

Minnesota Attorney General: Administrative Rules Proceedings

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.

Version 3
August 20, 2018

RULE REVIEW CHECKLIST

File No. 1392
DATE RECEIVED 8/17/87
REVIEW DATE 8/26/87
DUE DATE 8/31/87

APPROVED 8.26.87 mjc
DISAPPROVED
WITHDRAWN

Docket No. 05.0009.0133
ADOPTED W/O HEARING X
EMERGENCY RULE

REVISOR APPROVED
REVISOR DISAPPROVED
FIELD W/SEC.STATE
RETURNED TO AGENCY

✓ Rule as adopted (4 copies)

~~Notice to Solicit Outside Information/Opinion~~
~~Date published in State Register~~
~~Comments~~

~~Petition for Adoption of a Rule~~

Board's Authorizing Resolution

✓ Proposed rule

yes Revisor's Certificate

✓ Notice of Intent to Adopt Rule

16A.128 + 214.06 Statutory Authority

no Small Business Statement

no Expenditure of public money statement

yes Signature

✓ Statement of Need and Reasonableness

yes Small Business Statement

yes Fees - § 16A.128

✓ Affidavit of Mailing Notice of Intent to Adopt Rule

6/11/87 Date 30/25 days before adoption

✓ Publication in State Register

6/15/87 Date 30/25 days before adoption

✓ Resolution Adopting

✓ Findings of Fact, Conclusions & Order Adopting

7/30/87 Date

~~Written requests, submissions or comments~~

✓ Declaration of attorney

Barry Greller Name of SAAG representing agency

~~Notice of Submission to Attorney General~~

~~Affidavit of Mailing Notice to Attorney General~~

SF-00006-05 (4/86)

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT : ATTORNEY GENERAL

DATE : August 26, 1987

TO : PAMELA K. SMITH
Minnesota State Board of Accountancy

FROM : MARTHA CASSERLY
Special Assistant
Attorney General

PHONE : 6-6204

SUBJECT : In the Matter of the Adopted Rule Relating to Fees.

The above-referenced rule has been approved as to its legality by the Attorney General on August 26, 1987.

Enclosed is the agency's copy of the approved rule. This office has already filed two copies with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth 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.

MJC:nah
Enclosures

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

Duane Harves
Chief Administrative Law Judge
Office of Administrative Hearings

Board of Accountancy

Adopted Permanent Rules Relating to Fees

Rules 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. [Unchanged.]

B. Application for certified public accountant reexamination in failed subjects, $30 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. Application for reciprocal certificate and license for certified public accountant, $100.

D. Application for certificate and license for licensed public accountant, $100.

E. Application for reciprocal certificate and license for licensed public accountant, $100.

F. A nonrefundable $50 fee will be charged to proctor out-of-state exam candidates applying to sit in Minnesota.

Subp. 2. **Annual license fees.** Annual license fees shall be as follows:

A. application for initial certified public accountant license, $50;

B. active individuals, $30;

C. inactive individuals, $10;

D. partnerships, $35; and

E. in addition to the $25 annual reporting fee in part 1100.3200, corporations, $10.

Subp. 2a. to 4. [Unchanged.]

1:55PM

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

AUG 26 1987

Joan Anderson Growe
Secretary of State

APPROVED AS TO FORM AND LEGALITY
August 26 1987
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY MJ Cassedy
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

PROPOSED AMENDMENTS TO RULES OF THE MINNESOTA STATE BOARD OF ACCOUNTANCY GOVERNING LICENSE, RENEWAL, AND EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS.

CERTIFICATE OF BOARD'S AUTHORIZING RESOLUTION

I, MICHAEL M. VEKICH, do hereby certify that I am a member and 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 16th day of April, 1987; that a quorum was present at said meeting; that a majority of those present and a majority of the members of the Board voted for the resolution; and that the resolution is set forth in the minutes of said meeting and has not been rescinded or modified:

> RESOLVED, that Bonnie R. Russ, Chair of the Board of Accountancy, is hereby granted the authority and directed to give public notice of the Board's intent to adopt without a public hearing amendments to existing rules of the Board of Accountancy with respect to the licensure, renewal and examination fees for certified public accountants and licensed public accountants, to all persons who have registered their name with the Board for that purpose and to publish the notice and rules in the State Register, 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 the preparation of a statement of need and reasonableness.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 16TH day of April, 1987.

ATTESTED:
Bertram L. Elug
Vice Chair
MINNESOTA STATE BOARD OF ACCOUNTANCY

Michael M. Vekich
SECRETARY/TREASURER
MINNESOTA STATE BOARD OF ACCOUNTANCY

Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to Fees

AGENCY: Board of Accountancy

MINNESOTA RULES: Chapter 1100

The attached rules are approved for publication
in the State Register

Paul M. Marinac
Assistant Deputy Revisor

Board of Accountancy

Proposed Permanent Rules Relating to Fees

Rules as Proposed

1100.3600 FEES.

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

1100.3600 FEES.

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

A. [Unchanged.]

B. Application for certified public accountant reexamination in failed subjects, ~~$27~~ $30 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. Application for reciprocal certificate and license for certified public accountant, ~~$75~~ $100.

D. Application for certificate and license for licensed public accountant, ~~$75~~ $100.

E. Application for reciprocal certificate and license for licensed public accountant, ~~$75~~ $100.

F. A nonrefundable $50 fee will be charged to proctor out-of-state exam candidates applying to sit in Minnesota.

Subp. 2. **Annual license fees.** Annual license fees shall be as follows:

A. application for initial certified public accountant license, $50;

B. active individuals, ~~$20, and~~ $30;

C. inactive individuals, $10;

D. partnerships, ~~$25~~ $35; and

E. in addition to the $25 annual reporting fee in

Approved by Revisor

part 1100.3200, corporations, $10.

Subp. 2a. to 4. [Unchanged.]

Approved
by Revisor _____

STATE OF MINNESOTA

BOARD OF ACCOUNTANCY

PROPOSED AMENDMENTS TO RULES OF THE STATE BOARD OF ACCOUNTANCY GOVERNING LICENSE FEES, RENEWAL FEES AND EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS.

NOTICE OF INTENT TO AMEND RULES WITHOUT A PUBLIC HEARING

Notice is hereby given that the Minnesota Board of Accountancy ("Board") proposes to adopt the above-entitled amendments to existing rules of the Board without a public hearing by following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing, Minnesota Statutes §§ 14.22 to 14.28 (1986), and the procedures set forth in Minnesota Statutes §§ 16A.128 (Supp. 1985) and 214.06 (1986).

Persons interested in these rules have 30 days to submit comments in support of or in opposition to the proposed rules or any part or subpart of the rules. Comment is encouraged. Each comment should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed. The proposed rules 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.

No public hearing will be held on these rules unless 20 percent of the persons who will be required to pay any fee set by these rules submit a written request for a public hearing on the

proposed rules within the 30 day comment period. Any person requesting a public hearing should state his or her name and address and the portion of the proposed rules as to which a hearing is requested. If a public hearing is required, the Board will proceed pursuant to Minnesota Statutes §§ 14.131 to 14.20 (1986).

Comments or written requests for a public hearing should be submitted within 30 days following the publication of this notice to:

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

Authority for the adoption of these rules is contained in Minnesota Statutes §§ 16A.128 (Supp. 1985) and 214.06, 326.17, 326.18 and 326.22 (1986). Additionally, a statement of need and reasonableness which describes the need for a reasonableness of each provision of the proposed rules and which identifies the data and information relied upon to support the proposed rules has been prepared and is available from Ms. Smith upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the statement of need and reasonableness, all written comments received, and the final rules as adopted will be delivered to the Attorney General for review as to its legality, and as to form to the extent the form relates to legality, including the issue of substantial change, and for a determination as to whether the rulemaking record demonstrates a

rational basis for the need for and reasonableness of the proposed rules. Persons who wish to be advised of the submission of this material to the Attorney General, or which wish to received a copy of the final rules as proposed for adoption, will be notified if they submit a written request for notification to Ms. Smith.

A copy of the proposed rules is attached to this notice.

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

BONNIE R. RUSS
Chair
Board of Accountancy
State of Minnesota

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

PROPOSED AMENDMENTS TO RULES OF THE STATE BOARD OF ACCOUNTANCY GOVERNING LICENSE FEES, RENEWAL FEES, AND EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED 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 rules were last amended effective on December 8, 1986.

I. STATUTORY AUTHORITY

Minn. Stat. § 326.18 (1986), empowers the Board to promulgate and adopt rules to carry into effect, implement and enforce the purposes and provisions of Minn. Stat. §§ 326.165 to 326.23 (1986). Minn. Stat. §§ 214.06 and 326.17 (1986) 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 (Supp. 1985) provides that fee adjustments shall be made with the approval of the Commissioner of Finance and may be made using the procedure for non-controversial rules when the total fees estimated to be received during the fiscal biennium will not exceed the sum of all direct appropriations, indirect costs, transfers in, and salary supplements for that purpose for the biennium.

II.

FACTS ESTABLISHING NEED AND REASONABLENESS

Minn. Stat. § 16A.128 (Supp. 1985) requires the Board's fees be set so that the total amount of fees received shall nearly equal the amount appropriated for the several accounts, plus the portion of the Board's general support costs, statewide indirect costs, and Attorney General costs that is attributable to the function for which the fee is charged. The Board was appropriated $344,600 for Fiscal Year (F.Y.) 1988 and $340,800 for F.Y. 1989 to meet its anticipated expenditures. The Board is required by statute to recover through its fees the above appropriations in addition to the following costs: Attorney General support costs are estimated at $17,700 for F.Y. 1988 and $17,700 for F.Y. 1989; Commerce support costs are $22,100 for F.Y. 1988 and $22,500 for F.Y. 1989; Statewide indirect costs are $7,700 for F.Y. 1988 and $8,100 for F.Y. 1989; and Salary supplement cost is $2,700 for F.Y. 1988 and $5,400 for F.Y. 1989. Total anticipated expenditures to be recovered by fees including all appropriations and costs are $394,800 for F.Y. 1988 and $394,500 for F.Y. 1989.

The proposed change will increase the re-examination fee for the Certified Public Accountants Examination from $27 per examination part to $30 per part. Review of the current re-examination fees indicates that these fees do not fully recover Board related and American Institute of Certified Public Accountants re-examination costs. The proposed increase in re-examination fees will recover those costs. In addition, a new $50 out-of-state proctoring fee will be charged to those candidates of other states who wish to sit for the CPA exam in Minnesota. Previously, no fee was charged for this service and the cost of proctoring was absorbed by all

feepayers. The proctoring fee will recover the costs directly related to providing this reciprocal service to other states' examination candidates.

The proposed changes will also increase the reciprocal license fee from $75 to $100; the CPA initial license fee from $20 to $50 to recover the additional cost of processing an initial license application; and CPA and LPA individual active license renewal fees from $20 to $30. Total partnership and corporation renewal fees will increase from $25 to $35, and application fees for initial partnership/corporation licenses will increase from $25 to $35. These increases are reasonable and necessary as they will generate sufficient revenue needed to offset the anticipated expenses to be incurred by the Board in licensing and regulating these licensees.

Individual inactive (exempt) CPA and LPA licensees will be assessed a new $10 annual processing fee. This fee will recover the actual costs related to processing their renewal applications, maintaining their records on the statewide licensing computer system, and the issuance of an inactive license. Previously, no fee was changed for this service and the cost was absorbed by all feepayers.

It is reasonable to increase the above listed fees as the new fees more accurately reflect the Board's costs with respect to the corresponding fee functions. For example, the new initial application fee for a CPA license includes the annual $30 license fee and an additional $20 for processing the application. Each initial license application is reviewed by two staff members, the Executive Secretary, and the Board to determine if the qualifications for education, experience, and moral character have been met.

The Board has considered the impact that the proposed increase in fees will have on small business and has specifically considered the following methods for reducing that impact which are specified in Minn. Stat. § 14.155, subd. 2 (1986):

(a) the establishment of less stringent compliance or reporting requirements for small businesses;

(b) the establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;

(c) the consolidation or simplification of compliance or reporting requirements for small businesses;

(d) the establishment of performance standards for small businesses to replace design or operational standards required in the rule; and

(e) the exemption of small businesses from any or all requirements of the rule.

The Board has determined that the purposes of Minn. Stat. § 16A.128 (Supp. 1985) and § 214.06 (1986) will not be met if small businesses are exempted from the fee rules or if different deadlines, standards or fees are applied to small businesses or their employees. The Board notes that the majority of all licensees are owners or employees of small businesses, and the overall purpose of the rules are to apply the Board's fees to all such persons in a manner which relates to the fee charged to the cost of the fee function. Separate or different fee rules for small businesses would tend to cause confusion and impose added administrative burdens on the licensing and renewal process, with a likely overall increase in the cost to the Board of licensing and renewal.

The attached submission to and fee approval of the Department of Finance is a part of this Statement of Need and Reasonableness.

SF-00006-05 (4/86)

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT : of Finance

DATE : June 4, 1987

TO : Pamela K. Smith, Executive Secretary
State Board of Accountancy

FROM : Bruce J. Reddemann, Director BJR
Budget Operations and Support

MINNESOTA BOARD OF ACCOUNTANCY

JUN 05 1987

PHONE : 6-5188

SUBJECT : Fee Proposal

The fees proposed in your June 1 request (copy attched) are approved as submitted.

TL/BJR/BN/KB/561T

Attachment

cc: Brian Roherty
Josie Ashton
Bart Nelson

MINNESOTA
STATE BOARD OF ACCOUNTANCY

METRO SQUARE BUILDING, 5TH FLOOR
ST. PAUL, MINNESOTA 55101
612-296-7937

MEMORANDUM

DATE: June 1, 1987

TO: Josie Ashton
Department of Finance

FROM: Pamela K. Smith
Executive Secretary

This is to request approval of a Board fee schedule revision as stated in Board Rule 1100.3600 Fees:

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

A. [unchanged]

B. Application for certified public accountant reexamination in failed subjects, $30 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. Application for reciprocal certificate and license for certified public accountant, $100.

D. Application for certificate and license for licensed public accountant, $100.

E. Application for reciprocal certificate and license for licensed public accountant, $100.

F. Out-of-state proctoring fee. A non-refundable $50 fee will be charged to proctor out-of-state exam candidates applying to sit in Minnesota.

Subpart 2. Annual license fees shall be as follows: application for initial certified public accountant license, $50; active individuals, $30; inactive individuals, $10; partnerships, $35; corporations, $10 [in addition to the $25 annual reporting fee (1100.3200)].

Subpart 2a. [unchanged]

Subpart 2b. [unchanged]

Subpart 3. [unchanged]

Subpart 4. [unchanged]

The Board is following the rulemaking process for the proposed rule change.

The Board's approved 1987-89 Biennial Budget appropriation is $344.6 for F.Y. 1988 and $340.8 for F.Y. 1989. Total costs to be recovered are as follows:

	F.Y. 88	F.Y. 89
Appropriation	344.6	340.8
Attorney General	17.7	17.7
Commerce Indirect	22.1	22.5
Statewide Indirect	7.7	8.1
Salary Supplement	2.7	5.4
TOTAL	394.8	394.5

After examining the entire fee structure, the Board has determined that fees must be adjusted to more accurately reflect the agency's costs.

EXAMINATION

CPA examination costs are divided into AICPA costs (supplying and grading the exam) and Board costs. AICPA costs are directly related to the number of candidates taking the examination. The AICPA will charge a $15 fee for each exam part graded. Board costs include staff time for processing and administration, supplies, exam site rental, proctors, printing, postage, etc.

Revenue estimates for the next biennium indicate that the first time candidates' examination fees are sufficient to recover both their AICPA and Board related exam costs. However, the reexam candidates' fee of $27 per part will increase to $30 per part in order to fully recover their AICPA and Board related exam costs.

Additionally, the Board has added a $50 proctoring fee for out-of-state candidates who wish to sit for the CPA exam in Minnesota. This is comparable to the proctoring fees charged to Minnesota candidates who sit for the exam in other states. The proctoring fee will recover the costs directly related to providing this reciprocal service to other states' candidates.

LICENSING

The remaining costs will be recovered by an increase in licensing fees. Active individual licensees' renewal fees will increase from $20 to $30.

Inactive individual licensees will be assessed a $10 processing fee. This fee will cover the costs related to processing their renewal application, maintaining their records on the statewide licensing system, and issuing an inactive license.

Partnership and corporation renewal fees will increase from $25 to $35. New applications for individual licensees will increase from $25 to $50 ($30 license fee, $20 application processing fee). Reciprocal licenses for other states' licensees will increase from $75 to $100.

These increases will result in the additional revenue necessary to recover the agency direct and indirect costs for the biennium.

	F.Y. 88	F.Y. 89	BIENNIUM TOTAL
Projected Revenue	389.7	402.3	792.0
Projected Cost	394.8	394.4	789.2
	(5.1)	7.9	2.8

Attached are a fee review sheet and revenue projection sheet. Since the rulemaking process takes four to six months, we are working to have this published in the State Register no later than June 15. This will just allow the Board enough time to have these fees in effect by the September 1 exam application deadline.

If you have any questions or need additional information, please feel free to contact me at 296-7937. Thank you for your assistance.

kmb

MINNESOTA STATE BOARD OF ACCOUNTANCY REVENUE PROJECTIONS

Title of Fee	Revenue Source	Fee	F.Y. 87 Estimate	F.Y. 88 Estimate	F.Y. 89 Estimate	Statutory Reference
Application Fee for first sitting	300	$115	$105,945	$ 92,345	$ 96,025	MS 326.22
Application Fee for retake	300	30	a) 69,892	87,060	91,410	
Reciprocal Certificate and License	310	100	b) 7,575	14,000	14,750	
CPA Initial License	310	50	c) 7,000	19,500	20,250	
CPA Renewal Active	310	30	c) 82,905	102,300	106,380	
CPA Renewal Inactive	310	10	d) -0-	19,710	19,710	
LPA Renewal Active	310	30	c) 13,320	17,790	17,790	
LPA Renewal Inactive	310	10	d) -0-	2,631	2,730	
Individual Late Processing	310	20	8,980	3,710	2,600	
Firm Late Processing	310	25	400	100	100	
Reinstatement Fee	310	50	4,400	600	400	
Application for Reinstatement	310	20	d) -0-	60	40	
Application for Registering New Corporations	310	35	e) 3,300	4,700	4,900	
Partnership and Corporation Renewal	310	35	e) 10,850	19,500	19,500	
Registration Partnerships	310	35	e) 275	525	500	
Out of State Proctoring Fee	310	50	d) -0-	5,000	5,000	
Miscellaneous	310		484	200	200	
TOTAL			**$315,326**	**$389,731**	**$402,285**	

a) $27 in F.Y. 87
b) $75 in F.Y. 87
c) $20 in F.Y. 87
d) no charge in F.Y. 87
e) $25 in F.Y. 87

FI-00194-03

Department of Finance

Fee Review

Department/Agency:	Budget Activity:
Board of Accountancy	

Fee Name: See Attached

Legal Citation:	Fee Set By:
M. S. 326.22	☒ Law ☒ Agency

Purpose of Fee:

To examine and license CPA individuals, corporations and partnerships and renew licenses for LPAs.

☐ Dedicated ☒ Non-Dedicated	Revenue Code:
	300-310-360

APID:	Accumulated Difference Thru 1984
215-00-10	296.6

Dollars in Thousands (137,522 = 137.5)

Fiscal Year	Actual F.Y. 85	Actual F.Y. 86	Estimated F.Y. 87	Requested F.Y. 88	Requested F.Y. 89
Actual/Anticipated Receipts	262.9	307.5	315.3	389.7	402.3
Less Actual/ Anticipated Costs	238.7	302.1	336.6	394.8	394.4
Current Difference	24.2	5.4	(21.3)	(5.1)	7.9
Accumulated Difference	24.2	29.6	8.3	3.2	11.1
Number Paying Fee	8,118	9.950	10,400	12,823	13,614
Present Fee	See attached				
Date Fee Last Changed	10-15-86				

Remarks:

	F.Y. 1985	F.Y. 1986	F.Y. 1987	F.Y. 1988	F.Y. 1989
Actual/Estimated Expenditure	218.1	254.8	291.4	344.6	340.8
Attorney General	-0-	17.2	16.0	17.7	17.7
Commerce Indirect	18.2	19.3	21.9	22.1	22.5
Statewide Indirect	2.4	10.8	7.3	7.7	8.1
Salary Supplement Estimate	*	*	*	2.7	5.4
Total	238.7	302.1	336.6	394.8	394.5

* Salary Supplement Estimate included in Actual/Estimated Expenditures.

Finance Department Recommendation:

Department Authorized Signature:	Agency Controller Signature:
Pamela K. Smith	

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

PROPOSED AMENDMENTS TO RULES OF THE STATE BOARD OF ACCOUNTANCY GOVERNING LICENSE FEES, RENEWAL FEES, AND EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS.

AFFIDAVIT OF MAILING THE NOTICE OF PROPOSED ADOPTION OF A RULE WITHOUT A PUBLIC HEARING AND CERTIFICATE OF MAILING LIST

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

Kathy Briesemeister, being first duly sworn deposes and says:

1. I hereby certify that the attached list of persons and associations who have requested, pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 or 14.30, that their names be placed on the Minnesota Board of Accountancy rulemaking mailing list is accurate, complete, and current as of this 11th day of June, 1987; and

2. That on the 11th day of June, 1987, at the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notice of Intent to Amend Rules Without a Public Hearing and copy of the Rules as proposed by depositing in the State of Minnesota Central Mail System for United States mailing a copy thereof, with postage prepaid, to all persons and associations on the aforementioned mailing list.

Kathy Briesemeister

Subscribed and sworn to before me this 11th day of June, 1987.

Barbara Ahlberg
Notary Public

BARBARA AHLBERG
NOTARY PUBLIC-MINNESOTA
DAKOTA COUNTY
MY COMMISSION EXPIRES JULY 24, 1990

RULES LIST

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

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

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

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

Conrad M. Fredin
Attorney at Law
811 First National Bank Bldg.
Duluth, MN 55802

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

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

Minnesota Association of
Public Accountants
2353 Rice Street, Suite 220
Roseville, MN 55113

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

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

Phillips Legislative Service
459 Rice Street
St. Paul, MN 55103

Thomas M. Polt
Attorney At Law
McCarthy Building
Eyota, MN 55934

Peter S. Popovich
2301 South River Road
St. Marys Point, MN

POST Board
495 Nalpak Building
St. Paul, MN 55101

Sam Ruhle
Office of Administrative Hearings
400 Summit Bank Bldg.
Minneapolis, MN 55415

Iowa Board of Accountancy
Executive Hills West
1209 East Court Avenue
Des Moines, IA 50316
ATTN: William Schroeder

North Dakota State Board of Accountancy
Box 8104
University Station
Grand Forks, ND 58202
ATTN: Daryl J. Hill

South Dakota Board of Accountancy
1505 So. Minnesota Ave., Suite 1
Sioux Falls, SD 57105
ATTN: Jim W. Pfeiffer, CPA

Wisconsin Accounting Examining Board
1400 East Washington Avenue
P.O. Box 8936
Madison, WI 53708
ATTN: Sharon Englerth

AICPA
1211 Avenue of the Americas
New York, NY 10036-8775
ATTN: George Dick

Dana Chabot
1013 72nd Avenue North
Minneapolis, MN 55430

Commissioner Thomas Triplett
Department of Revenue
Centennial Bldg., 658 Cedar St.
St. Paul, MN 55145

Commerce Clearing House, Inc
4025 West Peterson Avenue
Chicago, IL 60646

Harold Rowley
Rm. 712, 400 So. 4th Street
Minneapolis, MN 55415

Mary Frampton
Becker CPA Review Course
1822 City Heights Drive
St. Paul, MN 55117

Roger Reinhart
135 - 3rd Avenue Southeast
Post Office Box 66
Hutchinson, MN 55350

CURRENT BOARD MEMBERS

STATE OF MINNESOTA

BOARD OF ACCOUNTANCY

PROPOSED AMENDMENTS TO RULES OF THE STATE BOARD OF ACCOUNTANCY GOVERNING LICENSE FEES, RENEWAL FEES AND EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS.

NOTICE OF INTENT TO AMEND RULES WITHOUT A PUBLIC HEARING

Notice is hereby given that the Minnesota Board of Accountancy ("Board") proposes to adopt the above-entitled amendments to existing rules of the Board without a public hearing by following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing, Minnesota Statutes §§ 14.22 to 14.28 (1986), and the procedures set forth in Minnesota Statutes §§ 16A.128 (Supp. 1985) and 214.06 (1986).

Persons interested in these rules have 30 days to submit comments in support of or in opposition to the proposed rules or any part or subpart of the rules. Comment is encouraged. Each comment should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed. The proposed rules 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.

No public hearing will be held on these rules unless 20 percent of the persons who will be required to pay any fee set by these rules submit a written request for a public hearing on the

proposed rules within the 30 day comment period. Any person requesting a public hearing should state his or her name and address and the portion of the proposed rules as to which a hearing is requested. If a public hearing is required, the Board will proceed pursuant to Minnesota Statutes §§ 14.131 to 14.20 (1986).

Comments or written requests for a public hearing should be submitted within 30 days following the publication of this notice to:

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

Authority for the adoption of these rules is contained in Minnesota Statutes §§ 16A.128 (Supp. 1985) and 214.06, 326.17, 326.18 and 326.22 (1986). Additionally, a statement of need and reasonableness which describes the need for a reasonableness of each provision of the proposed rules and which identifies the data and information relied upon to support the proposed rules has been prepared and is available from Ms. Smith upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the statement of need and reasonableness, all written comments received, and the final rules as adopted will be delivered to the Attorney General for review as to its legality, and as to form to the extent the form relates to legality, including the issue of substantial change, and for a determination as to whether the rulemaking record demonstrates a

rational basis for the need for and reasonableness of the proposed rules. Persons who wish to be advised of the submission of this material to the Attorney General, or which wish to received a copy of the final rules as proposed for adoption, will be notified if they submit a written request for notification to Ms. Smith.

A copy of the proposed rules is attached to this notice.

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

BONNIE R. RUSS
Chair
Board of Accountancy
State of Minnesota

Board of Accountancy

Proposed Permanent Rules Relating to Fees

Rules as Proposed

1100.3600 FEES.

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

1100.3600 FEES.

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

A. [Unchanged.]

B. Application for certified public accountant reexamination in failed subjects, ~~$27~~ $30 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. Application for reciprocal certificate and license for certified public accountant, ~~$75~~ $100.

D. Application for certificate and license for licensed public accountant, ~~$75~~ $100.

E. Application for reciprocal certificate and license for licensed public accountant, ~~$75~~ $100.

F. A nonrefundable $50 fee will be charged to proctor out-of-state exam candidates applying to sit in Minnesota.

Subp. 2. **Annual license fees.** Annual license fees shall be as follows:

A. application for initial certified public accountant license, $50;

B. active individuals, ~~$20,-and~~ $30;

C. inactive individuals, $10;

D. partnerships, ~~$25~~ $35; and

E. in addition to the $25 annual reporting fee in

Approved by Revisor

part 1100.3200, corporations, $10.

Subp. 2a. to 4. [Unchanged.]

Approved
by Revisor _____

BOARD OF ACCOUNTANCY
JUN 22 1987

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 Permanent Rules Relating to Fees

Notice of Intent to Amend Rules without a Public Hearing

Notice is hereby given that the Minnesota Board of Accountancy ("Board") proposes to adopt the above-entitled amendments to existing rules of the Board without a public hearing by following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing, Minnesota Statutes §§ 14.22 to 14.28 (1986), and the procedures set forth in Minnesota Statutes §§ 16A.128 (Supp. 1985) and 214.06 (1986).

Persons interested in these rules have 30 days to submit comments in support of or in opposition to the proposed rules or any part or subpart of the rules. Comment is encouraged. Each comment should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed. The proposed rules 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.

No public hearing will be held on these rules unless 20 percent of the persons who will be required to pay any fee set by these rules submit a written request for a public hearing on the proposed rules within the 30 day comment period. Any person requesting a public hearing should state his or her name and address and the portion of the proposed rules as to which a hearing is requested. If a public hearing is required, the Board will proceed pursuant to Minnesota Statutes §§ 14.131 to 14.20 (1986). Comments or written requests for a public hearing should be submitted within 30 days following the publication of this notice to:

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

Authority for the adoption of these rules is contained in Minnesota Statutes §§ 16A.128 (Supp. 1985) and 214.06, 326.17, 326.18 and 326.22 (1986). Additionally, a statement of need and reasonableness which describes the need for a reasonableness of each provision of the proposed rules and which identifies the data and information relied upon to support the proposed rules has been prepared and is available from Ms. Smith upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the statement of need and reasonableness, all written comments received, and the final rules as adopted will be delivered to the Attorney General for review as to its legality, and as to form to the extent the form relates to legality, including the issue of substantial change, and for a determination as to whether the rulemaking record demonstrates a rational basis for the need for and reasonableness of the proposed rules. Persons who wish to be advised of the submission of this material to the Attorney General, or which 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. Smith.

A copy of the proposed rules is attached to this notice.

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

Bonnie R. Russ, Chair
Board of Accountancy

Rules 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. [Unchanged.]

B. Application for certified public accountant reexamination in failed subjects, ~~$27~~ $30 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. Application for reciprocal certificate and license for certified public accountant, ~~$75~~ $100.

D. Application for certificate and license for licensed public accountant, ~~$75~~ $100.

E. Application for reciprocal certificate and license for licensed public accountant, ~~$75~~ $100.

F. A nonrefundable $50 fee will be charged to proctor out-of-state exam candidates applying to sit in Minnesota.

Subp. 2. **Annual license fees.** Annual license fees shall be as follows:

A. application for initial certified public accountant license, $50;

B. active individuals, ~~$20, and~~ $30;

C. inactive individuals, $10;

D. partnerships, ~~$25~~ $35; and

E. in addition to the $25 annual reporting fee in part 1100.3200, corporations, $10.

Subp. 2a. to 4. [Unchanged.]

Department of Agriculture

Proposed Permanent Rules Relating to Seed Potato Production

Notice of Intent to Adopt Rules without a Public Hearing

Notice is hereby given that the Minnesota Department of Agriculture intends to adopt the above-entitled rules without a public hearing, following the procedures set forth in the Administrative Procedures Act for adopting rules without a public hearing in Minnesota Statutes, Sections 14.22-14.28. The statutory authority to adopt these rules is Minnesota Statutes, Section 21.118.

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rules or any part or subpart of the rules. Comment is encouraged. Each comment should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rules within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request in writing. Any person requesting a public hearing should state their name and address, and is encouraged to identify the portion of the proposed rules addressed, the reason for the request, and any proposed change. If a public hearing is required, the department will proceed according to Minnesota Statutes, Sections 14.131 to 14.20.

Comments or written requests for a public hearing must be submitted to: Carol Milligan, Minnesota Department of Agriculture, 90 West Plato Boulevard, St. Paul, MN 55107, (612) 296-6906.

The proposed rules may be modified if the modifications are supported by the data and views submitted to the department and do not result in a substantial change in the proposed rules as noticed.

A copy of the proposed rules is attached to this Notice.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

PROPOSED AMENDMENTS TO RULES OF THE MINNESOTA STATE BOARD OF ACCOUNTANCY GOVERNING LICENSE, RENEWAL, AND EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS.

CERTIFICATE OF THE MINNESOTA BOARD OF ACCOUNTANCY'S RESOLUTION ADOPTING RULES

I, MICHAEL M. VEKICH, do hereby certify that I am a member and the SECRETARY / TREASURER 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, duly and properly called and held on the 30th day of July, 1987, that a quorum was present, and that a majority of those present and a majority of the members of the Board voted for the resolution which has not been rescinded or modified:

> "RESOLVED, that the amendments to rules of the State Board of Accountancy governing license, renewal, and examination fees for certified public accountants and licensed public accountants are approved and adopted, pursuant to authority vested in the Board of Accountancy by Minn. Stat. §§ 16A.128 (Supp. 1985) and 214.06, 326.17, 326.18 and 326.22 (1986) and that Bonnie R. Russ, Chair of the Board, is authorized to sign the findings of fact, conclusions, and order adopting the rules and further is authorized to modify the rules if necessary to obtain the approval of the rules by the attorney general, and to correct any grammatical or other errors in the text of the rules, and to perform the necessary acts to provide that the rules shall have the force and effect of law."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 30th day of July, 1987.

Michael M. Vekich
SECRETARY / TREASURER
MINNESOTA BOARD OF ACCOUNTANCY

ATTESTED TO:

W F Kenney
Member
MINNESOTA BOARD OF ACCOUNTANCY

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

PROPOSED AMENDMENTS TO RULES OF THE MINNESOTA STATE BOARD OF ACCOUNTANCY GOVERNING LICENSE, RENEWAL, AND EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS.

FINDINGS OF FACT, CONCLUSIONS, AND ORDER ADOPTING RULES WITHOUT A PUBLIC HEARING

The Minnesota Board of Accountancy ("Board") has determined as follows:

Notice of the Board's intent to adopt the above-entitled rules was published in the State Register on June 15, 1987, and was sent by United States mail to all persons on the list maintained by the Board pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 on June 11, 1987. The statement of need and reasonableness was prepared prior to the time that the notice of intent to adopt rules without a public hearing was mailed to all persons on the rulemaking mailing list and published in the State Register and was at all times available to the public.

All persons were given the opportunity to submit comment on the rules for at least 30 days after the notice of proposed rulemaking was published and mailed. No requests for a public hearing on the rules were received by the Board. In addition, no submissions or comments on the rules were received by the Board, and no requests for notice of submission to the attorney general were received by the Board.

Based on the evidence in the record before the Board, the Board finds and concludes as follows:

1. That the Board has complied with all applicable rulemaking requirements of law or rule;
2. That the Board duly resolved that the above-captioned rules be adopted at a duly and properly called public meeting of the Board, held on July 30, 1987;
3. That the above-captioned rules should be adopted without modification; and
4. That the above-captioned rules are necessary and reasonable.

NOW, THEREFORE, IT IS HEREBY ORDERED that the above-captioned rules, identified as Proposed Amendment to Rules of the State Board of Accountancy Governing License, Renewal and Examination Fees for Certified Public Accountants and Licensed Public Accountants are adopted this 30th day of July, 1987, pursuant to the authority vested in the Board by Minnesota Statutes §§ 16A.128 (Supp. 1985), and 214.06, 326.17, 326.18 and 326.22 (1986).

BONNIE R. RUSS, Chair
Minnesota Board of Accountancy

STATE OF MINNESOTA
BOARD OF ACCOUNTANCY

PROPOSED AMENDMENTS TO RULES OF THE MINNESOTA STATE BOARD OF ACCOUNTANCY GOVERNING LICENSE, RENEWAL, AND EXAMINATION FEES FOR CERTIFIED PUBLIC ACCOUNTANTS AND LICENSED PUBLIC ACCOUNTANTS.

DECLARATION OF COUNSEL

I, Barry R. Greller, Special Assistant Attorney General, do hereby declare that I have examined the above-captioned rules and the supporting rulemaking record, and that, based on my examination, the Administrative Procedure Act and Minnesota Rules, chapter 2010 have been followed without exception. For Attorney General billing purposes, the four-digit docket client code for the Board of Accountancy is 0133.

Barry R. Greller

BARRY R. GRELLER
Special Assistant
Attorney General

Dated: August 11, 1987.

SF-00006-03

STATE OF MINNESOTA

DEPARTMENT Board of Accountancy

Office Memorandum

TO: Martha J. Casserly
Special Assistant Attorney General

DATE: August 14, 1987

FROM: Pamela K. Smith, Executive Secretary
Minnesota State Board of Accountancy

PHONE: 612-296-7937

SUBJECT: Proposed amendment to a Rule of the State Board of Accountancy governing License Requirements and Fees for Certified Public Accountants and Licensed Public Accountants.

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

1. Certificate of Board's Authorizing Resolution.
2. A copy of the rules as proposed.
3. A Notice of Intent to Amend Rules Without a Public Hearing.
4. A Statement of Need and Reasonableness.
5. An Affidavit of Mailing Notice, the Certificate of Mailing.
6. A copy of the Notice of Intent to Amend the Rule Without a Public Hearing as Published in the State Register.
7. Four copies of the Rule as Adopted.
8. Certificate of the Minnesota Board of Accountancy's Resolution Adopting Rules.
9. Findings of Fact, Conclusions, and Order Adopting Rules Without a Public Hearing.
10. Declaration of Counsel.

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.

PKS:jp

RECEIVED
ATTORNEY GENERAL'S OFFICE

AUG 17 1987

204 ADMINISTRATION BLDG.
50 SHERBURNE AVENUE
ST PAUL, MN 55155

Board's Authorizing Resolution missing
- Called Agency -ok

Notice of Intent - 20%.

Authority:
16 A. 128 (1985)
214.06 (1986) ok

Rule
See Proposed