



# MODERNIZING THE ACCOUNTING PROFESSION IN CALIFORNIA



The California Board of Accountancy's legislative proposals create needed flexibility to licensure requirements and take important steps to modernize CPA mobility.

## Enhancing CPA Licensure Requirements

The CBA protects consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards. Initial licensure serves as a key regulatory function ensuring that California has appropriate standards that align with minimum competency, which is crucial to meeting our consumer protection mission. While consumer protection is paramount, the licensure framework also balances accessibility of the profession and provides all individuals with an opportunity to become licensed. The CBA's proposal to enhance the licensure requirements provides a clear pathway to licensure while also providing flexibility to ensure opportunities for all.

### EDUCATION

At least a bachelor's degree, with an accounting concentration.

### EXAMINATION

Passage of the Uniform CPA Examination.

### EXPERIENCE

Two years of general accounting experience.

- Specified master's degree could be substituted for one year of experience.
- Completion of a recognized accounting certificate/training program could be substituted for up to a year of experience.

- Creates options to reduce the cost and time needed for education.
- Outlines a simplified, clear, and streamlined process which eliminates specific unit requirements while maintaining rigor in assessing minimum qualifications for licensure.
- Offers better access for California's diverse population.
- Aides in CPA Pipeline initiatives.
  - More CPAs may keep costs of accounting services down.
  - Sufficient number of CPAs to provide needed accounting services reduces unlicensed activity.

## Modernizing Mobility

Accounting services and cross-border practice are integral to businesses not just in California but nationally. Maintaining a cross-border program that provides needed consumer access to services, while keeping consumers safe is of paramount consideration in modernizing mobility. The CBA's proposal seeks to decouple mobility provisions from a strictly defined licensing framework to provide regulatory stakeholders with more flexibility to consider alternative licensure pathways without concern over how they will impact cross-border practice.

- Strengthens existing safeguards for consumer protection, including the authority to remove states from a no-notice mobility program if the CBA believes it jeopardizes its consumer protection mission.
- Continues to ensure consumer access to accounting services that cross state lines.
- Modernizes mobility by moving to a CPA = CPA model.