

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 522
By: Perry
Business & Commerce
3/24/2025
Committee Report (Substituted)

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.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 522 amends current law relating to the certification and regulation of certain out-of-state certified public accountants.

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 901.259(a), Occupations Code, as follows:

(a) Deletes existing text requiring the Texas Board of Public Accountancy (TSBPA) to issue a certificate to a person who holds a certificate or license issued by another state if the person holds a certificate or license as a certified public accountant from a state that the National Association of State Boards of Accountancy's National Qualification Appraisal Service has verified as having 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 Chapter 901 (Accountants) or who 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. Makes nonsubstantive changes.

SECTION 2. Amends Section 901.462, Occupations Code, by amending Subsections (a) and (b) and adding Subsections (e) and (f), as follows:

(a) Authorizes an individual who holds an active 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:

(1) has passed the uniform CPA examination;

(2) has completed:

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

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

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

(3) at the time the individual's certificate or license was issued in the other state, had completed at least one year of work experience, if licensed under an educational pathway comparable to Subdivision (2)(A) or (B), or at least two years of work experience, if licensed under an educational pathway comparable to Subdivision (2)(C).

Deletes existing text authorizing an individual who meets certain requirements 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 meets certain requirements 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. Makes a nonsubstantive change.

(b) Authorizes an individual who meets the requirements of Subsection (a), rather than Subsection (a)(1) or (2), and who offers or renders professional services in person or by mail, telephone, or electronic means to practice public accountancy in this state without notice to TSBPA.

(e) Authorizes TSBPA, notwithstanding any other law, to 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 does not meet the requirements of Subsection (a).

(f) Authorizes an individual who on December 31, 2024, held a certificate or license issued by another state and practiced under a privilege of this section in this state, to exercise all the privileges of the holder of a certificate and license issued under this chapter without obtaining a certificate or license in this state. Provides that, to the extent that the individual exercises privileges as described by this subsection, the individual is subject to this chapter.

SECTION 3. Effective date: upon passage or September 1, 2025.