
OLR Bill Analysis

HB 7020 (as amended by House "A")*

AN ACT CONCERNING CERTIFIED PUBLIC ACCOUNTANTS.

SUMMARY

This bill makes a number of changes to requirements for certified public accountants (CPAs). It eliminates good character requirements, modifies the educational requirements needed to become certified, and alters the amount of experience required to obtain a CPA certificate. The bill also alters the requirements for granting a practice privilege to a person with a principal place of business outside the state, which permits the person to act as a CPA in Connecticut without obtaining a Connecticut CPA certificate.

Finally, the bill makes technical and conforming changes.

*House Amendment "A" (1) eliminates the good character requirement for CPA applicants; (2) makes changes to the education and experience requirements for CPA applicants and specifies that these provisions apply beginning October 1, 2025; and (3) modifies the circumstances when the board grants practice privileges to out-of-state practitioners, including eliminating good character requirements and adding a provision on those who pass the Uniform CPA Examination and hold a license in another state by September 30, 2025.

EFFECTIVE DATE: October 1, 2025

CPA REQUIREMENTS

Currently, the State Board of Accountancy can issue a certificate of CPA to someone who meets good character, education, experience, and examination requirements.

Good Character

The bill eliminates the authority of the board to deny a CPA certificate based on good character when there is clear and convincing evidence of

a substantial connection between a person's prior dishonest act or felony and a CPA's professional responsibilities (under current law, the board must consider certain factors before denying a certificate based on a felony conviction and must provide a denied applicant with its findings and evidence).

Existing law still permits the board to deny an application based on, among other reasons, a felony conviction or crime of dishonesty or fraud (after considering certain factors) (CGS § 20-281a(a)(8)).

Education

Under current law, to satisfy the education requirement, a person must (1) complete at least 150 semester hours of college education including a bachelor's degree or higher from a college or university acceptable to the board and (2) have an accounting or equivalent concentration, as determined by the board in a regulation.

The bill instead requires, beginning October 1, 2025, the applicant to have, from a college or university acceptable to the board, an appropriate accounting concentration or equivalent, as determined by the board in its regulations, and a (1) bachelor's degree, (2) bachelor's degree plus an additional 30 college semester hours, or (3) post-baccalaureate degree. The bill limits the board's authority to adopt regulations on education requirements to implementing the bill's requirements, rather than allowing the regulations to specify these requirements.

Experience

Current law allows the board to adopt regulations to set the experience requirements for CPAs and the board's regulations require two years of experience. Beginning October 1, 2025, the bill retains the two-year requirement for those who satisfy the education requirement with a bachelor's degree, but reduces it to one year for those who have completed 30 additional college semester hours or hold a post-baccalaureate degree as described above.

The bill limits the board's authority to adopt regulations on

experience requirements to implementing the bill's requirements, rather than allowing the regulations to specify these requirements.

PRACTICE PRIVILEGES

The bill changes how a person with a principal place of business outside the state qualifies for a practice privilege in Connecticut that permits the person to act as a CPA without obtaining a Connecticut license.

Currently, a person generally qualifies for practice privileges (with certain exceptions for those licensed prior to January 1, 2012) if he or she holds a CPA license from another state and the National Association of State Boards of Accountancy (NASBA) verifies that:

1. the other state's licensure requirements are substantially equivalent to those in the Uniform Accountancy Act (an act developed by NASBA and the American Institute of Certified Public Accountants) or
2. the person's qualifications are substantially equivalent to those in the act.

The bill eliminates these provisions and instead qualifies a person for practice privileges if he or she:

1. holds a CPA license in good standing from another state and meets the education, experience, and examination requirements applicable to Connecticut licensees or
2. passes the Uniform CPA Examination not later than September 30, 2025, and holds a CPA license in good standing from another state by that date.

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 22 Nay 0 (03/12/2025)