

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Appropriations Committee on Agriculture, Environment, and General Government

BILL: CS/SB 160

INTRODUCER: Regulated Industries Committee and Senator Gruters and others

SUBJECT: Public Accountancy

DATE: March 4, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Oxamendi</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	<u>Davis</u>	<u>Betta</u>	<u>AEG</u>	<u>Pre-meeting</u>
3.	_____	_____	<u>RC</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 160 revises the regulation of certified public accountants (CPAs) by the Florida Board of Accountancy (board) within the Department of Business and Professional Regulation (department).

The bill allows the board to, by a majority vote, delegate duties to the appropriate division within the department, and to further provide that the board may delegate duties by contract pursuant to corporations not for profit organized before 2024 under ch. 617, F.S.

The bill revises the requirements for licensure of CPAs, including licensure by endorsement and of international applicants, by providing four separate pathways to qualify for a license based on education and work experience criteria. Effective January 1, 2026, a person may qualify for a CPA license if he or she:

- Complete at least 150 semester hours of college education, including a baccalaureate or higher degree conferred by an accredited college or university, with a concentration in accounting and business as prescribed by the board, and have one year of work experience;
- Hold a master's degree in accounting or finance conferred by an accredited college or university with a concentration in accounting and business as prescribed by the board, and have one year of work experience;
- Hold a baccalaureate degree in accounting or finance conferred by an accredited college or university with a concentration in accounting and business as prescribed by the board, and have two years of work experience; or

- Hold a baccalaureate degree in any major course of study conferred by an accredited college or university, have completed coursework required for a concentration in accounting and business as prescribed by the board, and have two years of work experience.

In addition, the bill requires the board to prescribe the coursework required for a concentration in accounting and business. Under the bill, an applicant may satisfy the coursework requirement if the applicant receives a baccalaureate or higher degree in accounting or finance conferred by an accredited college or university in a state or territory of the United States. If the applicant has received a baccalaureate or higher degree with a major course of study other than accounting or finance, the applicant must complete the coursework required for a concentration in accounting and business as prescribed by the board.

The bill revises the licensure by endorsement requirements for applicants who are licensed in any state or territory of the United States. Under the bill, a person holding a license in another state or a territory of the United States may qualify for licensure by endorsement if they have maintained good moral character and, at the time of licensure by the other state or territory, were required to show evidence of having obtained at least a baccalaureate degree from an accredited college or university and having passed the Uniform CPA Examination.

Effective January 1, 2026, the bill revises the requirements for the licensure of international applicants. The bill provides the following two pathways for licensure by applicants who hold an active license in good standing to practice public accounting, or its equivalent, in a foreign country that the International Qualifications Appraisal Board of the National Association of State Boards of Accountancy has determined:

- The license standards are equal to those in the United States and who have passed an examination pursuant to s. 473.306(5), F.S.; or
- Have not met the licensure standards but meets the Florida requirements for education, work experience, and good moral character and have passed the Uniform CPA exam.

Regarding continuing education, the bill requires the continuing education requirement to be administered by reputable providers determined and provided by the board. The board must give preference to corporations not for profit organized under ch. 617, F.S., that are exempt from taxation under s. 501(c)(6) of the Internal Revenue Code and that demonstrate their experience, integrity, knowledge, practice, professional responsibility, and representation of the largest numbers of CPAs in this state.

Effective January 1, 2026, the bill permits, a person who holds an active license in good standing in another state or territory to practice limited accountancy services, such as tax advisory services or consulting services that do not require the expression of an opinion or an attestation, by showing evidence to the board of having obtained at least a baccalaureate degree and having passed the Uniform CPA Examination.

The bill has an indeterminate fiscal impact on the department. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2025, except as expressly provided.

II. Present Situation:

Certified Public Accountants

The Florida Board of Accountancy (board) within the Department of Business and Professional Regulation (department) is responsible for regulating and licensing of nearly 41,760 active certified public accountants (CPAs) and more than 5,400 accounting firms in Florida.¹ The Division of Certified Public Accounting provides administrative support to the nine-member board, which consists of seven CPAs and two laypersons.²

A CPA is an individual who holds a license to practice public accounting in this state under ch. 473, F.S., or an individual who is practicing public accounting in this state pursuant to the practice privilege granted in s. 473.3141, F.S.³

Section 473.302(8), F.S., defines the practice of public accounting to include offering to the public the performance of services involving audits, reviews, compilations, tax preparation, management advisory or consulting services, or preparation of financial statements. To engage in the practice of public accounting,⁴ an individual or firm must be licensed pursuant to s. 473.308, F.S., or s. 473.3101, F.S., and business entities must meet the requirements of s. 473.309, F.S.

CPA Licensing

Section 473.308, F.S., provides licensing requirements for CPAs. To be licensed as a CPA, a person must be of good moral character, pass the licensure exam, and have at least 150 semester hours of college education, including a baccalaureate or higher degree conferred by an accredited college or university with a concentration in accounting and business in the total education program to the extent specified by the board.⁵

An applicant for a CPA license must also have at least one year of work experience.⁶ If the applicant completed the education requirements by December 31, 2008, and passed the licensure examination on or before December 31, 2010, he or she was exempt from the work experience requirement.

An applicant must also have good moral character.⁷ Section 473.308(7)(a), F.S., defines “good moral character” to mean “a personal history of honesty, fairness, and respect for the rights of others and for the laws of this state and nation.”

¹ Department of Business and Professional Regulation, *Fiscal Year 2022-2023 Annual Report*, page 12, available at: <https://www2.myfloridalicense.com/os/documents/Division%20Annual%20Report%20FY%2022-23.pdf> (last visited February 17, 2025).

² Section 473.303, F.S.

³ See s. 473.302(4), F.S. Section 473.3141, F.S., permits a person who does not have an office in Florida to practice public accountancy in this state without obtaining a license under ch. 473, F.S., notifying or registering with the board, or paying a fee if the person meets the required criteria.

⁴ Section 473.302(8), F.S., defines the terms “practice of,” “practicing public accountancy,” and “public accounting.”

⁵ Sections 473.308(2)-(4), F.S.

⁶ Sections 473.308(5), F.S.

⁷ Sections 473.308(6) and (7), F.S.

CPA licenses must be renewed on a biennial basis through procedures adopted by the DBPR.⁸

Licensure by Endorsement

Section 473.308(8), F.S., provides for licensure of certified public accountants by endorsement.

The board may certify for licensure by endorsement an applicant who:

- Is not licensed in another state or territory, and:
 - Meets the requirements for education, work experience, and good moral character; and
 - Passed a national, regional, state, or territorial licensing examination that is substantially equivalent to the examination required by s. 473.306, F.S.;⁹
- Holds a valid license to practice public accounting in another state or territory, and has satisfied licensing criteria that were substantially equivalent to the licensure criteria in this state at the time the license was issued;
- If the licensing criteria was not substantially equivalent to Florida's, has met the education, work experience, good moral character requirements, and has passed a national, regional, state or territorial licensing examination with examination criteria that was substantially equivalent to the examination criteria required in Florida; or¹⁰
- Has a valid license in another state or territory for at least 10 years before applying for a license in Florida, has passed a national, regional, state or territorial licensing examination with examination criteria that were substantially equivalent to the examination criteria required in this state, and has met the good moral character requirement.¹¹

Section 473.08(9), F.S., provides that the board may issue a licensure by endorsement and waive education requirements that exceed a baccalaureate degree if the applicant has:

- At least five years of experience in the practice of public accountancy in the United States or in the practice of public accountancy or its equivalent in a foreign country that the International Qualifications Appraisal Board of the National Association of State Boards of Accountancy has determined has licensure standards that are substantially equivalent to those in the United States; or
- At least five years of work experience that meets the requirements of s. 473.08(5), F.S.

The work experience that is used as a basis for waiving the education requirements of s. 473.08(4), F.S., must be while licensed as a certified public accountant by another state or territory of the United States or while licensed in the practice of public accountancy or its equivalent in a foreign country that the International Qualifications Appraisal Board of the National Association of State Boards of Accountancy¹² has determined has licensure standards that are substantially equivalent to those in the United States.

⁸ Section 473.311(2), F.S.

⁹ Section 473.308(8)(a), F.S.

¹⁰ Section 473.308(7)(b), F.S.

¹¹ Section 473.308(7)(c), F.S.

¹² The National Association of State Boards of Accountancy is a forum for the 55 State Boards of Accountancy, which administer the Uniform CPA Examination. See National Association of State Boards of Accountancy, *About Us*, at <https://nasba.org/about/> (last visited February 18, 2025).

Continuing Education

As a part of the license renewal procedure, CPAs are required to submit proof satisfactory to the board that, during the two years prior to the application for renewal, they have successfully completed not less than 48 or more than 80 hours of continuing professional education programs in public accounting subjects approved by the board.¹³ The board has the authority to prescribe by rule additional continuing professional education hours, not to exceed 25 percent of the total hours required, for failure to complete the hours required for renewal by the end of the two-year period.¹⁴

Not less than 10 percent of the total continuing education hours required by the board shall be in accounting-related and auditing-related subjects, as distinguished from federal and local taxation matters and management services.¹⁵

Not less than five percent of the continuing education must be in ethics applicable to the practice of public accounting, including a review of the provisions of ch. 455, F.S., relating to the regulations of businesses and professions, ch. 473, F.S., and the related administrative rules. This requirement must be administered by providers approved by the board.¹⁶

CPA Mobility

Section 473.3141, F.S., provides what is known as “CPA mobility” or practice mobility for CPAs.¹⁷ CPA mobility permits a CPA in another state who is not licensed in Florida, but is licensed in another state, to perform limited accounting services in Florida without obtaining a Florida license, notifying or registering with the board, or paying a fee.

An out-of-state CPA is not required to be licensed in Florida to provide accounting services from outside the state. The types of accounting services that may be provided are limited to the services in ss. 473.302(8)(b) and (c), F.S. If the CPA provides the types of services described in s. 473.302(8)(a), F.S., the CPA must first obtain a Florida license. For example, under practice mobility, the out-of-state CPA could provide tax advisory services or consulting services in Florida from out-of-state, but he or she could not provide the types of services that require the expression of an opinion or an attestation. Section 473.3141, F.S., requires that an individual who provides accountancy services that require the expression of an opinion must obtain a firm license from the board as required by s. 473.3101, F.S.

Certified public accountants in another state who practice in Florida under practice mobility consent, as a condition for the privilege, to the personal and subject matter jurisdiction and disciplinary authority of the board. They also must comply with ch. 473, F.S., and the applicable board rules.

¹³ Section 473.312(1)(a), F.S.

¹⁴ *Id.*

¹⁵ Section 473.312(1)(b), F.S.

¹⁶ Section 473.312(1)(c), F.S.

¹⁷ Florida Institute of Certified Public Accountants, *What is CPA Mobility?*, available at: <https://www.ficpa.org/mobility> (last visited February 12, 2025).

Section 473.3141(1), F.S., provides the following minimum requirements for CPAs in other states who may practice accountancy in Florida through practice mobility. The individual must:

- Hold a valid CPA license in another state that the board has determined has adopted standards that are substantially equivalent to the certificate requirements in the Uniform Accountancy Act; and
- Have satisfied license qualifications that are substantially equivalent to the license qualifications in the Uniform Accountancy Act.

Under current law, the CPA mobility provision does not apply to CPAs who are licensed in the territories of the United States.¹⁸

International Applicants

Section 473.306(5), F.S., authorizes the board to adopt an alternative licensure examination for persons who have been licensed to practice public accountancy or its equivalent in a foreign country so long as the International Qualifications Appraisal Board of the National Association of State Boards of Accountancy has ratified an agreement with that country for reciprocal licensure.

III. Effect of Proposed Changes:

Purpose of Chapter 473, F.S.

The bill amends s. 473.301, F.S., which states the legislative purpose for the regulation of the practice of public accountancy, to revise the term “public accountants” to “certified public accountants” (CPAs).

Definition

The bill amends s. 473.302, F.S., to delete the definition of the term “Uniform Accountancy Act.”¹⁹ The bill deletes all references to “Uniform Accountancy Act” in ch. 473, F.S.

Division of Certified Public Accounting

The bill amends s. 473.3035(1), F.S., which provides that the Florida Board of Accountancy (board) may, by a majority vote, delegate a duty or duties to the appropriate division within the Department of Business and Professional Regulation (department), to further provide that the board may delegate duties by contract pursuant to part I of ch. 287, F.S.,²⁰ for the performance of such duties by corporations not for profit organized before 2024 under ch. 617, F.S.²¹

¹⁸ The territories of the United States include American Samoa, Guam, Republic of the Marshall Islands, Federated States of Micronesia, Commonwealth of the Northern Mariana Islands, Republic of Palau, Puerto Rico, and the U.S. Virgin Islands. See U.S. Department of the Interior, *Insular Areas of the United States and Freely Associated States*, available at: <https://www.doi.gov/library/internet/insular> (last visited February 12, 2025).

¹⁹ Section 473.302(9), F.S., defines the term “Uniform Accountancy Act” to mean the Uniform Accountancy Act, Eighth Edition, dated January 2018 and published by the American Institute of Certified Public Accountants and the National Association of State Boards of Accountancy.

²⁰ Part I of ch. 287, F.S., relates to the state’s procurement of commodities, insurance, and contractual services.

²¹ Chapter 617, F.S., relates to corporations not for profit.

Licensure

Education

The bill, effective January 1, 2026, amends s. 473.308, F.S., to revise the requirements for licensure of CPA, including licensure by endorsement and of international applicants.

Effective July 1, 2026, the bill amends s. 473.308(4), F.S., to revise the education requirements for a CPA license by providing four separate pathways to qualify for a license. A person may qualify for a CPA license if they:

- Complete at least 150 semester hours of college education, including a baccalaureate or higher degree conferred by an accredited college or university, with a concentration in accounting and business as prescribed by the board;
- Hold a master's degree in accounting or finance conferred by an accredited college or university with a concentration in accounting and business as prescribed by the board;
- Hold a baccalaureate degree in accounting or finance conferred by an accredited college or university with a concentration in accounting and business as prescribed by the board; or
- Hold a baccalaureate degree in any major course of study conferred by an accredited college or university and have completed coursework required for a concentration in accounting and business as prescribed by the board.

In addition, the bill requires the board to prescribe the coursework required for a concentration in accounting and business. Under the bill, an applicant may satisfy the coursework requirement if the applicant receives a baccalaureate or higher degree in accounting or finance conferred by an accredited college or university in a state or territory of the United States.

If the applicant has received a baccalaureate or higher degree with a major course of study other than accounting or finance, the applicant must complete the coursework required for a concentration in accounting and business as prescribed by the board.

Work Experience

Effective January 1, 2026, the bill also amends s. 473.308(5), F.S., to require a CPA license applicant to have at least one year of work experience if the applicant education requirement is based on:

- Having completed at least 150 semester hours of college education, including a baccalaureate or higher degree, with a concentration in accounting and business; or
- Holding a master's degree in accounting or finance conferred by an accredited college or university with a concentration in accounting and business.

Under the bill, a CPA license applicant must have at least two years of work experience if the applicant education requirement is based on holding:

- A baccalaureate degree in accounting or finance conferred by an accredited college or university with a concentration in accounting and business as prescribed by the board; or
- A baccalaureate degree in any major course of study conferred by an accredited college or university and having completed coursework required for a concentration in accounting and business as prescribed by the board.

The bill also amends s. 473.308(5), F.S., to delete the work experience exception for applicants who completed the education requirements by December 31, 2008, and passed the licensure examination on or before December 31, 2010.

Licensure by Endorsement

Effective January 1, 2026, the bill amends s. 473.308(7), F.S., to revise the licensure by endorsement requirements for applicants who are licensed in any state or territory of the United States. Under the bill, a person holding a license in another state or a territory of the United States may qualify for licensure by endorsement if they have maintained good moral character and, at the time of licensure by the other state or territory, were required to show evidence of having obtained at least a baccalaureate degree from an accredited college or university and having passed the Uniform CPA Examination.

The bill deletes provisions allowing a person to be licensed if he or she holds a valid license in another state or territory and has met the requirements of the section for education, work experience, good moral character, and passed a national, regional, state, or territorial licensing examination substantially equivalent to s. 473.306, F.S. It also deletes the provisions allowing a person to be licensed if they had been licensed in another jurisdiction for 10 years.

International Applicants

Effective January 1, 2026, the bill amends s. 473.308(8), F.S., to revise the requirements for the licensure of international applicants to. The bill provides the following two pathways for licensure by applicants who hold an active license in good standing to practice public accounting, or its equivalent, in a foreign country that the International Qualifications Appraisal Board of the National Association of State Boards of Accountancy has determined:

- The licensure standards are equal to those in the United States and who have passed an examination pursuant to s. 473.306(5), F.S.; or
- Have not met the licensure standards but meets the Florida requirements for education, work experience, and good moral character and have passed the Uniform CPA exam.

Continuing Education

The bill amends s. 473.312(1)(c), F.S., to require the continuing education requirement to be administered by reputable providers to be determined and provided by the board. The bill requires the board to give preference to corporations not for profit organized under ch. 617, F.S., who are exempt from taxation under s. 501(c)(6) of the Internal Revenue Code and who demonstrate their experience, integrity, knowledge, practice, professional responsibility, and representation of the largest numbers of CPAs in this state.

The bill republishes s. 473.311(1)(b), F.S., relating to the renewal of a nonresident CPA license, to incorporate the amendment in the bill to s. 473.312, F.S., relating to continuing education requirements.

CPA Mobility

The bill amends s. 473.3141(1) and (3), F.S., to revise the requirements for CPA mobility. Effective January 1, 2026, a person who holds an active license in good standing in another state or territory can qualify for CPA mobility by evidence to the board of having obtained at least a baccalaureate degree and having passed the Uniform CPA Examination.

Cross-reference Correction

The bill amends s. 473.306(3)(a), F.S., relating to examinations, to correct a cross-reference to the license requirements in s. 473.308, F.S., as revised by the bill.

Effective Date

The bill takes effect July 1, 2025, except as expressly provided.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The Department of Business and Professional Regulation (department) may incur an indeterminate increase in costs related to contracting delegated duties to certain authorized corporations; however, it's expected that any contract costs could be handled with existing resources. To date, no analysis by the department of the impact of the bill on its operations, revenue, and expenditures has been provided.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 473.301, 473.302, 473.3035, 473.306, 473.308, 473.312, 473.3141, and 473.311.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**Regulated Industries on February 18, 2025:**

The committee substitute:

- Changes the effective date from July 1, 2026 to January 1, 2026, for the sections of the bill amending s. 473.306, F.S., relating to examinations, s. 473.308, F.S., relating to licensure, and s. 473.3141, F.S., relating to certified public accountants (CPAs) licensed in other states.
- Amends s. 473.308, F.S., to revise the requirements for licensure of international applicants by providing a pathway for licensure applicants whose country has licensing standards that the International Qualifications Appraisal Board of the National Association of State Boards of Accountancy has determined are equal to those in the United States and who have passed an examination, and provides a pathway for applicants whose country has not met those standards but meets the Florida requirements for education, work experience, and good moral character and have passed the Uniform CPA exam.
- Deletes new s. 473.3085, F.S., relating to the licensure of international applicants.

B. Amendments:

None.