

## New CPA Licensure Pathways to Meet the Needs of the Changing Profession HB 2459 (Manley)

Pipeline issues, shifting demographics, and changing environments of financial and audit standards have been creating headwinds for the current certified public accountant (CPA) licensure framework – an Illinois structure that’s been in place since 2001, but presently not meeting the needs of the profession. Currently, the Illinois Public Accounting Act and Uniform Accountancy Act require CPA candidates to: 1) pass all portions of the CPA exam, 2) complete 150 credit hours of qualifying education, and 3) gain one year of relevant work experience before becoming licensed. To be clear, House Bill 2459 will not alter this existing route to licensure.

That said, in an attempt to address the profession’s demands, and some of the challenges in getting to licensure, HB 2459 proposes to add two other ways to become an Illinois licensed CPA, as well as establishing equivalency requirements for out-of-state CPAs to practice in Illinois without them having to obtain an Illinois license.

### New Pathways to Licensure

Under the bill, beginning January 1, 2027, the Department will be able to license a person as a CPA who:

- 1) has a bachelor’s degree (120 credit hours of qualifying education) with an emphasis in accounting, at least two years of experience, and passed the CPA exam; or,
- 2) has a Master’s degree, a bachelor’s degree with 30 hours of accounting, at least one year of experience, and passed the CPA exam.

These two new pathways to licensure are being pursued legislatively in many of our neighboring States, including Iowa, Missouri, Wisconsin, Michigan, Ohio, and Kentucky.

### Equivalency Requirements for Mobility

HB 2459 also establishes alternative equivalency requirements for out-of-state CPAs to avail themselves of in order to practice in Illinois. Essentially, if the issuing State’s licensure requirements are equivalent to Illinois’ existing and newly proposed licensure requirements, the non-Illinois CPA would not have to obtain an Illinois license. If the issuing State’s licensure requirements are not equivalent, the non-Illinois CPA would have to successfully petition the Illinois Public Accountant Registration and Licensure Committee for an equivalency determination in order to have Illinois accountancy privileges. Like legislation is now law in Alabama, Nebraska, Nevada and North Carolina.

In conclusion, HB 2459 provides Illinois with two new different routes to CPA licensure, as well as equivalency requirements that will make it efficient for non-Illinois CPAs to provide services in Illinois without them having to obtain an Illinois license.

Proponents: Illinois CPA Society