

VIA EMAIL

December 17, 2024

Toby Snell
Board Director
Indiana Professional Licensing Agency
State Board of Accountancy
402 W. Washington St., Rm. W072
Indianapolis, IN 46204

Re: LSA Document #24-481/Regulatory Analysis-Small Business Economic Impact Statement

Dear Ms. Snell,

Pursuant to Indiana Code 4-22-2.1-5(c)(2), as the Small Business Ombudsman for the state of Indiana, I have reviewed the proposed rule and economic impact analysis associated with the rule changes contained in LSA Document #24-481 (proposed rule) submitted to the Indiana Small Business Ombudsman by the Indiana Professional Licensing Agency (PLA). I have found the following to be true.

Proposed rule LSA #24-481 updates various sections of 872 Indiana Administrative Code (IAC) 1, specifically as it relates to accountancy licensure in the state of Indiana. The proposed rule makes several changes in order to conform with statute enacted in House Enrolled Act 1327 (2023), as well as align IAC with the National Association of State Boards of Accountancy (NASBA) and the Uniform Accountancy Act (UAA) Model. While there are several revisions found within the proposed rule, the majority appear to be focused on reducing barrier to entry for CPA licensure and providing Indiana with a robust pipeline of workforce and talent to participate in this critical sector for the business ecosystem of the state. A few proposed changes of note include the eligible for licensure after one year of experience as opposed to the previous two year requirement, adds and defines peer review standards and programming, and provides that once a candidate has successfully passed one section of the Uniform CPA Examination, candidates are provided at least a rolling thirty-six month period to pass the remaining sections of the exam.

The PLA's provided regulatory analysis displays a proper due diligence and understanding of how implementation must be carried out to ensure compliance in an efficient and fiscally responsible manner. The provided amendments appear to bring IAC in line with existing state policies and national guidelines. While there may be an unknown number small businesses across Indiana that may be indirectly impacted by this proposed rule, the only major fiscal impact is seemingly insignificant revenues to the state through a reduced license renewal option for entering retired status. Additionally, the net benefit of providing more efficient entry to certification while maintaining the rigors to ensure competence will aim to provide Indiana with a net benefit through robust workforce and talent pipeline for the accountancy industry. Based upon this statement and review, the Small Business Ombudsman supports the proposed rule related to the economic impact on small business if PLA's conclusion reflects the actual result after promulgation. If there are any questions about these comments, please contact me at ombudsman@iedc.in.gov.

Sincerely,
Matt Jaworowski
Small Business Ombudsman
Indiana Economic Development Corporation