

BILL ANALYSIS

C.S.H.B. 1757

By: Button

Licensing & Administrative Procedures
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Texas Society of Certified Public Accountants reports that there is a "pipeline problem" for certified public accountants (CPAs), with a mismatch between the flow of people entering the accounting profession and the much-larger demand for CPAs at all levels. The bill author has informed the committee that CPAs are important to the state, as they provide vital services for individuals and businesses across Texas. C.S.H.B. 1757 seeks to attract more candidates to the CPA profession by providing additional flexibility with regard to eligibility requirements to practice public accountancy while upholding professional standards.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas State Board of Public Accountancy in SECTIONS 1, 2, and 3 of this bill.

ANALYSIS

C.S.H.B. 1757 amends the Occupations Code, with respect to the eligibility requirements to practice public accountancy, to give a person the option of completing a baccalaureate degree with an accounting concentration or equivalent courses that meet the education requirements for taking the uniform CPA examination, as determined by the Texas State Board of Public Accountancy (TSBPA) rule, as an alternative to completing at least 150 semester hours or quarter-hour equivalents in courses recognized by TSBPA. To be eligible to receive a certificate with a baccalaureate under the bill's provisions, a person must complete two years of work experience as determined by TSBPA rule.

C.S.H.B. 1757 clarifies certain of the conditions under which TSBPA may accept completion or partial completion of the uniform CPA examination given by the licensing authority of another state as follows:

- with respect to acceptance of completion, the requirements that must be met before acceptance are the requirements in effect in Texas, as determined by TSBPA rule, at the time the credit was earned; and
- with respect to acceptance of partial completion when the other state's standards are equal to or higher than the standards prescribed by Texas law, the standards must also be equal to or higher than those prescribed by TSBPA rule at the time the credit was earned.

The bill requires TSBPA to adopt rules necessary to implement the bill's provisions as soon as practicable after the bill's effective date.

EFFECTIVE DATE

August 1, 2026.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 1757 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the bill's effective date from September 1, 2025, as in the introduced, to August 1, 2026.