STATE OF NEW YORK

6891

2025-2026 Regular Sessions

IN SENATE

March 26, 2025

Introduced by Sen. STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education

AN ACT to amend the education law, in relation to clarifying the requirements for a certified public accountant

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Paragraphs 2, 3 and 4 of subdivision 1 of section 7404 of the education law, as amended by chapter 651 of the laws of 2008, are amended to read as follows:

(2) Education: [~~have received an education, including a bachelor's or higher degree or a foreign equivalent based on~~] present satisfactory evidence of completion of one of the following:

a. A curriculum of at least one hundred twenty semester hours in a program in accountancy[~~, in accordance with the commissioner's~~] that is registered by the department, or that is accredited by an acceptable accrediting agency, or that is deemed to be comparable to a registered or accredited program, as determined by the department; provided that for each of the programs described above, the applicant shall satisfy the undergraduate curriculum semester hour requirements for the specified subjects set forth in the department's regulations as of the effective date of the chapter of the laws of two thousand twenty-five that amended this paragraph; or

b. A curriculum of at least one hundred fifty semester hours in a program described in subparagraph a of this paragraph.

(3) Experience: [~~have~~]

a. Present satisfactory evidence of completion of the following experience [~~satisfactory to the board of regents and in accordance with the commissioner's regulations;~~] requirement:

(i) two years of acceptable full-time experience, or the equivalent thereof, for an applicant who is applying for licensure on the basis of the education described in subparagraph a of paragraph two of this subdivision; or

(ii) one year of acceptable full-time experience, or the equivalent thereof, for an applicant who is applying for licensure on the basis of

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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the education described in subparagraph b of paragraph two of this subdivision.

b. For the purposes of this subdivision, one year of full-time experience shall mean an aggregate total of twelve calendar months of full-time employment. Full-time shall be defined as a five-day work week, with at least thirty-five hours of experience per week, excluding overtime. The department may also credit an applicant for part-time experience in the amount of one week of experience for every two weeks of acceptable part-time experience earned. Part-time shall be defined as at least twenty hours of experience per week.

c. Acceptable experience shall be attested to by a certified public accountant licensed in New York or in another political subdivision of the United States, provided that such certified public accountant acted in a supervisory capacity to the applicant in the employing organization.

d. Acceptable experience in the practice of public accountancy shall be limited to experience in providing accounting services or advice involving the use of accounting, attestation, compilation, management advisory, financial advisory, tax or consulting skills under the supervision of a certified public accountant licensed in the United States or a public accountant licensed in New York.

e. Acceptable experience in the practice of public accountancy shall be earned through employment as an employee in public practice in a public accounting firm, government, private industry or an educational institution.

(4) Examination: pass a written examination satisfactory to the board and in accordance with the commissioner's regulations, provided that the required educational attainment for such examination shall not be greater than that set out in subparagraph a of paragraph two of this subdivision, and the requirement with respect to such examination may not be waived;

§ 2. Subdivision 2 of section 7406 of the education law, as amended by chapter 456 of the laws of 2011, is amended to read as follows:

2. Practice privilege. a. Except as otherwise provided in subparagraph two or three of paragraph f of this subdivision, a certified public accountant, licensed by another state [~~which the board of regents has determined to have substantially equivalent certified public accountant licensure requirements, or whose individual licensure qualifications are verified by the department to be substantially equivalent to New York's requirements, and in good standing~~], who intends to perform any of the services in subdivision one, two or three of section seventy-four hundred one of this article may practice public accountancy in this state, if the certified public accountant:

(1) holds a valid license to practice public accountancy in the other state, [~~and~~]

(2) practices public accountancy in another state that is [~~his or her~~] such certified public accountant's principal place of business,

(3) has completed a baccalaureate or higher degree program in accountancy that is registered by the department, or a baccalaureate or higher degree program in accountancy that is accredited by an acceptable accrediting agency, or a baccalaureate or higher degree program, or its foreign equivalent, that is deemed to be comparable to a registered or accredited program, as determined by the department,

(4) has passed the written examination described in paragraph four of subdivision one of section seventy-four hundred four of this article, and

(5) has attained one year of experience as provided in clause (ii) of subparagraph a of paragraph three of subdivision one of section seventy-four hundred four of this article.

b. The practice privilege allows such certified public accountant, who meets the requirements of paragraph a of this subdivision to practice public accountancy in this state.

c. An individual who has been granted practice privileges under this section who performs any of the services in subdivision one or two of section seventy-four hundred one of this article may only do so through a firm which has obtained a registration under section seventy-four hundred eight of this article. Such an individual, as well as an individual with a New York license who does not have a principal place of business in New York, may provide services in subdivision three of section seventy-four hundred one of this article through a firm of certified public accountants that does not have a registration in this state but that holds a valid license, registration, or permit in another state.

d. Any certified public accountant who practices in this state pursuant to this section, and any firm that employs such certified public accountant to provide such services in New York, consents to all of the following as a condition of the exercise of such practice privilege:

(1) to the personal and subject matter jurisdiction and disciplinary authority of the board of regents as if the practice privilege is a license, and an individual with a practice privilege is a licensee;

(2) to comply with this article, the rules of the board of regents and the regulations of the commissioner; and

(3) to the appointment of the secretary of state or other public official acceptable to the department, in the certified public accountant's state of licensure or the state in which the firm has its principal place of business, as the certified public accountant or firm's agent upon whom process may be served in any action or proceeding by the department against such certified public accountant or firm.

e. [~~For purposes of this subdivision, the board of regents may determine that nationally-recognized certified public accountant licensure requirements are substantially equivalent to New York's requirements, such that an individual licensed in a state determined to have licensure requirements substantially equivalent to the nationally-recognized CPA licensure requirements, or an individual whose licensure qualifications are determined to be substantially equivalent to the nationally-recognized CPA licensure requirements, may practice under the practice privilege pursuant to the requirements contained in this subdivision.~~

~~f.~~] (1) A person who wishes to practice public accountancy in this state but does not meet the requirements of paragraph a of this subdivision is subject to the full licensing and registration requirements of this article.

(2) In the event the license from the other state of the certified public accountant's principal place of business is no longer valid or in good standing, or that the certified public accountant has had any final disciplinary action taken by the licensing or disciplinary authority of any other state concerning the practice of public accountancy that has resulted in (i) the suspension or revocation of [~~his or her~~] such certified public accountant's license, or (ii) other disciplinary action against [~~his or her~~] such certified public accountant's license that arises from (a) gross negligence, recklessness or intentional wrongdoing relating to the practice of public accountancy, (b) fraud or misappropriation of funds relating to the practice of public accountancy, or (c)

preparation, publication, or dissemination of false, fraudulent, or materially incomplete or misleading financial statements, reports or information relating to the practice of public accountancy, the certified public accountant shall cease offering to perform or performing such services in this state individually and on behalf of [~~his or her~~] **such certified public accountant's** firm, until and unless such certified public accountant receives written permission from the department to resume the practice of public accountancy in this state pursuant to subparagraph three of this paragraph.

(3) Any certified public accountant who, within the last seven years, immediately preceding the date on which [~~he or she~~] **such certified public accountant** wishes to practice in New York, (i) has been the subject of any final disciplinary action taken against [~~him or her~~] **such certified public accountant** by the licensing or disciplinary authority of any other jurisdiction with respect to any professional license or has any charges of professional misconduct pending against [~~him or her~~] **such certified public accountant** in any other jurisdiction, or (ii) has had [~~his or her~~] **such certified public accountant** license in another jurisdiction reinstated after a suspension or revocation of said license, or (iii) has been denied issuance or renewal of a professional license or certificate in any other jurisdiction for any reason other than an inadvertent administrative error, or (iv) has been convicted of a crime or is subject to pending criminal charges in any jurisdiction, shall so notify the department, on a form prescribed by the department, and shall not practice public accountancy in this state under paragraph a of this subdivision until [~~he or she~~] **such certified public accountant** has received from the department written permission to do so. In determining whether the certified public accountant shall be allowed to practice in this state, the department shall follow the procedure to determine whether an applicant for licensure is of good moral character. Anyone failing to provide the notice required by this paragraph shall be subject to the personal and subject matter jurisdiction and disciplinary authority of the board of regents as if the practice privilege is a license, and an individual with a practice privilege is a licensee, and may be deemed to be practicing in violation of section sixty-five hundred twelve of this title.

[~~g.~~] **f.** (1) Notwithstanding subparagraph two of paragraph a of this subdivision or any other inconsistent law or rule to the contrary, a certified public accountant licensed by another state and in good standing who otherwise meets the practice privilege requirements under this section and files an application for licensure under section seventy-four hundred four of this article may continue to practice under such privilege for a period coterminous with the period during which [~~his or her~~] **such certified public accountant's** application for licensure remains pending with the department, including any period after the certified public accountant establishes a principal place of business in New York while [~~his or her~~] **such certified public accountant's** application is pending.

(2) Nothing in this section shall limit the applicability of section seventy-four hundred seven of this article.

§ 3. This act shall take effect on the one hundred eightieth day after it shall have become a law.