



## CPA Pipeline Issues Front and Center as TXCPA's **Advocacy Efforts Continue**

**T**he 2023 session of the Texas Legislature was a success for TXCPA and our efforts to address some CPA pipeline issues. The CPA pipeline has been at the forefront of the profession and a national focus for several years, and TXCPA stepped up to address some aspects of the issue on the legislative front. From allowing students to begin to take the CPA Exam after completing 120 semester hours – SB 159 – to helping to pass legislation to expand the Texas State Board of Public Accountancy scholarship program – HB 2217 – TXCPA's advocacy will have a beneficial effect on the CPA pipeline.

The end of the 2023 legislative session did not end our work on the CPA pipeline. During the summer and fall of

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## ■ GOVERNMENT AFFAIRS UPDATE

2023, TXCPA was deeply involved in offering comments, suggestions and ideas on State Board rules relating to the pipeline. At the State Board's November 2023 meeting, permanent rules were adopted relating to SB 159 and taking the CPA Exam after completing 120 hours.

TXCPA worked closely with the State Board in proposing language to clarify the makeup of the 21 hours of upper-level accounting coursework needed to begin to take the Exam. In addition, TXCPA was instrumental in assuring that the accounting research course is required for licensure but not required to test at 120 hours.

These and some other changes that the State Board has made in the rules will enable students and educators to better understand the education path to testing and licensure. These rules changes will become effective in early 2024 commensurate with the new CPA Exam launching. TXCPA will continue its work to streamline the Board rules for our members, students, educators and the profession.

Another CPA pipeline issue TXCPA supported is the Applicant Reassessment Program. TXCPA worked closely with the State Board, NASBA, AICPA and other state societies in proposing a program that will permit over 18,000 candidates nationally, and over 1,900 in Texas, to reenter the CPA testing regime if they passed one or more sections between 2020 and 2024, but for hardship reasons fell out of the pipeline and could not continue testing.

Those applicants who are approved – by submitting an application detailing the hardship – will be given an additional 18 months to complete the CPA Exam. This is a second chance

for those candidates who fell out of the pipeline for no fault of their own.

Nationally, TXCPA is continuing its close collaboration with AICPA and other state societies to lobby and advocate for federal legislation to address the CPA pipeline. Two issues are gaining momentum in Congress – expansion of 529 plans to allow for 529 funds to be used for credentialing, testing and licensing expenses in addition to traditional higher education expenses. The expanded use of 529s would enable CPA candidates, and other occupations and professions, to help defray the ever-increasing costs of testing and credentialing and maintain those individuals in their respective pipelines. There are close to 80 co-sponsors in the House and over 10 Senate co-sponsors.

Finally, efforts to add accounting to the federal STEM program – in the technology branch – have seen wide support in both chambers and it is hopeful that more legislative progress on both of these pipeline issues can be achieved.

Please reach out to TXCPA if you would like to help in our advocacy efforts and need additional information about these and other issues.



**BY KENNETH BESSERMAN,**  
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