

CSI - Ohio

The Common Sense Initiative

Business Impact Analysis

Agency Name: Accountancy Board of Ohio

Regulation/Package Title: 4701-15-08R

Rule Number(s): 4701-15-08

Date: _____

Rule Type:

- New
 Amended

- 5-Year Review
 Rescinded

The Common Sense Initiative was established by Executive Order 2011-01K and placed within the Office of the Lieutenant Governor. Under the CSI Initiative, agencies should balance the critical objectives of all regulations with the costs of compliance by the regulated parties. Agencies should promote transparency, consistency, predictability, and flexibility in regulatory activities. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

Regulatory Intent

1. Please briefly describe the draft regulation in plain language.

Please include the key provisions of the regulation as well as any proposed amendments.

Rule 4701-15-08 pertains to CPAs who have been granted an extension of time to correct a continuing education deficiency. This rule is being requested as a rescission.

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2. Please list the Ohio statute authorizing the Agency to adopt this regulation.

ORC 4701.11 is the statutory authority for this rule.

3. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program? If yes, please briefly explain the source and substance of the federal requirement.

This rule does not implement a federal requirement.

4. If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

Not applicable to this rule.

5. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?

The Accountancy Board does not see a need for this rule, in the future.

6. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?

The Accountancy Board will not be measuring the success of this rule. The Accountancy Board is requesting to rescind this rule.

Development of the Regulation

7. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.

If applicable, please include the date and medium by which the stakeholders were initially contacted.

A copy of this rule was provided to the Ohio Society of CPAs on October 21, 2013.

8. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?

There have been no comments submitted by the stakeholders regarding this rule.

9. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?

Scientific data was not used to develop this rule, as this rule is not data driven.

10. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives?

No alternate regulations were suggested by the stakeholders.

11. Did the Agency specifically consider a performance-based regulation? Please explain. *Performance-based regulations define the required outcome, but don't dictate the process the regulated stakeholders must use to achieve compliance.*

The Board did not see an application for this rule to be performance based.

12. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?

There is no other agency that regulates the practice of public accounting in Ohio.

13. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.

The Board will continue to use the website to educate and update licensees on its rules. The Ohio Society of CPAs also ensures that new rules and rule changes are provided to their members through newsletters and continuing education opportunities. Staff training is conducted to ensure that regulations are applied consistently and predictably.

Adverse Impact to Business

14. Provide a summary of the estimated cost of compliance with the rule. Specifically, please do the following:

a. Identify the scope of the impacted business community;

Rescinding this rule will not impact the Board's licensees or the business community.

b. Identify the nature of the adverse impact (e.g., license fees, fines, employer time for compliance); and

There will be no adverse impact with rescinding this rule.

c. Quantify the expected adverse impact from the regulation.

The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a "representative business." Please include the source for your information/estimated impact.

There will be no adverse impact with the Accountancy Board rescinding this rule.

15. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?

The Accountancy Board is requesting to rescind this rule; however, there are other rules (e.g. 4701-15-07/Continuing Education Deficiency) which will still allow this agency to take action with situations involving continuing education deficiencies.

Regulatory Flexibility

16. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.

The intent of the rule was to provide exemptions and alternatives for those who could show justification for being deficient. But (as stated in answer 15) there are other rules (e.g. 4701-15-07/Continuing Education Deficiency) which will still allow this agency to take action with situations involving deficiencies.

17. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?

The Accountancy Board of Ohio is requesting that this rule be rescinded; however, rule 4701-15-07/Continuing Education Deficiency) will still allow this agency to waive fines and penalties, when the proper documentation dictates.

18. What resources are available to assist small businesses with compliance of the regulation?

The Board's website provides information regarding the rules. The website also provides contact information for all staff members of the board. Board staff personally answers each phone call, email, and correspondence sent to the Board office.