

STATE OF NEW YORK

6891--B

Cal. No. 906

2025-2026 Regular Sessions

IN SENATE

March 26, 2025

Introduced by Sens. STAVISKY, FAHY, FERNANDEZ, GALLIVAN, HOYLMAN-SIGAL, JACKSON, LANZA, LIU, SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading -- again amended and ordered reprinted, retaining its place in the order of third reading

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:

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

4 (2) Education: have received an education, including a bachelor's or
5 higher degree or a foreign equivalent [~~based on~~ from a program in
6 accountancy that is registered by the department, or deemed comparable
7 to a registered program as determined by the department. To meet the
8 professional education requirements for licensure, the applicant shall
9 present satisfactory evidence of completion of one of the following:

10 a. A curriculum of at least one hundred twenty semester hours in a
11 program in accountancy, [~~in accordance with the commissioner's regu-~~
12 lations] provided that the applicant shall satisfy the undergraduate
13 curriculum semester hour requirements for the specified subjects set
14 forth in the commissioner's regulations; or

15 b. A curriculum of at least one hundred fifty semester hours in a
16 program in accountancy, provided that the applicant shall satisfy the
17 curriculum semester hour requirements for the specified subjects set
18 forth in the commissioner's regulations;

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

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

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1 Present evidence of completion of the following experience, satisfac-
2 tory to the board of regents and in accordance with the commissioner's
3 regulations:

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

8 (ii) one year of acceptable full-time experience, or the equivalent
9 thereof, for an applicant who is applying for licensure on the basis of
10 the education described in subparagraph b of paragraph two of this
11 subdivision;

12 (4) Examination: pass a written examination satisfactory to the board
13 and in accordance with the commissioner's regulations, provided that the
14 required educational attainment for such examination shall not be great-
15 er than that set out in subparagraph a of paragraph two of this subdivi-
16 sion, and the requirement with respect to such examination may not be
17 waived;

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

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

30 (1) holds a valid license to practice public accountancy which is in
31 good standing in the other state, [~~and~~]

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

34 (3) has completed either of the professional education and experience
35 requirements as described in paragraphs two and three of subdivision one
36 of section seventy-four hundred four of this article, and

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

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

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

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

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

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

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

12 e. ~~[For purposes of this subdivision, the board of regents may deter-~~
13 ~~mine that nationally recognized certified public accountant licensure~~
14 ~~requirements are substantially equivalent to New York's requirements,~~
15 ~~such that an individual licensed in a state determined to have licensure~~
16 ~~requirements substantially equivalent to the nationally recognized CPA~~
17 ~~licensure requirements, or an individual whose licensure qualifications~~
18 ~~are determined to be substantially equivalent to the nationally recog-~~
19 ~~nized CPA licensure requirements, may practice under the practice privi-~~
20 ~~lege pursuant to the requirements contained in this subdivision.~~

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

25 (2) In the event the license from the other state of the certified
26 public accountant's principal place of business is no longer valid or in
27 good standing, or that the certified public accountant has had any final
28 disciplinary action taken by the licensing or disciplinary authority of
29 any other state concerning the practice of public accountancy that has
30 resulted in (i) the suspension or revocation of [~~his or her~~] such certi-
31 fied public accountant's license, or (ii) other disciplinary action
32 against [~~his or her~~] such certified public accountant's license that
33 arises from (a) gross negligence, recklessness or intentional wrongdoing
34 relating to the practice of public accountancy, (b) fraud or misappro-
35 priation of funds relating to the practice of public accountancy, or (c)
36 preparation, publication, or dissemination of false, fraudulent, or
37 materially incomplete or misleading financial statements, reports or
38 information relating to the practice of public accountancy, the certi-
39 fied public accountant shall cease offering to perform or performing
40 such services in this state individually and on behalf of [~~his or her~~]
41 such certified public accountant's firm, until and unless such certified
42 public accountant receives written permission from the department to
43 resume the practice of public accountancy in this state pursuant to
44 subparagraph three of this paragraph.

45 (3) Any certified public accountant who, within the last seven years,
46 immediately preceding the date on which [~~he or she~~] such certified
47 public accountant wishes to practice in New York, (i) has been the
48 subject of any final disciplinary action taken against [~~him or her~~] such
49 certified public accountant by the licensing or disciplinary authority
50 of any other jurisdiction with respect to any professional license or
51 has any charges of professional misconduct pending against [~~him or her~~]
52 such certified public accountant in any other jurisdiction, or (ii) has
53 had [~~his or her~~] such certified public accountant license in another
54 jurisdiction reinstated after a suspension or revocation of said
55 license, or (iii) has been denied issuance or renewal of a professional
56 license or certificate in any other jurisdiction for any reason other

1 than an inadvertent administrative error, or (iv) has been convicted of
2 a crime or is subject to pending criminal charges in any jurisdiction,
3 shall so notify the department, on a form prescribed by the department,
4 and shall not practice public accountancy in this state under paragraph
5 a of this subdivision until [~~he or she~~] such certified public accountant
6 has received from the department written permission to do so. In deter-
7 mining whether the certified public accountant shall be allowed to prac-
8 tice in this state, the department shall follow the procedure to deter-
9 mine whether an applicant for licensure is of good moral character.
10 Anyone failing to provide the notice required by this paragraph shall be
11 subject to the personal and subject matter jurisdiction and disciplinary
12 authority of the board of regents as if the practice privilege is a
13 license, and an individual with a practice privilege is a licensee, and
14 may be deemed to be practicing in violation of section sixty-five
15 hundred twelve of this title.

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

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

30 § 3. This act shall take effect twelve months after it shall have
31 become a law.