

BILL ANALYSIS

Senate Research Center

S.B. 522
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Business & Commerce
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 522 facilitates greater flexibility for Certified Public Accountant (CPA) candidates and ensures seamless practice mobility for CPAs licensed in other states, allowing them to work in Texas without additional licensure, only if they meet established requirements. This ensures that Texas remains competitive while upholding the profession's rigorous standards.

S.B. 522 promotes out-of-state CPA mobility through these key provisions:

- Out-of-state CPAs may practice in Texas if they:
 - Are licensed and in good standing in their home state.
 - Hold a bachelor's degree with required accounting and business courses.
 - Have completed one to two years of work experience based on their educational pathway.
 - Passed the Uniform CPA Examination.
 - Comply with Texas jurisdiction and the Texas State Board of Public Accountancy authority.

S.B. 522 preserves the "driver's license" model, allowing CPAs to serve clients across state lines without unnecessary barriers, also ensuring that Texas CPAs receive the same treatment in other states.

S.B. 522 supports Texas' need for accounting services by facilitating access to qualified CPAs from across the country, further strengthening Texas' economy.

As proposed, S.B. 522 amends current law relating to the practice of accounting in this state by certain certified public accountants licensed in other states.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 901.462, Occupations Code, by amending Subsection (a) and adding Subsections (a-1), (e), and (f), as follows:

- (a) Authorizes an individual who holds a certificate or license as a certified public accountant issued by another state and whose principal place of business is not in this state to exercise all the privileges of certificate and license holders of this state without obtaining a certificate or license under Chapter 901 (Accountants) if:
- (1) the Texas State Board of Public Accountancy (TSBPA) determines that the licensure requirements in the other state are comparable to or exceed the licensure requirements of this chapter; or
 - (2) the individual:

(A) is certified or licensed in the other state and is in good standing in the other state;

(B) has passed the uniform CPA examination;

(C) has completed:

(i) a baccalaureate degree with at least 150 semester hours with a concentration in accounting or equivalent courses;

(ii) a graduate degree with a concentration in accounting or equivalent courses; or

(iii) a baccalaureate degree with a concentration in accounting or equivalent courses; and

(D) at the time the individual's certificate or license was issued, had not less than one year of work experience if licensed under an educational pathway comparable to Paragraph (C)(i) or (ii) or not less than two years of work experience if licensed under an educational pathway comparable to Paragraph (C)(iii).

Deletes existing text authorizing an individual who holds a certificate or license as a certified public accountant issued by another state and whose principal place of business is not in this state to exercise all the privileges of certificate and license holders of this state without obtaining a certificate or license under this chapter if the National Association of State Boards of Accountancy's National Qualification Appraisal Service has verified that the other state has education, examination, and experience requirements for certification or licensure that are comparable to or exceed the requirements for licensure as a certified public accountant of The American Institute of Certified Public Accountants/National Association of State Boards of Accountancy Uniform Accountancy Act and TSBPA determines that the licensure requirements of that Act are comparable to or exceed the licensure requirements of this chapter.

Deletes existing text authorizing an individual who holds a certificate or license as a certified public accountant issued by another state and whose principal place of business is not in this state to exercise all the privileges of certificate and license holders of this state without obtaining a certificate or license under this chapter if the individual obtains from the National Association of State Boards of Accountancy's National Qualification Appraisal Service verification that the individual's education, examination, and experience qualifications are comparable to or exceed the requirements for licensure as a certified public accountant of The American Institute of Certified Public Accountants/National Association of State Boards of Accountancy Uniform Accountancy Act and TSBPA determines that the licensure requirements of that Act are comparable to or exceed the licensure requirements of this chapter.

(a-1) Authorizes TSBPA, in making a determination under Subsection (a)(1), to use the resources provided by the National Association of State Boards of Accountancy's National Qualification Appraisal Service, if the appraisal service has reviewed the education, examination, and experience requirements for certification or licensure in the other state and compared them to the requirements for licensure as a certified public accountant in this state.

(e) Authorizes TSBPA, notwithstanding any other provision of law, prohibit an individual not licensed in this state from exercising the privileges of certificate and license holders of this state if TSBPA determines that the individual has not met the requirements provided under Subsection (a)(2).

(f) Provides that an individual who is certified or licensed in another state as of January 1, 2025, maintains and exercises all the privileges of certificate and license holders of this

state without obtaining a certificate or license of this state and is required to be subject to the provisions of this chapter.

SECTION 2. Effective date: September 1, 2025.