



## OFFICE OF THE GOVERNOR

207 STATE HOUSE  
SPRINGFIELD, ILLINOIS 62706

**JB PRITZKER**  
GOVERNOR

May 3, 2023

To the Honorable Members of the Illinois General Assembly:

In compliance with the requirements of the Regulatory Sunset Act (5 ILCS 80), the Governor's Office of Management and Budget (GOMB) has undertaken a study of the Department of Financial and Professional Regulation's administration of the Public Accounting Act (the Act) (225 ILCS 450). GOMB has provided my office with a copy of the study and its recommendations regarding whether the Act should be terminated, modified, or continued. I have reviewed GOMB's submission and offer the following comments and recommendations to the General Assembly for its consideration.

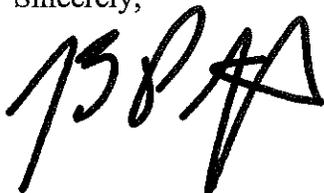
The Public Accounting Act governs the licensure of public accountants in the State of Illinois. The absence of regulation of public accountants would pose a significant and direct harm to the welfare of the public. The lack of regulation would also negatively impact the ethical standards that protect consumers and the accounting services they require. Licensure for public accountancy is necessary to protect the financial welfare of members of the public, as well as businesses and governmental entities. The licensing process ensures that practitioners possess the qualifications necessary to competently perform the services they have been contracted to provide. Such regulations have been in place in Illinois for over a century. Licensing qualifications and standards for public accountants are an area of regulation undertaken across every licensing jurisdiction in the United States and include largely uniform standards across the jurisdictions. Lack of regulation would pose a direct risk and probable harm to the financial wellbeing of residents and small businesses throughout the State. Without regulation and licensure, there is a significant risk associated with seeking accounting services. Consumers would have no knowledge of the competency of the individual providing such services and could rely on an accountant's advice to their detriment. Therefore, the welfare of the public is put at risk without proper training, licensing, and oversight of public accountants.

The absence of regulation of this industry would pose a significant and direct harm to the welfare of the public. Current evidence does not suggest that the imposition of the state regulatory standards is such a burden as to outweigh the benefits to the welfare of the people of Illinois in continuing the licensure and regulation of this profession. Consequently, the Act is necessary to ensure the safety and welfare of the people of Illinois.

The Public Accounting Act should be continued to promote and enhance the welfare of the public and will not place an undue burden on licensees or commerce.

The Governor's Office of Management and Budget's report is provided for your reference.

Sincerely,

A handwritten signature in black ink, appearing to read 'JB Pritzker', written in a cursive style.

Governor JB Pritzker