



Senate

General Assembly

File No. 116

February Session, 2018

Substitute Senate Bill No. 327

Senate, March 28, 2018

The Committee on General Law reported through SEN. LEONE of the 27th Dist. and SEN. WITKOS of the 8th Dist., Chairpersons of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING LICENSE RENEWAL REQUIREMENTS FOR CERTIFIED PUBLIC ACCOUNTANTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (e) of section 20-281d of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2018*):

4 (e) For renewal of a license under this section, an applicant shall
5 show that he or she has completed forty hours of continuing
6 professional education during each year from the date of issuance or
7 last renewal. A renewal applicant who has a principal place of
8 business outside of this state may show compliance with the
9 provisions of this subsection by certifying in writing that he or she has
10 completed the continuing professional education requirements in the
11 state of the applicant's principal place of business during each year
12 from the date of his or her license issuance or last renewal. The board
13 may prescribe, by regulation, the content, duration and organization of

14 continuing professional education courses which contribute to the
15 general professional competence of the applicant.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2018</i>	20-281d(e)

GL *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Consumer Protection, Dept.	GF - Potential Revenue Gain	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

This bill changes professional education requirements for out-of-state Certified Public Accountants (CPA) and results in a potential General Fund revenue gain, to the extent that additional out-of-state CPA's become registered in Connecticut. Below are the fees that the Department of Consumer Protection assesses for accountants:

- CPA Certificate = one-time \$150 fee;
- Registered CPA = \$40 initial and renewal fee; and
- Licensed CPA = \$150 initial fee and \$565 renewal fee.

A CPA can only hold one of these states at any given time. A registered CPA is permitted to use the CPA designation but not permitted to practice. A licensed CPA may use the CPA designation and practice.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 327*****AN ACT CONCERNING LICENSE RENEWAL REQUIREMENTS FOR CERTIFIED PUBLIC ACCOUNTANTS.*****SUMMARY**

This bill establishes continuing professional education reciprocity for certified public accountants (CPAs) whose principal place of business is not in Connecticut.

Current law requires all CPAs seeking license renewal to show that they completed 40 hours of continuing education per year since the last renewal or issuance. Under the bill, out-of-state CPAs qualify for Connecticut license renewal if they certify in writing that they completed the continuing education requirements applicable in the state serving as their principal place of business.

EFFECTIVE DATE: July 1, 2018

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 17 Nay 0 (03/15/2018)