the frequency and length of rules file, amended, rescinded or withdrawn.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations a substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would like be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

## DESCRIPTION

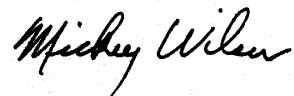
This proposed legislation allows temporary practice in this state by accountants from an outside state whose work in this state is incidental to their regular representation of a client.

The proposal also separates higher competency requirements for supervising attest services from the requirements for supervising review and compilation services. The requirement of a peer review of an accountant's license is limited to accounting firms, as is the issuance of review and compilation services. The board may also act, by rule, to permit licensed accountants to perform certain services on a contingency fee basis.

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

## SOURCES OF INFORMATION

Department of Economic Development  
Division of Professional Registration  
Office of Secretary of State



Mickey Wilson, CPA  
Acting Director  
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