

**STATE OF KANSAS  
BOARD OF ACCOUNTANCY**

**NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS**

A public hearing will be conducted at 9:30 AM, Friday, October 25, 2019, Room 556A of the Landon State Office Building, 900 SW Jackson, Topeka, KS, to consider the adoption of proposed changes in existing rules and regulations of the Board of Accountancy.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed rules and regulations. All interested parties may submit written comments prior to the hearing to the Executive Director of the Board of Accountancy, Landon State Office Building, 900 SW Jackson, Ste. 556, Topeka, KS 66612, or by emailing the Board office at [ksboa@ks.gov](mailto:ksboa@ks.gov). All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulations during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statements in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Susan Somers, at (785) 296-2162, or by e-mail at [ksboa@ks.gov](mailto:ksboa@ks.gov). Handicapped parking

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is located on the south end of Landon State Office Building, and the north entrance to the building is accessible to individuals with disabilities.

These regulations are proposed for adoption on a permanent basis. A summary of proposed regulations and their economic impact follows:

**K.A.R. 74-1-3. Retaking the examination and granting of credits.**

Amendments to this Regulation allow CPA exam candidates to test immediately after receiving a failed test result, thereby increasing the number of times an exam candidate is able to take the exam.

Copies of the regulation and the economic impact statement may be obtained from the Board of Accountancy, Landon State Office Building, 900 SW Jackson, Ste. 556, Topeka, KS 66612 (785) 296-2162, or on the Board's website at [www.ksboa.org](http://www.ksboa.org)

The Board does not anticipate any economic impact upon itself, to governmental agencies, or private businesses. There is an economic impact on individuals and firms in the adoption of these revisions to its regulations.

Susan L. Somers  
Executive Director

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74-1-3. Retaking the examination and granting of credits. (a) Each testing candidate shall be deemed to have passed the examination if the candidate obtains credit for passing each of the four test sections. Credit for passing a test section shall be valid from the date of the examination regardless of the date on which the testing candidate receives actual notice of the passing grade.

(b) A testing candidate may take the test sections individually and in any order. Credit for passing any test section shall be valid for 18 months from the date of testing regardless of the number of sections taken or the scores on any failed sections.

(c) Each testing candidate shall pass all four test sections within a rolling 18-month period that begins on the date the first test section passed is taken. If all four test sections are not passed within this 18-month period, credit for any test section passed outside the 18-month period shall expire.

(d) A testing candidate shall not retake a failed test section until the candidate has received the score for the most recent attempt of that test section. ~~within the same examination window. An examination window shall be equal to a calendar quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec). Eligible candidates will be permitted to test no less than two (2) months out of each examination window.~~

(e) Each testing candidate shall retain credit for any test section passed in another state if the credit would have been given if the testing candidate had taken the examination in Kansas.

(f) ~~Notwithstanding~~ Despite the provisions of subsections (a), (b), and (c), the period of time in which to pass all test sections of the examination may be extended by the board upon a showing that the credit was lost by reason of circumstances beyond the testing candidate's control. (Authorized by K.S.A. 1-202 and K.S.A. ~~2015~~ 2018 Supp. 1-304; implementing K.S.A. ~~2015~~ 2018 Supp. 1-304; effective Jan. 1, 1966; amended, E-82-27, Dec. 22, 1981; amended May 1, 1982; amended Jan. 12, 1996; amended Nov. 14, 2003; amended Jan. 11, 2008; amended Feb. 19, 2016; amended P-\_\_\_\_\_.)

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**Kansas Administrative Regulations  
Economic Impact Statement  
For the Kansas Division of the Budget**

Board of Accountancy  
Agency

Susan Somers  
Agency Contact

785-296-2162  
Contact Phone Number

74-1-3  
K.A.R. Number(s)

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to: Division of the Budget  
900 SW Jackson, Room 504-N  
Topeka, KS 66612

**I. Brief description of the proposed rule(s) and regulation(s).**

K.A.R. 74-1-3 sets out the requirements for taking and retaking of the Uniform CPA Exam, and the granting of credits.

**II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)**

The purpose for the amendment is to allow for continuous testing. It is not mandated by the federal government and is being implemented by all 55 jurisdictions.

**III. Agency analysis specifically addressing following:**

**A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;**

The amendment will allow testing candidates to test more often. The anticipation is that candidates will be in a better position to pass the exam.

**B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;**

The Board does not anticipate any economic impact upon itself, on governmental agencies or upon private business or individuals.

**C. Businesses that would be directly affected by the proposed rule and regulation;**

None.

**D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;**

There are no costs associated with the amendment to the Regulation.

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- E. **Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;**

There are no costs associated with the amendment to the Regulation.

- F. **An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.**

\$None

**Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?**

YES  NO

**Give a detailed statement of the data and methodology used in estimating the above cost estimate.**

Not applicable.

**Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.**

YES  NO

- G. **If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.**

Not applicable.

- H. **Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).**

The American Institute of Certified Public Accountants and the National Association of State Boards of Accountancy solicited input from State Boards, members of the associations, and the public.

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- I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).**

It would be detrimental to Kansas exam candidates as they would not be able to test as often as other candidates from other states.

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