

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

SF-00006-03

STATE OF MINNESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

TO: BERTRAM L. CHEZ, Chairman
Board of Accountancy

DATE: 10-23-85

ATTN: BARRY R. GRELLER
Special Assistant Attorney General

FROM: J. MICHAEL MILES JMM
Assistant Attorney General

PHONE: 296-6555

SUBJECT: In the Matter of the Proposed Amendment to a rule of the State Board of Accountancy Governing Examination Fees for Certified Public Accountants

The above-referenced rule has been approved as to its legality by the Attorney General on October 22, 1985.

Enclosed is the agency's copy of the approved rule. This office has already filed two copies of the approved rule with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth copy is being retained by this division of the Attorney General's Office for its records.

Also enclosed are any petitions, requests, submission or comments received by the agency and any extra copies of documents which the agency submitted to the Attorney General.

In order for a permanent rule without a hearing to become effective, your agency must publish a notice of adoption in the State Register in accordance with Minn. Stat. § 14.27. An emergency rule becomes effective five working days after approval by the Attorney General; however, the agency must publish a notice in the State Register in accordance with Minn. Stat. § 14.34.

If you have any questions in this regard, please contact me.

JMM:pmf

Enclosures

cc: Maryanne Hruby
Executive Director
Legislative Commission to Review
Administrative Rules

Duane Harves
Chief Administrative Law Judge
Office of Administrative Hearings

SF-00006-03

STATE OF MINNESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

TO: JUDITH WEHRWEIN
Attorney General's Office
Administration Division

DATE: Sept. 12, 1985

FROM: PAMELA AZER, Executive Secretary
Minnesota State Board of Accountancy

PHONE: 6-7937

Pamela Azer

SUBJECT: Proposed Amendment to a Rule of the State Board of Accountancy Governing Examination Fees for Certified Public Accountants

Enclosed for submission to the Attorney General's Office, please find:

1. Department of Finance Approval for the Board's Fee Revision.
2. Certificate of Board's Authorizing Resolution.
3. Order for Notice of Intent to Amend Rules Without a Public Hearing.
4. Notice of Intent to Amend Rule Without a Public Hearing.
5. Mailing List Certificate.
6. Affidavit of Mailing Notice.
7. Statement of Need and Reasonableness.
8. Copy of Rule as Proposed:
   a. As published in the State Register.
   b. As approved by Revisor of Statutes.
9. Certificate of Board's Resolution Adopting Rule.
10. Two (2) Copies of Order Adopting Rule.
11. The Original and three (3) Copies of the Rule as Adopted.
12. Certificate of Compliance with Rulemaking Procedures.

Please be advised that the Board received no written comments in response to the Rule as Proposed. In addition, no requests were received for Notification of submission of the above rule to the Attorney General

aso
Enc.

SF-00006-03

STATE OF MINNESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

TO: JUDITH WEHRWEIN
Attorney General's Office
Administration Division

DATE: Sept. 12, 1985

FROM: BARRY R. GRELLER
Special Assistant
Attorney General

PHONE:

SUBJECT: Proposed Amendment to a Rule of the State Board of Accountancy Governing Examination Fees for Certified Public Accountants

The Board of Accountancy has proposed and adopted a rule amending certain of its fees. Enclosed for review by the Attorney General with respect to form and legality in accordance with Minn. Rule 2000.0400 and Minn. Stat. § 14.26 (1984), as amended, please find all necessary documents in connection with the above-referenced rule. The documents enclosed are listed in the attached memorandum of Pamela Azer. As specified in Ms. Azer's memorandum, no written comments or requests for notice of submission of this rule to the Attorney General were received by the Board of Accountancy.

As an additional matter, I have also reviewed the various 1985 amendments to Minn. Stat. § 16A.128 and Minn. Stat. ch. 214. They appear to have no substantive impact on the above rule.

aso
Enc.

cc: Pamela K. Azer

Our File No. 1211

05-0009-0133

RULE REVIEW CHECKLIST

DATE RULE RECEIVED 10-8
DATE FOR REVIEW 10-17
DATE DUE 10-22

Adopted w/a hearing _____
Adopted w/o hearing ✓
Temporary rule _____

Approved 10/22/85 Disapproved _____ Returned to Agency _____

Resubmitted _____ Due _____
Approved _____ Disapproved _____ Returned to Agency _____

Date filed w/Secretary of State _____ Revisor approved 10/9/85
disapproved _____

✓ Rule as Adopted

✓ Rule as Proposed

✓ Order Adopting 8.1.85 , Date

_____ Notice of Intent to Solicit Outside Opinion

✓ Order for rulemaking
N/A date of Hearing

_____ Certificate of Board's Authorizing Resolution

✓ Notice of rulemaking
✓ Sufficiency

✓ Affidavit of Mailing Notice or rulemaking
5.15.85 At least 30 days prior to ~~hearing~~/adoption

✓ Mailing list Certificate

✓ Publication in State Register
5.20.85 At least 30/~~20~~ days prior to ~~hearing~~/adoption

N/A Hearing Examiner's Report

_____ Chief Hearing Examiner's Report(s)
_____ Approving H.E.'s Report
_____ Approving agency action

_____ Agency's Findings of Fact

✓ LCRAR Report or agency Affidavit

✓ Certificate of Board's Resolution Adopting Rules

N/A Order Approving Incorporation by Reference

✓ Statement of Need and Reasonableness

N/A Petition for Adoption of a Rule

✓ Record (includes transcript or tape, exhibits, comments received by agency, requests for a hearing, and other relevant materials)

✓ Certificate of Compliance w/Rulemaking Procedures

N/A Affidavit of Mailing Notice of Submission to Attorney General

✓ Notice of Submission to the Attorney General

✓ Dept. Finance approval.

AG copy

Board of Accountancy

Adopted Rule Relating to Application Fees for Certified Public Accountant Examinations

Rule as Adopted

1100.3600 FEES.

Subpart 1. **Application fees other than annual license fees.** Applications shall be accompanied by fees in the following amounts:

A. Application for certified public accountant examination by first time applicants, $115.

B. Application for certified public accountant reexamination in failed subjects, $27 per subject but not in excess of $115. Accounting practice is considered to be two subjects. Part 1100.1400, subpart 4 provides that applicants must apply for reexamination in all failed subjects.

C. to E. [Unchanged.]

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
OCT 23 1985
Joan Anderson Growe
Secretary of State
1:39 pm

APPROVED AS TO FORM AND LEGALITY.
10/22 19 85
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY
ASSISTANT ATTORNEY GENERAL

Rule as Proposed

1100.3600 FEES.

Subpart 1. Application fees other than annual license fees. Applications shall be accompanied by fees in the following amounts:

A. Application for certified public accountant examination by first time applicants, ~~$100~~ $115.

B. Application for certified public accountant reexamination in failed subjects, ~~$25~~ $27 per subject but not in excess of ~~$100~~ $115. Accounting practice is considered to be two subjects. Part 1100.1400, subpart 4 provides that applicants must apply for reexamination in all failed subjects.

C. to E. [Unchanged.]

APPROVED IN THE
REVISOR OF STATUTES
OFFICE BY:
Robert P. Kittel

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS.

ORDER ADOPTING RULES

Notice of the intent of the Board of Accountancy ("Board") to adopt the above-entitled rule without a public hearing was published in the State Register on May 20, 1985, and was sent by United States mail to all persons on the list maintained by the Board pursuant to Minn. Stat. § 14.14, subd. 1, on May 15th, 1985. After affording interested and affected persons an opportunity to submit comments for 30 days after Notice, having received no comments, and having determined the need for and reasonableness of the above-captioned rule,

NOW, THEREFORE, IT IS ORDERED that this rule, identified as Amendment to a Rule of the State Board of Accountancy Governing Examination Fees for Certified Public Accountants, is adopted this 1st day of August, 1985, pursuant to authority vested in the Board by Minn. Stat.§§ 16A.128, 214.06, 326.17, 326.18 and 326.22. (1984).

IN WITNESS WHEREOF, I have hereunto subscribed my name this 1st day of August, 1985.

Bertram L. Chey
Chairman
MINNESOTA STATE BOARD OF ACCOUNTANCY

ATTESTED:
Ann S. Keller
Member
MINNESOTA STATE BOARD OF ACCOUNTANCY

STATE OF MINNESOTA

BOARD OF ACCOUNTANCY

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS.

ORDER FOR NOTICE OF INTENT TO AMEND RULES WITHOUT A PUBLIC HEARING

IT IS HEREBY ORDERED this 18th day of April, 1985, that a Notice of Intent to Amend Rules Without a Public Hearing in the above-entitled matter be given to all persons who have registered their names with the State Board of Accountancy for that purpose and that such Notice be published in the State Register.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

BY: Bertram L. Chez
BERTRAM L. CHEZ
CHAIRMAN

Dated: 4-18, 1985.

STATE OF MINNESOTA

BOARD OF ACCOUNTANCY

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS.

CERTIFICATE OF BOARD'S AUTHORIZING RESOLUTION

I, John M. Dinacles, do hereby certify that I am the Secretary - Treasurer of the Board of Accountancy, a board duly authorized under the laws of the State of Minnesota, and that the following is a true, complete and correct copy of a resolution adopted at a meeting of the Board of Accountancy duly and properly called and held on the 1st day of February, 1985; that a quorum was present at said meeting; that a majority of those present voted for the resolution; that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified:

> RESOLVED, that Bertram L. Chez, Chairman of the Board of Accountancy, be and hereby is granted the authority and directed to give public notice for the purpose of promulgating amendments to existing rules of the Board of Accountancy with respect to the examination fees for certified public accountants, as well as to perform any and all acts incidental thereto, including but without being limited thereto, the signing of a notice of intent to adopt rules without a public hearing and a statement of need and reasonableness.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 1st day of February, 1985.

John M. Dinacles

Secretary - Treasurer

MINNESOTA STATE BOARD OF ACCOUNTANCY

ATTESTED:

Bonnie J. Clausen

Member

MINNESOTA STATE BOARD OF ACCOUNTANCY

STATE OF MINNESOTA

BOARD OF ACCOUNTANCY

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS.

NOTICE OF INTENT TO AMEND RULE WITHOUT A PUBLIC HEARING

Notice is hereby given that the Minnesota Board of Accountancy ("Board") proposes to adopt the above-entitled amendment to an existing rule of the Board without a public hearing. A public hearing will not be held on these rules, in accordance with Minnesota Statutes §§ 14.22, 16A.128 and 214.06 (1984).

Persons interested in this rule have 30 days to submit comments in support of or in opposition to the proposed amendment. Comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed. The proposed rule may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language.

Persons who wish to submit comments should submit such comments within 30 days following the publication of this notice to:

Pamela K. Azer
Executive Secretary
Board of Accountancy
500 Metro Square Building
St. Paul, Minnesota 55101
Telephone: (612) 296-7937

Authority for the adoption of this rule is contained in Minnesota Statutes §§ 16A.128, 214.06, 326.17, 326.18 and 326.22, subd. 1 (1984). Additionally, a statement of need and

reasonableness that describes the need for and reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available from Ms. Azer upon request.

Upon adoption of the final rule without a public hearing, the proposed rule, this notice, the statement of need and reasonableness, all written comments received, and the final rule as adopted will be delivered to the Attorney General for review as to its legality, and as to its form to the extent the form relates to legality, including the issue of substantial change, and for a determination as to whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rule. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the final rule as proposed for adoption, will be notified if they submit a written request for notification to Ms. Azer.

A copy of the proposed rule follows.

Copies of this notice and the proposed rule are available and may be obtained by contacting Ms. Azer.

Bertram L. Chez

BERTRAM L. CHEZ
Chairman
Board of Accountancy
State of Minnesota

STATE OF MINNESOTA

COUNTY OF RAMSEY

CERTIFICATE

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS

I hereby certify that the list of persons, associations, and other interested groups who have requested, pursuant to Minnesota Statutes, section 14.14, subdivision 1, that their names be placed on file with and maintained by the State Board of Accountancy for the purpose of receiving notice of the proposed adoption of rules by this Board is accurate and complete as of 8:30 A.M., this fifteenth day of May, 1985.

Pamela K. Azer
Executive Secretary

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS

AFFIDAVIT OF MAILING

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

Joan Pirri, being first duly sworn deposes and says:

That on the fifteenth day of May, 1985, at the City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Notice of Intent to Adopt Rules Without Public Hearing by depositing in the State of Minnesota Central Mail System for United States mailing at said City of St. Paul, a copy thereof, properly enveloped, with postage prepaid, on all persons and associations who have requested that their names be placed on file with the State Board of Accountancy for the purpose of receiving notice of the proposed adoption of rules by this Board.

Joan Pirri
Joan Pirri

Subscribed and sworn to before me
this 15th day of May, 1985

Barbara Ahlberg
Notary Public

BARBARA AHLBERG
NOTARY PUBLIC-MINNESOTA
DAKOTA COUNTY
MY COMMISSION EXPIRES JULY 31, 1990

MINNESOTA STATE BOARD OF ACCOUNTANCY
NOTICE OF RULE MAKING MAILING LIST

John M. Broeker
2850 Metro Drive, Suite 800
Mpls, MN 55420

Bob Franklin, City Editor
Minneapolis Tribune
425 Portland Avenue
Mpls, MN 55488

Conrad M Fredin
Attorney at Law
811 First Nat'l Bank Bldg
Duluth, MN 55802

Greg Hierlinger
State Auditor's Office
555 Park Street, Suite 400
St. Paul, MN 55103

Paul J. Huber
1821 University Avenue
St. Paul, MN 55104

Phillips Legislative Service
459 Rice Street
St Paul, MN 55103

Thomas M. Polt
Attorney at Law
McCarthy Bldg.
Eyota, MN 55934

Peter S. Popovich
2301 S River Road
St. Mary's Point, MN

POST Board
495 NalPak Bldg.
St. Paul, MN 55101

Sam Ruhle
Office of Admin. Hearings
400 Summit Bank Bldg,
Mpls, Mn 55415

Ms. Mary Stanton
State University System
407 Capitol Square Bldg.
St. Paul, MN 55101

Henry Tembrock
State Auditor's Office
555 Park Street, Suite 400
St. Paul, MN 55103

Minnesota Society of CPAs
7900 Xerxes Avenue So., Suite 718
Suite 718
Minnapolis, MN 55431

MN Assoc. of Public Accountants
2353 Rice Street, Suite 220
Roseville, MN 55113

A.W.S.C.P.A.
P O Box 2279
Minneapolis, MN 55402

PROPOSED RULES

Pursuant to Minn. Stat. of 1982, §§ 14.22, an agency may propose to adopt, amend, suspend or repeal rules without first holding a public hearing, as long as the agency determines that the rules will be noncontroversial in nature. The agency must first publish a notice of intent to adopt rules without a public hearing, together with the proposed rules, in the *State Register*. The notice must advise the public:

1. that they have 30 days in which to submit comment on the proposed rules;
2. that no public hearing will be held unless 25 or more persons make a written request for a hearing within the 30-day comment period;
3. of the manner in which persons shall request a hearing on the proposed rules; and
4. that the rule may be modified if the modifications are supported by the data and views submitted.

If, during the 30-day comment period, 25 or more persons submit to the agency a written request for a hearing of the proposed rules, the agency must proceed under the provisions of §§ 14.14-14.20, which state that if an agency decides to hold a public hearing, it must publish a notice of intent in the *State Register*.

Pursuant to Minn. Stat. §§ 14.29 and 14.30, agencies may propose emergency rules under certain circumstances. Proposed emergency rules are published in the *State Register* and, for at least 25 days thereafter, interested persons may submit data and views in writing to the proposing agency.

Board of Accountancy

Proposed Rule Relating to Application Fees for Certified Public Accountant Examinations

Notice of Intent to Amend Rule without a Public Hearing

Notice is hereby given that the Minnesota Board of Accountancy ("Board") proposes to adopt the above-entitled amendment to an existing rule of the Board without a public hearing. A public hearing will not be held on these rules, in accordance with Minnesota Statutes §§ 14.22, 16A.128 and 214.06 (1984).

Persons interested in this rule have 30 days to submit comments in support of or in opposition to the proposed amendment. Comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed. The proposed rule may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language.

Persons who wish to submit comments should submit such comments within 30 days following the publication of this notice to:

Pamela K. Azer
Executive Secretary
Board of Accountancy
500 Metro Square Building
St. Paul, Minnesota 55101
Telephone: (612) 296-7937

Authority for the adoption of this rule is contained in Minnesota Statutes §§ 16A.128, 214.06, 326.17, 326.18 and 326.22, subd. 1 (1984). Additionally, a statement of need and reasonableness that describes the need for and reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available from Ms. Azer upon request.

Upon adoption of the final rule without a public hearing, the proposed rule, this notice, the statement of need and reasonableness, all written comments received, and the final rule as adopted will be delivered to the Attorney General for review as to its legality, and as to its form to the extent the form relates to legality, including the issue of substantial change, and for a determination as to whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rule. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the final rules as proposed for adoption, will be notified if they submit a written request for notification to Ms. Azer.

A copy of the proposed rule follows.

Copies of this notice and the proposed rule are available and may be obtained by contacting Ms. Azer.

Bertram L. Chez, Chairman
Board of Accountancy

Rule as Proposed

1100.3600 FEES.

Subpart 1. Application fees other than annual license fees. Applications shall be accompanied by fees in the following amounts:

A. Application for certified public accountant examination by first time applicants, ~~$100~~ $115.

B. Application for certified public accountant reexamination in failed subjects, ~~$25~~ $27 per subject but not in excess of ~~$100~~ $115. Accounting practice is considered to be two subjects. Part 1100.1400, subpart 4 provides that applicants must apply for reexamination in all failed subjects.

C. to E. [Unchanged.]

Department of Commerce

Proposed Rule Authorizing Issuance of Medical Malpractice Insurance by the Minnesota Medical Malpractice Joint Underwriting Association

Notice of Hearing

Notice is given that a public hearing will be held pursuant to Minn. Stat. § 14.14 (1984), in the above-entitled matter in the Large Hearing Room, 500 Metro Square Building, St. Paul, Minnesota 55101, on June 25, 1985, at 9:00 A.M. and continuing until all interested persons and groups have had an opportunity to be heard concerning adoption of the proposed rule by submitting either oral or written data, statements, or arguments. Statements or briefs may be submitted without appearing at the hearing by sending them to Administrative Law Judge, Jon L. Lunde, 4th Floor, Summit Bank Building, 310 4th Avenue South, Minneapolis, Minnesota 55415, telephone (612) 341-7645. The rulehearing procedure is governed by Minn. Stat. § 14.02-14.45 (1984), and by Minn. Rule 1400.1200 (1984). Questions regarding procedure may be directed to the Administrative Law Judge at the above-listed address.

The Commissioner is seeking to determine if there is medical malpractice insurance available in the voluntary market for either physicians, hospitals or other types of health care providers. If it is determined that such insurance is not available, the Commissioner will issue a rule authorizing the Joint Underwriting Association, established by Minn. Stat. Chapter 62F, to issue medical malpractice insurance on a primary basis to physicians, hospitals or other health care providers.

The Department has elected to consider the proposed rule of the Commissioner authorizing the issuance of medical malpractice insurance by the Joint Underwriting Association to be a rule and is accordingly proceeding pursuant to Chapter 14 of Minnesota Statutes in regard to the rule.

Notice is hereby given that a Statement of Need and Reasonableness is available for review at the Department of Commerce and will be available at the Office of Administrative Hearings. The Statement of Need and Reasonableness includes a summary of all the evidence and argument which the agency anticipates presenting at the hearing justifying both the need for and the reasonableness of the proposed rule. Copies of the Statement of Need and Reasonableness may be reviewed at the agency or the Office of Administrative Hearings and copies may be obtained from the Office of Administrative Hearings at the cost of reproduction.

Pursuant to Minn. Stat. § 14.115, subd. 2, the impact on small business has been considered in the promulgation of the rule. Anyone wishing to present evidence or argument as to the rule's effect on small business may do so. The Department's position regarding the impact of the rule on small business is set forth in the Statement of Need and Reasonableness.

All interested or affected persons will have an opportunity to participate by presenting oral and/or written evidence at the hearing. Questioning of agency representatives or witnesses, and of interested persons making oral statements will be allowed in order to explain the purpose or intended operation of the proposed rule, or a suggested modification, or for other purposes material to the evaluation or formulation of the proposed rule.

As a result of the hearing process, the proposed rule may be modified. Written material may be submitted to the Administrative Law Judge and recorded in the hearing record for five working days after the public hearing ends. The comment period may be extended for a longer period not to exceed 20 calendar days if ordered by the Administrative Law Judge at the hearing. Comments received during the comment period shall be available for review at the Office of Administrative Hearings. Following the five to twenty-day submission period, there will be a three-day period in which the Commissioner and interested persons may respond in writing to any new information submitted. During the three-day period, the agency may indicate in writing whether there are any amendments suggested by other persons which the agency is willing to adopt. Additional evidence may not be submitted during the three-day period. The written responses will be added to the record of the proceeding.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS.

CERTIFICATE OF BOARD'S RESOLUTION ADOPTING RULES

I, MICHAEL M. VEKICH, do hereby certify that I am a member and the SEC/TREA. of the Minnesota Board of Accountancy, a board duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Board of Accountancy, duly and properly called and held on the 1st day of August, 1985, that a quorum was present at said meeting, that a majority of those present voted for the resolution, and that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified:

> RESOLVED, that the Amendment to Rule Governing Examination Fees for Certified Public Accountants be and hereby is approved and adopted, pursuant to authority vested in the Board by Minn. Stat. §§ 16A.128, 214.06, 326.17, 326.18 and 326.22 (1984) and that BERTRAM L. CHEZ be and hereby is authorized to sign an order adopting these rules and to perform the necessary acts to provide that these rules shall have the force and effect of law.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 1st day of August, 1985.

SEC/TREA.
MINNESOTA STATE BOARD OF ACCOUNTANCY

ATTESTED:

Member
MINNESOTA STATE BOARD OF ACCOUNTANCY

STATE OF MINNESOTA

BOARD OF ACCOUNTANCY

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS

STATEMENT OF NEED AND REASONABLENESS

The above-captioned rule is an amendment to an existing rule of the Board of Accountancy ("Board"). The Board's rules were last amended on July 26, 1984.

The need for and reasonableness of this rule is as follows:

I.

STATUTORY AUTHORITY

Minn. Stat. § 326.18 (1984) empowers the Board to promulgate and adopt rules, including all rules proper to carry into effect the purposes of Minn. Stat. §§ 326.165 to 326.23. Minn. Stat. 326.22 (1984) empowers the board to charge for each examination and certificate a fee, to be prescribed in the Board's rules, to meet the expenses of the examination. Minn. Stat. §§ 214.06 and 326.17 (1984) further authorize the Board, with the approval of the Commissioner of Finance, to adjust any fee which the Board is empowered to assess a sufficient amount so that the total fees collected by the Board will as closely as possible equal anticipated expenditures during the fiscal biennium. In addition, Minn. Stat. § 16A.128 (1984) provides that fee adjustments shall be made with the approval of the Commissioner of Finance and may be made using the procedure for noncontroversial rules specified in Minn. Stat. § 14.21 to 14.28, except that no public hearing may be held when

the total fees estimated for the biennium will not exceed the sum of direct appropriations, indirect costs, transfers in and salary supplements for that purpose for the biennium.

II.

FACTS ESTABLISHING NEED AND REASONABLENESS

The fact that Board fee-generated revenue from the Uniform Certified Public Accountant Examination is projected to fall short by $15,513 in F.Y. 1986 and $15,575 in F.Y. 1987 requires that a fee increase be made in accordance with Minn. Stat. §§ 16A.128 and 214.06 (1984). Board fee generated income is deposited in the State General Fund with Board expenses paid from an appropriation made by the Legislature on a biennial basis. The proposed fee change to be accomplished by implementation of this rule was approved by the Commissioner of Finance on April 10, 1985.

The Minnesota State Board of Accountancy administers the Uniform CPA Examination, a national standardized test prepared by the Board of Examiners of the American Institute of Certified Public Accountants ("AICPA"). All completed examination papers are sent to the AICPA in New York for grading. The AICPA charges the Minnesota State Board a fee of $10.00 per part for grading, preparation of exam questions and solutions, printing of exam booklets, preparation of grade reports, exam supplies, statistical data and maximum security precautions. The AICPA will increase the fee for these services to $12.50 per part beginning November 1985 (F.Y. 1986).

The Board proposes to raise the examination fee to $115.00 for first time candidates (5 parts per exam for first time candidates) and $27.00 per part for re-exam candidates, not to exceed $115.00 for complete re-examination. By increasing the fee for the examination by $15.00 for first time candidates (790 candidates for F.Y. 1986

and 800 candidates for F.Y. 1987) the Board projects it will recover an additional $11,850 for F.Y. 1986 and an additional $12,000 for F.Y. 1987. By increasing the fee for re-examination $2.00 per part (2,255 parts for F.Y. 1986 and 2,280 parts for F.Y. 1987) the Board projects it will recover $4,510 for F.Y. 1986 and $4,560 for F.Y. 1987. Total additional income generated by the increase in examination fees for F.Y. 1986 and F.Y. 1987 is projected to approximate and recover the additional cost to the Board.

It is necessary to increase the examination fees because the Board will be faced with additional costs and Minn. Stat. § 16A.128 (1984) requires the Board ot recover these costs. It is reasonable to increase the candidate's fee for the examination since the increased cost to the Board is directly related to the administration of the CPA Examination. The amount of the proposed fee increase reasonably reflects the additional cost experienced by the Board for administration of the examination.

The agency has considered the impact that the proposed increase in fees will have on small business and finds that such impact will be minimal and that any impact is mandated by law. The proposed increase will not impose additional compliance or reporting requirements.

Dated: May 30, 1985.

STATE OF MINNESOTA

BOARD OF ACCOUNTANCY

PROPOSED AMENDMENT TO A RULE OF THE STATE BOARD OF ACCOUNTANCY GOVERNING EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS.

STATEMENT OF COMPLIANCE WITH RULEMAKING PROCEDURES

I, Special Assistant Attorney General Barry R. Greller, do hereby declare that I have examined the above rules and all related documents and that, based on my examination and my personal familiarity with the applicable procedures, the Administrative Procedure Act, the rules of the Office of Administrative Hearings, and the rules of the Attorney General have been followed without exception.

Dated: October 4, 1985.

Barry R. Greller

BARRY R. GRELLER
Special Assistant
Attorney General

SF-00006-02

MINNESOTA BOARD OF ACCOUNTANCY
APR 09 1985

STATE OF MINNESOTA

DEPARTMENT of Finance

Office Memorandum

TO : Pamela K. Azer, Executive Secretary
Board of Accountancy

DATE: April 10, 1985

FROM : Allen A. Yozamp, Director
Budget Operations and Support

PHONE: 296-5188

SUBJECT: Increase in CPA Examination Fee

Your request to increase the CPA examination fee from $100.00 to $115.00 for first time applicants and from $25.00 to $27.00 for re-exam candidates is approved as submitted. These fees may become effective after the necessary rulemaking procedures have been followed.

BO/AY/BN/SC/A019

SF-00006-03

STATE OF MINNESOTA

DEPARTMENT Board of Accountancy

Office Memorandum

TO: Josie Ashton
Controller

DATE: April 3, 1985

FROM: Pamela K. Azer
Executive Secretary

PHONE:

SUBJECT: Increase in Examination Fee

This is to request approval of a Board fee schedule revision that proposes to increase the Uniform Certified Public Accountant (CPA) Examination fee from $100.00 to $115.00 for first time applicants and from $25.00 to $27.00 for re-exam candidates.

The Minnesota State Board of Accountancy administers the Uniform CPA Examination, a national standardized test prepared by the Board of Examiners of the American Institute of Certified Public Accountants (AICPA). The exam is used by all boards of accountancy throughout the United States and is administered on the same days and times in all 50 states. The exam is given over a period of 3 days, twice a year, in May and November.

Approximately 1,800 to 1,900 individuals apply to take the exam in Minnesota each year. Each candidate must meet the education and experience requirements mandated in Minnesota Statute 326.19 before being allowed to sit for the exam.

The CPA Exam consists of five parts: Auditing, Theory, Law, Practice I, and Practice II (Practice is given in two parts, but is considered one subject). First time candidates must apply to take all five parts of the exam. The current fee is $100. If a candidate cancels or is unable to sit, the fee is held for up to five years. A candidate must pass two or more subjects with no score less than 50% in order to "condition." Once a candidate "conditions," he or she is required to take only the remaining parts of the exam not yet passed. The fee for re-exam candidates is $25.00 per part, not to exceed $100.00 for complete re-examination. The total number of exam parts per year is 5,900 to 6,200. All examination papers are sent to the AICPA in New York where they are graded. The scores are then returned to the Board office for release to the candidates.

The AICPA charges each state board a fee which covers preparation of exam questions and solutions, printing and distribution of exam booklets, grading of papers, preparation of grade reports, supplies to be used at exam site, exam information booklets sent to applicants, statistical data and maximum security precautions. The AICPA will increase the fee for each part of the exam from $10.00 to $12.50 beginning November 1985 (F.Y. 1986). This would mean an increased cost to the Board of $15.5 for F.Y. 1986 and $15.6 for F.Y. 1987 (see page 3). This additional cost is reflected as a change level increase of $14.0 for F.Y. 1986 and $14.0 for F.Y. 1987 in the Biennial Budget. The Governor concurs with the request.

The Board intends to raise the exam fee to $115.00 for first time candidates and $27.00 per part for re-exam candidates, not to exceed $115.00 for complete re-examination. By increasing the cost of the exam by $15.00 for first time candidates and $2.00 per part for re-exam candidates, the Board will increase exam revenue by $16,360 for F.Y. 1986 and $16,560 for F.Y. 1987 (see page 4).

Since the first time application requires more administrative processing than the re-exam application, the Board intends to pass on the greater amount of this increased cost to the first time applicant.

The request for the fee revision is to cover only the increased AICPA cost. The cost of administering the CPA Exam is continuing to increase. It is becoming more difficult to find available space large enough to accommodate the number of candidates sitting for each exam. It is conceivable that the exams may have to be scheduled at two sites. This will increase the cost of rental, proctors fees, rental of tables and janitor services. It is difficult to project if this will occur in the next biennium or to estimate the cost. If this does occur the Board will review and evaluate the total exam fee structure.

PKA:ks

Attachment

FEE ADJUSTMENT PROPOSAL

Title of Fee	Present	Proposed
Exam Application Fee - First Sitting	$100.00	$115.00
Exam Application Fee - Re-exam	$ 25.00	$ 27.00

NUMBER OF EXAM PARTS ADMINISTERED

Dates of Examination	First Time Applicants	Number of Parts Administered		
		First Time	Re-Exam	Total
November 1982	480	2,400	1,146	3,546
May 1983	322	1,610	997	2,607
F.Y. 1983 Totals	802	4,010	2,143	6,153
November 1983	443	2,215	1,076	3,291
May 1984	330	1,650	917	2,567
F.Y. 1984 Totals	773	3,865	1,993	5,858
November 1984	429	2,145	1,271	3,416
May 1985	344	1,720	1,024	2,744
F.Y. 1985 Totals	773	3,865	2,295	6,160
F.Y. 1986 Total Est.	790	3,950	2,255	6,205
F.Y. 1987 Total Est.	800	4,000	2,280	6,230

AICPA COST TO BOARD

	Actual F.Y. 1983	Actual F.Y. 1984	Est. F.Y. 1985	Est. F.Y. 1986	Est. F.Y. 1987
Current Cost of Exam @ $10.00/part	$61,530	$58,580	$61,600	$62,050	$62,300
Estimated Cost of Exam @ $12.50/part	-	-	-	$77,563	$77,875
Estimated Cost Difference				($15,513)	($15,575)

4/3/85

FEE INCREASE PROJECTIONS

	F.Y. 1986	F.Y. 1987
No. of First Time Candidates	790*	800**
Fee Increase	x $15	x $15
Total Increase	$11,850	$12,000
Re-Exam Parts	2,255	2,280
Fee Increase/part	x $ 2	x $ 2
Total Increase	$ 4,510	$ 4,560
TOTAL FIRST TIME INCREASE	$11,850	$12,000
TOTAL RE-EXAM INCREASE	4,510	4,560
ESTIMATED ADDITIONAL REVENUE	$16,360	$16,560
TOTAL ESTIMATED COST OF EXAM	$77,563	$77,875
TOTAL CURRENT COST OF EXAM	$62,050	$62,300
TOTAL ESTIMATED SHORTFALL	($15,513	($15,575)
TOTAL CURRENT COST OF EXAM	$62,050	$62,300
ESTIMATED ADDITIONAL REVENUE	$16,360	$16,560
ESTIMATED TOTAL RECOVERY	$78,410	$78,860
ESTIMATED TOTAL RECOVERY	$78,410	$78,860
TOTAL ESTIMATED COST OF EXAM	$77,563	$77,875
DIFFERENCE	$ 747	$ 985

*3,950 parts
**4,000 parts