



General Assembly

January Session, 2025

Raised Bill No. 7020

LCO No. 5159



Referred to Committee on GENERAL LAW

Introduced by:
(GL)

AN ACT CONCERNING CERTIFIED PUBLIC ACCOUNTANTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 20-279b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2025*):

3 As used in this section and sections 20-280 to 20-281n, inclusive, as
4 amended by this act:

5 (1) "Board" means the State Board of Accountancy established by
6 section 20-280, as amended by this act;

7 (2) "Certificate" means a "certified public accountant" certificate
8 issued either prior to October 1, 1992, or pursuant to section 20-281c, as
9 amended by this act, or a "certified public accountant" certificate issued
10 after examination pursuant to the laws of any other state;

11 (3) "Firm" means any person, proprietorship, partnership,
12 corporation, limited liability company or association and any other legal
13 entity which practices public accountancy;

14 (4) "License" means a public accountancy license issued pursuant to
15 section 20-281b or 20-281d;

16 (5) "Licensee" means the holder of a certificate issued pursuant to
17 section 20-281c, as amended by this act, the holder of a license issued
18 pursuant to section 20-281b or 20-281d or a holder of a permit to practice
19 public accountancy issued pursuant to sections 20-281b and 20-281e;

20 (6) "Permit" means a permit to practice public accountancy issued to
21 a firm pursuant to section 20-281e;

22 (7) "Practicing public accountancy" means performing for the public
23 or offering to perform for the public for a fee by a person or firm holding
24 himself, herself or itself out to the public as a licensee one or more kinds
25 of services involving the use of accounting or auditing skills, including,
26 but not limited to, the issuance of reports or of one or more kinds of
27 management advisory, financial advisory or consulting services, or the
28 preparation of tax returns or the furnishing of advice on tax matters;

29 (8) "Quality review" means any study, appraisal or review of one or
30 more aspects of the professional work of a person or firm which
31 practices public accountancy by a person or persons who holds or hold
32 licenses under section 20-281b or 20-281d or their equivalent under the
33 laws of any other state and who are not affiliated with the person or firm
34 being reviewed;

35 (9) "Registration" means the process by which the holder of a
36 certificate may register his or her certificate annually and pay a fee of
37 twenty dollars in lieu of an annual renewal of a license and be entitled
38 to use the abbreviation "CPA" and the title "certified public accountant"
39 under conditions and in the manner prescribed by the board by
40 regulation;

41 (10) "Profession" means the profession of public accountancy;

42 (11) "Report" means, in reference to any attest or compilation service,

43 any opinion, writing or other form of language that (A) expresses or
44 implies assurance as to the reliability of the attested information or
45 compiled financial statements, and (B) contains or is accompanied by a
46 statement that expresses or implies that the person or firm issuing such
47 opinion, writing or other language has special knowledge or
48 competence in accounting or auditing, which expression or implication
49 arises from, among other things, the use of names or titles by the issuer
50 indicating that the person or firm is an accountant or auditor or from the
51 language of the report itself. "Report" includes any form of language that
52 disclaims an opinion when such form of language is conventionally
53 understood to imply any positive assurance as to the reliability of the
54 attested information or compiled financial statements referred to or
55 special competence on the part of the person or firm issuing such
56 language, including any other form of language that is conventionally
57 understood to imply such assurance or special knowledge or
58 competence;

59 (12) "AICPA" means the American Institute of Certified Public
60 Accountants;

61 (13) "Attest" means the provision of any of the following services:

62 (A) Any audit or other engagement to be performed in accordance
63 with the Statements on Auditing Standards (SAS);

64 (B) Any review of a financial statement to be performed in accordance
65 with the Statements on Standards for Accounting and Review Services
66 (SSARS);

67 (C) Any examination of prospective financial information to be
68 performed in accordance with the Statements on Standards for
69 Attestation Engagements (SSAE);

70 (D) Any engagement to be performed in accordance with the
71 Auditing Standards of the PCAOB; and

72 (E) Any examination, review or agreed upon procedures engagement
73 to be performed in accordance with the Statements on Standards for
74 Attestation Engagements (SSAE), other than an examination as
75 described in subparagraph (C) of this subdivision;

76 (14) "Compilation" means the provision of a service to be performed
77 in accordance with Statements on Standards for Accounting and Review
78 Services (SSARS) that is presented in the form of financial statements
79 that is the representation of management without undertaking to
80 express any assurance on the statements;

81 (15) "Home office" means the location specified by the client as the
82 address to which a service described in section 20-281n, as amended by
83 this act, is directed;

84 [(16) "NASBA" means the National Association of State Boards of
85 Accountancy;]

86 [(17)] ~~(16)~~ "PCAOB" means the Public Company Accounting
87 Oversight Board;

88 [(18)] ~~(17)~~ "Practice privilege" means the privilege for a person or firm
89 to practice public accountancy described in, and subject to the
90 conditions contained in, sections 20-281e and 20-281n, as amended by
91 this act; and

92 [(19)] ~~(18)~~ "Principal place of business" means the office location
93 designated by an individual or firm for purposes of sections 20-281e and
94 20-281n, as amended by this act. [;]

95 [(20) "Substantial equivalency" is a determination by the board of
96 accountancy or its designee that the education, examination and
97 experience requirements contained in the statutes and administrative
98 rules of another jurisdiction are comparable to, or exceed, the education,
99 examination and experience requirements contained in the Uniform
100 Accountancy Act or that an individual certified public accountant's

101 education, examination and experience qualifications are comparable
102 to, or exceed, the education, examination and experience requirements
103 contained in the Uniform Accountancy Act.]

104 Sec. 2. Subsection (g) of section 20-280 of the general statutes is
105 repealed and the following is substituted in lieu thereof (*Effective October*
106 *1, 2025*):

107 (g) The board may adopt regulations, in accordance with chapter 54,
108 governing its administration and enforcement of sections 20-279b to 20-
109 281m, inclusive, as amended by this act, and the conduct of licensees
110 and registrants, including, but not limited to:

111 (1) Regulations governing the board's meetings and the conduct of its
112 business;

113 (2) Regulations concerning procedures governing the conduct of
114 investigations and hearings by the board;

115 (3) Regulations [specifying] implementing the [educational
116 qualifications required] education requirements established for the
117 issuance of certificates under section 20-281c, as amended by this act,
118 implementing the experience [required] requirements established for
119 initial issuance of certificates under section 20-281c, as amended by this
120 act, and specifying the continuing professional education required for
121 renewal of licenses under subsection (e) of section 20-281d;

122 (4) Regulations concerning professional conduct directed to
123 controlling the quality and probity of the practice of public accountancy
124 by licensees, and dealing among other things with independence,
125 integrity, objectivity, competence, technical standards, responsibilities
126 to the public and responsibilities to clients;

127 (5) Regulations specifying actions and circumstances that shall be
128 deemed to constitute holding oneself out as a licensee in connection
129 with the practice of public accountancy;

130 (6) Regulations governing the manner and circumstances of use by
131 holders of certificates who do not also hold licenses under sections 20-
132 279b to 20-281m, inclusive, as amended by this act, of the titles "certified
133 public accountant" and "CPA";

134 (7) Regulations regarding quality reviews that may be required to be
135 performed under the provisions of sections 20-279b to 20-281m,
136 inclusive, as amended by this act;

137 (8) Regulations implementing the provisions of section 20-281l,
138 including, but not limited to, specifying the terms of any disclosure
139 required by subsection (d) of said section 20-281l, the manner in which
140 such disclosure is made and any other requirements the board imposes
141 with regard to such disclosure. Such regulations shall require that any
142 disclosure: (A) Be in writing and signed by the recipient of the product
143 or service; (B) be clear and conspicuous; (C) state the amount of the
144 commission or the basis on which the commission will be calculated; (D)
145 identify the source of the payment of the commission and the
146 relationship between such source and the person receiving payment;
147 and (E) be presented to the client at or prior to the time the
148 recommendation of the product or service is made;

149 (9) Regulations establishing the due date for any fee charged
150 pursuant to sections 20-281c, as amended by this act, 20-281d and 20-
151 281e. Such regulations may establish the amount and due date of a late
152 fee charged for the failure to remit payment of any fee charged pursuant
153 to sections 20-281c, as amended by this act, 20-281d and 20-281e; and

154 (10) Such other regulations as the board may deem necessary or
155 appropriate for implementing the provisions and the purposes of
156 sections 20-279b to 20-281m, inclusive, as amended by this act.

157 Sec. 3. Section 20-281c of the general statutes is repealed and the
158 following is substituted in lieu thereof (*Effective October 1, 2025*):

159 (a) The board shall grant the certificate of "certified public

160 accountant" to any person who meets the good character, education,
 161 experience and examination requirements of subsections (b) to [(e)] (f),
 162 inclusive, of this section and upon the payment of a fee of one hundred
 163 fifty dollars.

164 (b) Good character for purposes of this section means lack of a history
 165 of dishonest or felonious acts. The board may refuse to grant a certificate
 166 on the grounds of failure to satisfy this requirement only if there is a
 167 substantial connection between the lack of good character of the
 168 applicant and the professional responsibilities of a licensee and if the
 169 finding by the board of lack of good character is supported by clear and
 170 convincing evidence, and when based upon the prior conviction of a
 171 crime, is in accordance with the provisions of section 46a-80. When an
 172 applicant is found to be unqualified for a certificate because of a finding
 173 of lack of good character, the board shall furnish the applicant a
 174 statement containing the findings of the board and a complete record of
 175 the evidence upon which the determination was based.

176 (c) An applicant may apply to take the examination if such person, at
 177 the time of the examination, has completed not less than one hundred
 178 twenty semester hours of education, as determined by the board by
 179 regulation to be appropriate. The [educational] education requirements
 180 for a certificate shall be [prescribed in regulations to be adopted by the
 181 board] as follows:

182 (1) [Until December 31, 1999, a] A baccalaureate degree or its
 183 equivalent conferred by a college or university acceptable to the board,
 184 with an accounting concentration or equivalent as determined by the
 185 board by regulation to be appropriate;

186 (2) [After January 1, 2000, at] At least one hundred fifty semester
 187 hours of college education including a baccalaureate or higher degree
 188 conferred by a college or university acceptable to the board. The total
 189 educational program shall include an accounting concentration or
 190 equivalent, as determined by the board by regulation to be appropriate;

191 or

192 (3) A master's degree or its equivalent conferred by a college or
193 university acceptable to the board, with an accounting concentration or
194 equivalent as determined by the board by regulation to be appropriate.

195 (d) The board may charge each applicant a fee, in an amount
196 prescribed by the board by regulation, for each section of the
197 examination or reexamination taken by the applicant, or the board may
198 authorize a third party administering the examination to charge each
199 applicant a fee for each section of the examination or reexamination
200 taken by the applicant.

201 (e) The board shall allow an applicant who applies to take the
202 examination on or after October 1, 2023, to receive credit for each section
203 of the examination that such applicant passes in any sitting for such
204 examination, provided such applicant passes all sections of the
205 examination within a thirty-month period. The board may, in its
206 discretion, extend the thirty-month period for reasons related to health,
207 military service or other individual hardship.

208 (f) The experience requirement for a certificate shall be [as prescribed
209 by the board by regulation] as follows:

210 (1) Two years if the applicant is applying for a certificate based on the
211 education requirement established in subdivision (1) of subsection (c) of
212 this section; or

213 (2) One year if the applicant is applying for a certificate based on the
214 education requirement established in subdivision (2) or (3) of subsection
215 (c) of this section.

216 (g) The holder of a certificate may register his or her certificate
217 annually and pay a fee of forty dollars in lieu of an annual renewal of a
218 license and such registration shall entitle the registrant to use the
219 abbreviation "CPA" and the title "certified public accountant" under

220 conditions and in the manner prescribed by the board by regulation.

221 Sec. 4. Section 20-281n of the general statutes is repealed and the
222 following is substituted in lieu thereof (*Effective October 1, 2025*):

223 (a) (1) [Any] Except as provided in subdivision (2) of this subsection,
224 any individual whose principal place of business is not in this state [shall
225 be presumed to have qualifications substantially equivalent to this
226 state's requirements and] shall qualify for a practice privilege and have
227 all the privileges of licensees of this state without the need to obtain a
228 license pursuant to section 20-281d if [:]

229 [(1) Such] such individual holds a valid license as a Certified Public
230 Accountant from any state [which the NASBA National Qualification
231 Appraisal Service has verified to be in substantial equivalence with the
232 CPA licensure requirements of the AICPA/NASBA Uniform
233 Accountancy Act; or

234 (2) Such individual holds a valid license as a Certified Public
235 Accountant from any state which the NASBA National Qualification
236 Appraisal Service has not verified to be in substantial equivalence with
237 the CPA licensure requirements of the AICPA/NASBA Uniform
238 Accountancy Act and the individual obtains from the NASBA National
239 Qualification Appraisal Service verification that such individual's CPA
240 qualifications are substantially equivalent to the CPA licensure
241 requirements of the AICPA/NASBA Uniform Accountancy Act. Any
242 individual who passed the Uniform CPA Examination and holds a valid
243 license issued by any other state prior to January 1, 2012, may be exempt
244 from the education requirement in the Uniform Accountancy Act for
245 purposes of this subdivision] and meets the good character, education,
246 experience and examination requirements of subsections (b) to (f),
247 inclusive, of section 20-281c, as amended by this act, and any regulations
248 adopted by the board pursuant to subdivision (3) of subsection (g) of
249 section 20-280, as amended by this act.

250 (2) The board may decline to allow the licensees of another state to

251 exercise the practice privilege afforded under this section or have all of
252 the privileges of licensees of this state without the need to obtain a
253 license pursuant to section 20-281d if the board determines, in the
254 board's discretion, that (A) such other state imposes good character,
255 education, experience or examination requirements that are less
256 stringent than the good character, education, experience or examination
257 requirements of subsections (b) to (f), inclusive, of section 20-281c, as
258 amended by this act, and any regulations adopted by the board
259 pursuant to subdivision (3) of subsection (g) of section 20-280, as
260 amended by this act, and (B) the good character, education, experience
261 or examination requirements imposed by such other state are
262 insufficient to protect consumers in this state.

263 (b) Notwithstanding any provision of the general statutes, any
264 individual who qualifies for [a practice privilege] the privileges afforded
265 under this section may offer or render professional services, whether in
266 person or by mail, telephone or electronic means, based on [a practice
267 privilege] such privileges, and no notice, fee or other submission shall
268 be required of any such individual. Such individual shall be subject to
269 the requirements in subsection (c) of this section.

270 (c) Any individual licensee of another state exercising the [privilege]
271 privileges afforded under this section and the firm that employs such
272 licensee shall consent, as a condition of the grant of such [privilege]
273 privileges:

274 (1) To the personal and subject matter jurisdiction and disciplinary
275 authority of the board;

276 (2) To comply with any applicable provision of state law and the
277 board's rules;

278 (3) That in the event the license from the state of such individual's
279 principal place of business is no longer valid, such individual shall cease
280 offering or rendering professional services in this state individually and
281 on behalf of a firm; and

282 (4) To the appointment of the state board that issued such license as
283 the agent upon whom process may be served in any action or
284 proceeding by the board against such licensee.

285 (d) Any individual who qualifies for [practice] the privileges afforded
286 under this section who, for any entity with its home office in this state,
287 performs any of the following services: (1) Any financial statement audit
288 or other engagement to be performed in accordance with Statements on
289 Auditing Standards; (2) any review of a financial statement to be
290 performed in accordance with the Statements on Standards for
291 Accounting and Review Services; (3) any examination of prospective
292 financial information, review or agreed upon procedures engagement
293 to be performed in accordance with Statements on Standards for
294 Attestation Engagements; or (4) any engagement to be performed in
295 accordance with PCAOB Auditing Standards, may only provide such
296 services through a firm that has obtained a permit issued under section
297 20-281e.

298 (e) Any licensee of this state that offers or renders services or uses
299 their CPA title in another state shall be subject to disciplinary action in
300 this state for an act committed in another state for which the licensee
301 would be subject to discipline for an act committed in the other state.
302 Notwithstanding the provisions of section 20-280c, the board shall
303 investigate any complaint made by the board of accountancy of another
304 state against any such licensee.

305 [(f) In determining substantial equivalency pursuant to this section,
306 the board shall take into account the qualifications of such person
307 without regard to the sequence in which experience, education or
308 examination requirements were attained.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2025	20-279b
Sec. 2	October 1, 2025	20-280(g)

Sec. 3	<i>October 1, 2025</i>	20-281c
Sec. 4	<i>October 1, 2025</i>	20-281n

Statement of Purpose:

To modify (1) the education and experience requirements imposed for certification as a certified public accountant in this state, and (2) the requirements imposed for an individual licensed as a certified public accountant in another state to exercise the privilege to practice as a certified public accountant in this state.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]