

RULE IMPACT STATEMENT

TITLE 10. OKLAHOMA ACCOUNTANCY BOARD

CHAPTER 15. LICENSURE AND REGULATION OF ACCOUNTANCY

Brief Description of the Purpose of the Proposed Rules:

The majority of the proposed rule revisions this year involve removing the ability to apply for a Public Accountant (PA) license. Out of approximately 11,000 Oklahoma Accountancy Board registrants, only thirteen are PAs; the rest are Certified Public Accountants (CPAs). It has been over ten years since the last PA license was issued. Due to lack of interest in the credential, the Board wishes to remove the ability to obtain a new PA license while continuing to regulate those PAs that still exist. The proposed rule changes on this topic are contained in the following Sections: 10:15-3-3; 10:15-18-3; 10:15-18-8; 10:15-18-9; 10:15-21-1; 10:15-21-3; and 10:15-21-6. Proposed changes to 10:15-25-2, 10:15-25-3, and 10:15-30-5 cleans up outdated language from when the Board transitioned from biennial registrant reporting to annual birth-month reporting. Proposed changes to 10:15-30-2 and 10:15-30-3 removes outdated language as the exam credit hours awarded now depends on the delivery method. The proposed changes to 10:15-33-4(d) is to remove ineffective regulation as the Board does not have jurisdiction over suspended firms. The proposed removal of 10:15-33-4(f), 10:15-33-4(g), and 10:15-43-2 are to remove unnecessary regulation per the Governor's Executive Order 2020-03. The proposed change to 10:15-33-7 is to allow the Board to set a contract rate for Peer Review Oversight Committee members that will attract more interest given the high qualification standards.

Description of the classes of persons who most likely will be affected by the proposed rules, including classes that will bear the costs of the proposed rules, and any information on cost impact received by the agency from any private or public entities:

The only class of persons that may be affected by the proposed rule changes on the PA license are those individuals who may wish to obtain the credential. There has not been an application for an Oklahoma PA license in over ten years, so we feel the lack of interest in the designation justifies the Board dropping it from its regulatory oversight. Except for the proposed rule to allow the Board to set a contract rate for Peer Review Oversight Committee members, the other proposed rule changes remove outdated, ineffective, and unnecessary regulations and do not affect anyone.

There should be no costs incurred to any classes of individuals as a result of the proposed rule changes. The agency has not received any information on the cost impact from any private or public entities.

Description of the classes of persons who will benefit from the proposed rule:

By removing the ability to obtain a PA license, the state as a whole benefits as there is less regulatory oversight, in general. By allowing the Board to set a competitive rate for Peer Review Oversight Committee members, it should attract more interest in the position, thus keeping our program sound with qualified committee members.

Description of the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions, including a listing for all fee changes and, whenever possible, separate justification for each fee change:

The OAB does not anticipate the proposed rule changes will have any significant negative impact upon classes of persons or political subdivisions. There are no fee changes in the proposed rules.

The probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rule, the source of revenue to be used for implementation and enforcement of the proposed rule, and any anticipated effects on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency:

By removing the ability for an individual to obtain a PA license, the agency should incur less costs involved in the upkeep of licensing software, forms, etc. We anticipate no effect on state revenue.

A determination of whether implementation of the proposed rule will have an economic impact on any political subdivision or require their cooperation in implementing or enforcement the rule:

No economic impact on any political subdivision is anticipated at this time, nor will a political subdivision be required to cooperate in implementing or enforcing the proposed rules.

A determination of whether implementation of the proposed rule may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act:

No adverse economic impact on small business is anticipated.

An explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or non-regulatory methods or less intrusive methods for achieving the purpose of the proposed rule:

A benefit of the proposed rule change concerning removing the ability to obtain a PA license is that there will be less regulation over the accounting industry. The cost of these changes is negligible.

A determination of the effect of the proposed rule on the public health, safety and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk.

The proposed rules should have no effect on the public health, safety and environment.

Date the rule impact statement was prepared and the date modified:

Prepared: November 12, 2021
Modified: N/A

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