



DEPARTMENT OF CONSUMER AFFAIRS
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**CALIFORNIA BOARD OF ACCOUNTANCY
PUBLIC MEETING NOTICE FOR THE MOBILITY STAKEHOLDER GROUP,
COMMITTEE ON PROFESSIONAL CONDUCT, ENFORCEMENT PROGRAM
OVERSIGHT COMMITTEE, AND CALIFORNIA BOARD OF ACCOUNTANCY
MEETINGS**

- DATE:** Thursday, September 15, 2016 **MOBILITY STAKEHOLDER GROUP MEETING**
TIME: 9:00 a.m.
- DATE:** Thursday, September 15, 2016 **COMMITTEE ON PROFESSIONAL CONDUCT MEETING**
TIME: 9:45 a.m.
Or upon adjournment of the Mobility Stakeholder Group Meeting
- DATE:** Thursday, September 15, 2016 **ENFORCEMENT PROGRAM OVERSIGHT COMMITTEE MEETING**
TIME: 10:15 a.m.
Or upon adjournment of the Committee on Professional Conduct Meeting
- DATE:** Thursday, September 15, 2016 **CALIFORNIA BOARD OF ACCOUNTANCY MEETING**
TIME: 10:45 a.m. to 4:30 p.m.
- DATE:** Friday, September 16, 2016 **CALIFORNIA BOARD OF ACCOUNTANCY MEETING**
TIME: 9:00 a.m. to 11:00 a.m.
- PLACE:** Wyndham Irvine Orange
County Airport
17941 Von Karman Avenue
Irvine, CA 92614
(949) 863-1999

Enclosed for your information is a copy of the agendas for the Mobility Stakeholder Group, Committee on Professional Conduct, Enforcement Program Oversight Committee, and California Board of Accountancy meetings on September 15-16, 2016. For further information regarding these meetings, please contact:

Rebecca Reed, Board Relations Analyst
(916) 561-1716 or rebecca.reed@cba.ca.gov
California Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, CA 95815

An electronic copy of this notice can be found at <http://www.dca.ca.gov/cba/about-cba/calendar.shtml>

The meeting is accessible to individuals who are physically disabled. A person who needs a disability-related accommodation or modification in order to participate in the meeting may make a request by contacting Rebecca Reed at (916) 561-1716, or email rebecca.reed@cba.ca.gov, or send a written request to the California Board of Accountancy Office at 2000 Evergreen Street, Ste. 250, Sacramento, CA 95815. Providing your request at least five (5) business days before the meeting will help to ensure availability of the requested accommodation.



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CALIFORNIA BOARD OF ACCOUNTANCY MOBILITY STAKEHOLDER GROUP

MEETING AGENDA
Thursday, September 15, 2016
9:00 a.m.

Wyndham Irvine-Orange County Airport
17941 Von Karman Avenue
Irvine, CA 92614
Telephone: (949) 863-1999

Important Notice to the Public

All times indicated, other than those identified as "time certain," are approximate and subject to change. Agenda items may be discussed and action taken out of order at the discretion of the Mobility Stakeholder Group Chair. The meeting may be cancelled without notice. For verification of the meeting, call (916) 561-1716 or access the California Board of Accountancy's website at <http://www.cba.ca.gov>.

	<u>CBA Item #</u>
Call to Order, Roll Call, Establishment of Quorum, and Opening Remarks (Jose A. Campos, Chair).	
I. Approve Minutes of the July 21, 2016 Mobility Stakeholder Group Meeting.	IX.E.
II. Mobility Stakeholder Group Decision Matrix and Stakeholder Objectives (Written Report Only).	VIII.C.2.
III. Timeline for Activities Regarding Determinations to be Made for Out-of-State Practitioners Pursuant to Business and Professions Code Section 5096.21. (Written Report Only).	VIII.C.3.
IV. Discussion and Possible Action Regarding the Findings of the National Association of State Boards of Accountancy Related to Business and Professions Code Section 5096.21(c) (Nooshin Movassaghi, Legislative Analyst).	VIII.C.4.
V. Discussion and Possible Action Regarding Next Steps for Making Determinations Pursuant to Business and Professions Code Section 5096.21(a)-(b) (Nooshin Movassaghi).	VIII.C.5.
VI. Overview of Practice Privilege/Mobility Provisions in Other States/Jurisdictions (Veronica Daniel, Licensing Manager).	VIII.C.6.

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| VII. | Discussion Regarding the National Association of State Boards of Accountancy's Activities and CPAVerify
(Nooshin Movassaghi) . | VIII.C.7. |
| VIII. | Discussion Regarding Proposed Agenda Items for the Next Mobility Stakeholder Group Meeting (Nooshin Movassaghi) . | VIII.C.8. |
| IX. | Public Comments* | |

Adjournment

In accordance with the Bagley-Keene Open Meeting Act, all meetings of the California Board of Accountancy are open to the public. While the California Board of Accountancy intends to webcast this meeting, it may not be possible to webcast the entire open meeting due to limitations on resources or technical difficulties.

*Government Code section 11125.7 provides the opportunity for the public to address each agenda item during discussion or consideration by the California Board of Accountancy prior to the California Board of Accountancy taking any action on said item. Members of the public will be provided appropriate opportunities to comment on any issue before the California Board of Accountancy, but the California Board of Accountancy President may, at his or her discretion, apportion available time among those who wish to speak. Individuals may appear before the California Board of Accountancy to discuss items not on the agenda; however, the California Board of Accountancy can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).

California Board of Accountancy members who are not members of the Mobility Stakeholder Group may be attending the meeting. However, if a majority of members of the full board are present at the Mobility Stakeholder Group meeting, members who are not Mobility Stakeholder Group members may attend the meeting only as observers.



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MSG Item II.
September 15, 2016

CBA Item VIII.C.2.
September 15-16, 2016

Mobility Stakeholder Group Decision Matrix and Stakeholder Objectives

Presented by: Written Report Only

Purpose of the Item

The purpose of this agenda item is to provide the Mobility Stakeholder Group (MSG) with its decision matrix (**Attachment 1**) and stakeholder objectives (**Attachment 2**).

Consumer Protection Objectives

The decision matrix and stakeholder objectives are intended to ensure that the MSG is considering whether the provisions of the California practice privilege law “satisfy the objectives of stakeholders of the accounting profession in this state, including consumers.”

Action(s) Needed

No specific action is required on this agenda item.

Background

At its March 2014 meeting, staff presented the MSG with a plan to maintain a decision matrix in order to track decisions made by the MSG. The purpose for the decision matrix was to assist the MSG and staff in determining what activities have been accomplished and what decisions still remain for discussion.

In addition, the MSG is charged with considering whether the provisions of the California practice privilege law “satisfy the objectives of stakeholders of the accounting profession in this state, including consumers.” At its July 2014 meeting, the MSG established two stakeholder objectives and requested that they be provided at future meetings in order that the MSG may continue to revise and add to them as needed.

Comments

Staff will continue to provide the decision matrix and stakeholder objectives as a written report only agenda item unless otherwise directed by the MSG.

Fiscal/Economic Impact Considerations

There are no fiscal/economic impact considerations.

Recommendation

Staff do not have a recommendation on this agenda item.

Mobility Stakeholder Group Decision Matrix and Stakeholder Objectives

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Attachments

1. MSG Decision Matrix
2. Stakeholder Objectives



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Attachment 1

MSG Decision Matrix

<u>Date</u>	<u>Decision</u>
March 2014	The MSG will meet three times per year in conjunction with the March, July and November CBA meetings.
March 2014	The MSG will prepare a written report to the CBA at least once per calendar year.
March 2014	The MSG will prepare a final report in time to be considered by the CBA as it prepares its final report to the Legislature which is due January 1, 2018.
November 2014	The MSG adopted the following definition for "stakeholders:" Stakeholders include consumers, licensees, applicants, and professional organizations and groups that have a direct or indirect stake in the CBA because they can affect or be affected by the CBA's actions, objectives, and policies.
March 2015	The MSG approved the timeline for making determinations pursuant to Business and Professions Code (BPC) section 5096.21. The MSG agreed that staff will prepare a letter for each state to notify them of the process the CBA is undertaking and to request specific information that will assist the CBA as it makes the determinations pursuant to BPC section 5096.21. ¹
May 2015	The MSG opined that the National Association of State Boards of Accountancy's Guiding Principles of Enforcement (NASBA Enforcement Guidelines) meet or exceed the CBA's enforcement practices.
July 2015	The MSG selected NASBA to assist the CBA in comparing the enforcement practices of other states to the NASBA Enforcement Guidelines.
July 2015	The MSG will meet in conjunction with scheduled CBA meetings until the comparison project is complete.

¹ At its May 28-29, 2015 meeting, the CBA deferred the timeframe for sending the letter to the Executive Officer.

MSG Decision Matrix

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<u>Date</u>	<u>Decision</u>
September 2015	The MSG approved a legislative proposal to grant emergency rule-making authority to remove states from California's mobility program.
March 2016	<p>The MSG recommended, out of 43 jurisdictions identified as substantially equivalent by NASBA, staff conduct and initial assessment of Arizona and Washington using the State Information sheet (with suggested modifications), and concurrently review the Internet portion of all states identified as substantially equivalent.</p> <p>The MSG directed staff to report the results of the initial assessment and to recommend an appropriate sample size at the CBA May 2016 meeting.</p>
May 2016	The MSG directed staff to assess seven states, (Arizona, Colorado, Illinois, New York, Oregon, Texas, Washington) equaling 15 percent of the 43 states which have been identified by NASBA as substantially equivalent. Staff were directed to use the same procedures that were used for the preliminary assessment of Arizona and Washington, report results at the July 2016 meeting, and continue to monitor the undetermined states.
July 2016	The MSG recommended the following states already identified by NASBA be determined to be substantially equivalent to the NASBA Guiding Principles of Enforcement: Arizona, Arkansas, California, Colorado, Connecticut, Florida, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Vermont, Washington, Wisconsin, and Wyoming.

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**Attachment 2****Stakeholder Objectives**

Date Added or Revised	Objective
July 2014	Help out-of-state licensees know and understand their self-reporting requirements.
July 2014	Assure the CBA that all states have adequate enforcement.



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MSG Item III.
September 15, 2016

CBA Item VIII.C.3.
September 15-16, 2016

Timeline for Activities Regarding Determinations to be Made Pursuant for Out-of-State Practitioners to Business and Professions Code Section 5096.21

Presented by: Written Report Only

Purpose of the Item

The purpose of this agenda item is to provide the Mobility Stakeholder Group (MSG) with an opportunity to discuss items related to the timeline for practice privilege activities (**Attachment**) pursuant to Business and Professions Code (BPC) section 5096.21.

Consumer Protection Objectives

This discussion will be used by the California Board of Accountancy (CBA) to ensure the timeline for practice privilege activities corresponds with their goal of transparency and mission to protect consumers.

Action(s) Needed

No specific action is required on this agenda item.

Background

In 2012, the Legislature revised the practice privilege law to eliminate the requirement for out-of-state licensees to provide notice and fee prior to obtaining a California practice privilege. BPC section 5096.21(a) requires the CBA to make determinations as to whether allowing licensees of a particular state to practice in California under a no notice; no fee practice privilege violates its duty to protect the public. If this determination shows the public is at risk, the licensees of those particular states would, following a rulemaking by the CBA, revert back to using the prior practice privilege program with its notice and fee provisions. These determinations are to be made on and after January 1, 2016, and on an ongoing basis. In making the determinations, the CBA is required to consider three factors:

1. Whether the state timely and adequately addresses enforcement referrals made by the board to the accountancy regulatory board of that state, or otherwise fails to respond to requests the board deems necessary to meet its obligations under this article.
2. Whether the state makes the disciplinary history of its licensees publicly available through the Internet in a manner that allows the board to adequately link consumers to an Internet website to obtain information that was previously made available to consumers about individuals from the state prior to January 1, 2013, through the notification form.

Timeline for Activities Regarding Determinations to be Made for Out-of-State Practitioners Pursuant to Business and Professions Code Section 5096.21

Page 2 of 2

3. Whether the state imposes discipline against licensees that is appropriate in light of the nature of the alleged misconduct.

Alternatively, a state may be allowed to remain under the no notice, no fee practice privilege program under BPC 5096.21(c) if the following four statutory conditions are met:

1. The National Association of State Boards of Accountancy adopts enforcement best practices guidelines.
2. The CBA issues a finding that those practices meet or exceed the CBA's own enforcement practices.
3. A state has in place, and is operating pursuant to, enforcement practices substantially equivalent to the best practices guidelines.
4. Disciplinary history of a state's licensees is publicly available through the Internet in a manner that allows the CBA to link consumers to a website. The information available must be at least equal to the information that was previously available to consumers through the practice privilege form that was used in the CBA's notice and fee practice privilege program.

The initial timeline for this project was approved by the CBA at its March 2015 meeting.

Comments

This agenda item is a standing item to keep members apprised of upcoming activities regarding the determinations made pursuant to BPC section 5096.21. It also serves as an opportunity for members to discuss any of the items on the timeline. At the March 2016 meeting the MSG asked that staff present this item, rather than providing a written report only.

The timeline reflects the most current information available. Staff determined the timeline based on the following dates and timeframes:

- January 1, 2018 – Final report is due to the Legislature
- January 1, 2019 – Sunset date of the no notice, no fee practice privilege program
- 12 to 18 months – the amount of time normally required to complete the rulemaking process

The timeline may be changed as needed or as directed.

Fiscal/Economic Impact Considerations

There are no fiscal/economic impact considerations.

Recommendation

Staff do not have a recommendation on this agenda item.

Attachment

Timeline for Practice Privilege Activities Pursuant to Business and Professions Code Section 5096.21



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Attachment

Timeline for Practice Privilege Activities Pursuant to Business and Professions Code Section 5096.21

Substantial Equivalence to NASBA's Enforcement Guidelines

Business and Professions Code (BPC) section 5096.21(c) states that a state's licensees may remain in the no notice, no fee practice privilege program if the following four conditions are met:

1. The National Association of State Boards of Accountancy (NASBA) adopts enforcement best practices guidelines (Enforcement Guidelines).
2. The CBA issues a finding that those practices meet or exceed the CBA's own enforcement practices.
3. A state has in place, and is operating pursuant to, enforcement practices substantially equivalent to the best practices guidelines.
4. Disciplinary history of a state's licensees is publicly available through the Internet in a manner that allows the CBA to link consumers to a website. The information available must be at least equal to the information that was previously available to consumers through the practice privilege form that was used in the CBA's notice and fee practice privilege program.

This portion of the timeline outlines the activities surrounding the CBA's determination of which states' enforcement practices are substantially equivalent to NASBA's Enforcement Guidelines. While the law does not specify a date by which these activities must be concluded, staff developed this timeline keeping in mind the following dates and timeframes:

- January 1, 2018 – Final report is due to the Legislature
- January 1, 2019 – Sunset date of the no notice, no fee practice privilege program
- 12 to 18 months – the amount of time normally required to complete the rulemaking process

These dates are the only firm dates in BPC section 5096.21. There is no firm date by which the CBA must take action to remove a state or states from the no notice, no fee practice privilege program. This allows some flexibility for the CBA to work with an individual state in bringing it to a position where the CBA may indicate that they are substantially equivalent to the NASBA Enforcement Guidelines.

May 28, 2015	NASBA released its final version of its Enforcement Guidelines
May 28, 2015	CBA issued a finding that the NASBA Enforcement Guidelines met the CBA's enforcement practices
July 23, 2015	CBA determines how best to compare other states' enforcement practices with the NASBA Enforcement Guidelines
Summer/Fall 2015	Staff implements the method for comparing other states' enforcement practices with the NASBA Enforcement Guidelines
January 2016	CBA makes its initial determinations of substantial equivalence based on early research provided by the entity to be selected in CBA Agenda Item XI.D.4. (this date may be later if the consultant approach is selected)
September 2016	CBA reviews the final findings provided by the entity performing the research

State-by-State Determinations

After the CBA completes the portion of the timeline regarding substantial equivalence to the NASBA Enforcement Guidelines, there may be states that were not found to be substantially equivalent. If so, these states may still remain under the no notice, no fee practice privilege program if they are allowed to do so by the CBA in the state-by-state determination process.

The CBA must determine whether allowing the licensees of those states to practice in California under a practice privilege violates its duty to protect the public. In doing so, the CBA must consider the three items listed in BPC section 5096.21(b):

1. Whether the state timely and adequately addresses enforcement referrals made by the board to the accountancy regulatory board of that state, or otherwise fails to respond to requests the board deems necessary to meet its obligations under this article.
2. Whether the state makes the disciplinary history of its licensees publicly available through the Internet in a manner that allows the board to adequately link consumers to an Internet Web site to obtain information that was previously made available to consumers about individuals from the state prior to January 1, 2013, through the notification form.
3. Whether the state imposes discipline against licensees that is appropriate in light of the nature of the alleged misconduct.

The CBA is required to make the determinations using these considerations on and after January 1, 2016. The following portion of the timeline outlines the activities

surrounding the CBA's determinations made for those states not found to be substantially equivalent to NASBA's Enforcement Guidelines.

September 2016	Staff requests information to assist the CBA in making the determinations from states not found by the CBA to be substantially equivalent to the NASBA Enforcement Guidelines
March 2017	CBA reviews information provided by those states and identifies any that are at risk of removal from the no notice, no fee practice privilege program
May and July 2017	CBA deliberates on states that should remain or be removed from the no notice, no fee practice privilege program
July 2017	CBA initiates Rulemaking to remove states, where the CBA determines that allowing the licensees of that state to practice in California under a practice privilege violates its duty to protect the public, from the no notice, no fee practice privilege program
November 2017	CBA conducts a public hearing on the Rulemaking and initiates a 15-day notice of changes to include any additional states
July 2017 – January 2019	CBA continues reviewing states regarding whether their licensees should remain or be removed from the no notice, no fee practice privilege program as needed

Practice Privilege Final Report to the Legislature

BPC section 5096.21(f) states:

On or before January 1, 2018, the board shall prepare a report to be provided to the relevant policy committees of the Legislature, the director, and the public, upon request, that, at minimum, explains in detail all of the following:

- (1) How the board has implemented this article and whether implementation is complete.
- (2) Whether this article is, in the opinion of the board, more, less, or equivalent in the protection it affords the public than its predecessor article.
- (3) Describes how other state boards of accountancy have addressed referrals to those boards from the board, the timeframe in which those referrals were addressed, and the outcome of investigations conducted by those boards.

At its initial meeting, the Mobility Stakeholder Group (MSG) decided to prepare a final report for the CBA to reference as it prepares its report to the Legislature by January 1, 2018. This portion of the timeline outlines the activities surrounding these reporting requirements.

July 2017	CBA receives the MSG's Final Report
September 2017	CBA reviews its draft Practice Privilege Report to the Legislature
November 2017	CBA approves the final version of the Practice Privilege Report to the Legislature
January 1, 2018	Practice Privilege Report due to the Legislature



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MSG Item IV.
September 15, 2016

CBA Item VIII.C.4.
September 15-16, 2016

Discussion and Possible Action Regarding the Findings of the National Association of State Boards of Accountancy Related to Business and Professions Code Section 5096.21(c)

Presented by: Nooshin Movassaghi, Legislative Analyst

Purpose of the Item

The purpose of this agenda item is to allow the California Board of Accountancy (CBA) the opportunity to discuss the findings of the National Association of State Boards of Accountancy (NASBA) related to Business and Professions Code (BPC) section 5096.21(c).

Consumer Protection Objectives

The findings will be used by the CBA to determine whether allowing licensees of certain states to continue practicing under a no notice, no fee practice privilege fulfills the responsibility of the CBA to protect consumers.

Action(s) Needed

The MSG will be asked to find certain states substantially equivalent to the NASBA Guiding Principles of Enforcement.

Background

BPC section 5096.21(a) (**Attachment 1**), requires the CBA to determine on and after January 1, 2016, whether allowing individuals from a particular state to practice in California pursuant to a practice privilege violates its duty to protect the public.

A state may be allowed to remain under the no notice, no fee practice privilege program under BPC 5096.21(c) if the following four statutory conditions are met:

1. NASBA adopts enforcement best practices guidelines.
2. The CBA issues a finding that those practices meet or exceed the CBA's own enforcement practices.
3. A state has in place, and is operating pursuant to, enforcement practices substantially equivalent to the best practices guidelines.
4. Disciplinary history of a state's licensees is publicly available through the Internet in a manner that allows the CBA to link consumers to a website. The information available must be at least equal to the information that was previously available

Discussion and Possible Action Regarding the Findings of the National Association of State Boards of Accountancy Related to Business and Professions Code Section 5096.21(c)

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to consumers through the practice privilege form that was used in the CBA's notice and fee practice privilege program.

The first condition was fulfilled when NASBA released its Guiding Principles of Enforcement (NASBA Guiding Principles of Enforcement) (**Attachment 2**) in May 2015. The second condition was fulfilled when the CBA issued a finding that the NASBA Guiding Principles of Enforcement met the CBA's own enforcement practices at its May 27-29, 2015 meeting.

In order to meet the third condition, at the July 2015 meeting, the CBA discussed the best approach to complete a comparison of states' enforcement practices to determine if they are substantially equivalent to the Guiding Principles of Enforcement including identifying the process and objectives of the party who would be responsible for conducting the comparison. After an in depth discussion, the CBA selected NASBA as the entity to conduct the research. The process in which the research and recommendations were to be made is outlined below and includes the deliverables to the CBA:

- NASBA will be responsible for gathering the information needed to assess the substantial equivalency of each state.
- NASBA will rely, in large part, on data it previously gathered during the drafting of the Guiding Principles of Enforcement.
- NASBA will collect additional information through email, phone calls, and travel to meet with other states.
- In order to encourage candor and open discussions, NASBA will honor the confidentiality of any direct communication with the other state boards of accountancy and will retain the data collected during this process.
- NASBA's subjective analysis of each state's statutes, rules, and practices will assist in deciding whether, collectively, they create an enforcement practice that reflects the objectives of the Guiding Principles of Enforcement.
- A representative from NASBA will be available at future CBA meetings where substantial equivalence to the Guiding Principles of Enforcement is discussed.
- NASBA will provide staff with the ability to audit the basis of the substantial equivalency determinations by meeting with NASBA to collectively review states as identified by the CBA. This review will include a summary prepared by NASBA of the specific enforcement practices in the selected jurisdictions, and, when deemed necessary by staff, a confidential review of the underlying documents used to make a particular determination at a meeting between NASBA and staff.

Comments

NASBA's Objectives for Substantial Equivalency Evaluation (**Attachment 3**) were presented at the July 2015 CBA meeting to assist with the evaluation process as they

Discussion and Possible Action Regarding the Findings of the National Association of State Boards of Accountancy Related to Business and Professions Code Section 5096.21(c)

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relate to determining states' substantial equivalence to the Guiding Principles of Enforcement. The objectives are identified below with additional identifying criteria provided by NASBA.

- Time Frames for Prosecuting a Complaint from Intake to Final Disposition
 - Average Number of Complaints
 - Timeliness of Past and Present Complaints
- Enforcement Resources to Adequately Staff Investigations
 - Investigation Resources for Current and Projected Workload
 - Investigator Training Required
 - Use of Experts
- Case Management
 - Available Case Funding
 - Prioritization of Cases
- Disciplinary Guidelines
 - Consistency of Discipline
 - Factors in Assessing Penalties
 - Grounds for Revocation, Suspension, Probation, Fine, Penalty or Remediation
- Internet Disclosures
 - CPAverify versus Individual Board Website

Consistent with the Timeline for Activities Regarding Determinations to be Made Pursuant to BPC section 5096.21 as identified in **CBA Agenda Item VIII.C.3**, NASBA provided the results of its initial analysis of other states' enforcement practices as they compare to the Guiding Principles of Enforcement at the January 2016 CBA meeting.

NASBA's revised analysis (**Attachment 4**) now identifies 43 jurisdictions as substantially equivalent to the Guiding Principles of Enforcement. The first column in **Attachment 4**, titled "*SE*," shows the jurisdictions NASBA identifies as substantially equivalent to the Guiding Principles of Enforcement. The second column, titled "*SE w/o DISC FLAG*," represents jurisdictions NASBA identifies as substantially equivalent with the exception that these jurisdictions do not currently reflect the necessary disciplinary flag on the Internet. The third column, titled "*Undetermined*," represents jurisdictions NASBA is still researching and working with to bring them into substantially equivalent status.

The changes from the previous version were Alaska, Delaware, District of Columbia, Georgia, Maine, and West Virginia moving from the "*Undetermined*" column to the "*SE*" column, New Mexico moving from the "*SE w/o DISC FLAG*" column to the "*SE*" column.

NASBA is continuing its work with all the states listed in the "*SE w/o DISC FLAG*" column to ensure they provide disciplinary flags online as soon as possible.

Discussion and Possible Action Regarding the Findings of the National Association of State Boards of Accountancy Related to Business and Professions Code Section 5096.21(c)

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NASBA is also continuing its work with Puerto Rico, Utah and the United States Virgin Islands identified in the third column and staff will be updated throughout the process.

Fiscal/Economic Impact Considerations

There are no fiscal/economic impact considerations.

Recommendation

Staff recommend finding Alaska, Delaware, District of Columbia, Georgia, Maine, New Mexico, and West Virginia to be substantially equivalent to the Guiding Principles of Enforcement.

Attachments

1. Business and Professions Code Section 5096.21
2. NASBA Guiding Principles of Enforcement
3. Objectives for Substantial Equivalency Evaluation
4. NASBA Guiding Principles Evaluation

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Attachment 1

Business and Professions Code**Section 5096.21**

(a) On and after January 1, 2016, if the board determines, through a majority vote of the board at a regularly scheduled meeting, that allowing individuals from a particular state to practice in this state pursuant to a practice privilege as described in Section 5096, violates the board's duty to protect the public, pursuant to Section 5000.1, the board shall require, by regulation, out-of-state individuals licensed from that state, as a condition to exercising a practice privilege in this state, to file the notification form and pay the applicable fees as required by former Section 5096, as added by Chapter 921 of the Statutes of 2004, and regulations adopted thereunder.

(b) The board shall, at minimum, consider the following factors in making the determination required by subdivision (a):

(1) Whether the state timely and adequately addresses enforcement referrals made by the board to the accountancy regulatory board of that state, or otherwise fails to respond to requests the board deems necessary to meet its obligations under this article.

(2) Whether the state makes the disciplinary history of its licensees publicly available through the Internet in a manner that allows the board to adequately link consumers to an Internet Web site to obtain information that was previously made available to consumers about individuals from the state prior to January 1, 2013, through the notification form.

(3) Whether the state imposes discipline against licensees that is appropriate in light of the nature of the alleged misconduct.

(c) Notwithstanding subdivision (a), if (1) the National Association of State Boards of Accountancy (NASBA) adopts enforcement best practices guidelines, (2) the board, upon a majority vote at a regularly scheduled board meeting, issues a finding after a public hearing that those practices meet or exceed the board's own enforcement practices, (3) a state has in place and is operating pursuant to enforcement practices substantially equivalent to the best practices guidelines, and (4) disciplinary history of a state's licensees is publicly available through the Internet in a manner that allows the board to link consumers to an Internet Web site to obtain information at least equal to the information that was previously available to consumers through the practice privilege form filed by out-of-state licensees pursuant to former Section 5096, as added by Chapter 921 of the Statutes of 2004, no practice privilege form shall be required to be filed by any licensee of that state as required by subdivision (a), nor shall the board be required to report on that state to the Legislature as required by subdivision (d).

(d) (1) The board shall report to the relevant policy committees of the Legislature, the director, and the public, upon request, preliminary determinations made pursuant to this section no later than July 1, 2015. The board shall, prior to January 1, 2016, and

thereafter as it deems appropriate, review its determinations made pursuant to subdivision (b) to ensure that it is in compliance with this section.

(2) This subdivision shall become inoperative on July 1, 2017, pursuant to Section 10231.5 of the Government Code.

(e) On or before July 1, 2014, the board shall convene a stakeholder group consisting of members of the board, board enforcement staff, and representatives of the accounting profession and consumer representatives to consider whether the provisions of this article are consistent with the board's duty to protect the public consistent with Section 5000.1, and whether the provisions of this article satisfy the objectives of stakeholders of the accounting profession in this state, including consumers. The group, at its first meeting, shall adopt policies and procedures relative to how it will conduct its business, including, but not limited to, policies and procedures addressing periodic reporting of its findings to the board.

(f) On or before January 1, 2018, the board shall prepare a report to be provided to the relevant policy committees of the Legislature, the director, and the public, upon request, that, at minimum, explains in detail all of the following:

(1) How the board has implemented this article and whether implementation is complete.

(2) Whether this article is, in the opinion of the board, more, less, or equivalent in the protection it affords the public than its predecessor article.

(3) Describes how other state boards of accountancy have addressed referrals to those boards from the board, the timeframe in which those referrals were addressed, and the outcome of investigations conducted by those boards.

(g) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

NASBA Guiding Principles of Enforcement

The purpose of issuing these Guiding Principles is to promote consumer protection by promoting uniformly effective board enforcement and disclosure policies and practices nationally as a reinforcing compliment to mobility, which depends upon all states having confidence in the enforcement and disclosure policies and practices of the home state of the mobile licensee. While of course not binding on boards, these Guiding Principles are based on exhaustive, multi-year research into the enforcement and disclosure practices and policies of the boards of the 55 jurisdictions, and represent NASBA identifying common practices for boards to consider and, potentially, against which to measure themselves.

ENFORCEMENT

Board enforcement throughout the nation is largely complaint driven. How boards handle complaints is, therefore, foundational to how well its enforcement program works to benefit consumers.

What follows are the performance-based hallmarks of enforcement programs and Guiding Principles related to each. How fast are complaints addressed? How are complaints prioritized? How fast are urgent complaints addressed? What discipline is imposed? What is the quality of the resources available and the capacity of those resources? These are some of the key questions to be weighed when evaluating an enforcement program.

1. Time Frames for prosecuting a complaint from intake to final disposition

General Findings: State laws often dictate the manner in which boards prosecute cases, in some cases dictating the manner in which actions are handled. For example one board may have the authority to close a complaint without merit almost immediately based solely on the decision of the Executive Director, while another board may be required to hold the file open until a vote by the board at the next scheduled meeting.

When considering a new complaint, boards should first determine whether a complaint has legal merit and, if legal merit is found, whether the state board has jurisdictional nexus on the matter. If both these criteria are satisfied and the board determines to move forward with the enforcement matter, the board should then consider whether any discipline already issued by another agency, board, etc. was sufficient to address the violations or whether the harm justifies further enforcement action by the board.

An analysis of the various jurisdictions reveals useful benchmarks for the time frame of handling complaints. Set forth below are targeted time frames that boards should strive to meet, understanding there are instances where different time frames are appropriate in light of the legal and operational considerations (e.g. volume of complaints) that may justify different targets for certain boards.

- a. Decision to (i) close complaints for lack of legal merit or jurisdictional nexus or (ii) initiate an investigation
 - i. Target – 7 days after expiration of time period for responses with either receipt of all supporting document from parties or failure to respond, or at

- next scheduled board/complaint committee meeting
- b. Assignment of investigator
 - i. Target – 10 days from decision to initiate investigation
- c. Completion of investigation
 - i. Target – 180 days or less from initiation of investigation
- d. Formal Discipline at administrative level – final disposition
 - i. Target – 540 days or less from initiation of complaint
- e. Initiation of action (re-opening of complaint) or initiation of new complaint following probation violation
 - i. Target – 15 days or next scheduled board/complaint committee meeting

2. Enforcement resources to adequately staff investigations

General Findings: Both consumers and licensees have an interest in seeing complaints processed expeditiously, with a board enjoying adequate enforcement resources to ensure a fair and efficient process. Generally, the appropriate level of enforcement resources in a given jurisdiction is a function of the size of the jurisdiction’s licensee population, and the number and nature of complaints typically handled by that jurisdiction. A board with 70,000 licensees will need a much more robust investigative unit with more personnel, but a board with 1,500 licensees may be able to utilize board members with specialized knowledge to handle investigations. Overall, 33 jurisdictions have less than 10,000 licensees (“small” jurisdictions); 13 jurisdictions have 10,000-20,000 licensees (“mid-size”); and nine have more than 20,000 licensees (“large”).

- a. In determining adequate staffing resources a board should routinely evaluate staffing levels to ensure that the appropriate number of staff are assigned to the right positions and at the right time. A board should evaluate their respective program needs, taking into consideration workload projections and any new anticipated workload over the coming years (possibly as a result of law or rule changes). When evaluating staffing workload, a board should consider identified core tasks to complete investigations, general duration of time to complete the tasks, and the number of staff presently assigned to handle investigation. Based on this evaluation, a board should determine if any overages or shortages in workload exist and seek to align staffing resources accordingly.
- b. Factors that may warrant modification (up or down) to such ratios:
 - i. Ratio of administrative complaints to practice complaints – history of practice claims in a particular jurisdiction would warrant more investigators per licensee. Administrative complaints are typically less complicated and would include violations like failure to renew, failure to obtain CPE (“Administrative Complaints”). Practice complaints are generally more complex and would include violations such as failure to follow standards, failure to follow the code of conduct and actions involving dishonesty or fraud (“Practice Complaints”).
 - ii. Ratio of complaints involving firms with offices in multiple states versus smaller firms with local offices. The prevalence of complex cases, such as cases against the auditors in Enron and against big firms that involve

representation by outside law firms may require an increase in the ratio of investigators to licensees, to handle the added workload associated with periodic complex cases.

- c. Qualification and training of investigators
 - i. Large, mid-size and small accountancy boards should all seek to utilize CPAs, law enforcement, board staff, or other individuals with accounting or investigative training (such as the Investigator Training Series identified in Section 2 (c)(iii) below or the training offered by the Council on Licensure, Enforcement and Regulation (CLEAR)) as an investigator whenever possible;
 - ii. Encourage investigative staff to attend investigative training seminars such as those hosted by CLEAR;
 - iii. Encourage investigative staff to complete the Investigator Training Series on NASBA.org
 - iv. Boards should establish and follow a process for determining appropriate utilization of CPA investigators and/or CPA board members or staff and non-CPA investigators, which considers whether the case involves an Administrative Complaint or involves a Practice Complaint.
 - v. Boards should utilize subject matter experts for complex investigations involving highly technical areas and standards, such as ERISA, Yellow Book, cases involving complicated tax issues, and fraud.
 - 1. Work with NASBA to identify a means of obtaining the necessary resources if costs are prohibitive to boards
 - 2. Use NASBA pool of available expert witnesses, if needed, to address complex issues, such as those items referenced in subsection (v) above
 - 3. Referral to a board member with expertise that is case specific
 - a. In such cases, the Board member should recuse himself/herself from further participation in any formal disciplinary action in the specific matter
- d. Boards should be able to access funds in a timely manner to handle a case against a big firm, as a demand arises, either through an appropriation process, the board, the umbrella agency, or the prosecuting agency.

3. Case management

General Findings: The volume of complaints considered by a board will also have a bearing regarding case management for a particular board. For example, a board handling 3,000 complaints a year typically should have a system in place to prioritize those cases based upon the potential for harm, while a board receiving only 1-3 complaints will not need a prioritization system because each complaint can receive immediate attention. If the number of complaints received by board requires prioritization in order to adequately address all complaints and best allocate board resources to achieve maximum protection of the public, then such jurisdiction should identify cases for potential to cause greatest harm, or offenses that are indicators of problems that could lead to such harm and adopt procedures to manage Administrative Complaints by handling them in a manner similar to that outlined below in Section 3(a)

and Practice Complaints by handling them in a manner similar to that outlined below in Section 3(b).

- a. Administrative Complaints involving matters of licensing deficiencies such as, failure to timely renew or obtain CPE, improper firm names, other administrative matters and certain first-time misdemeanor offenses, generally pose a lesser threat to the public and as such may be processed as follows:
 - i. Attorney, Executive Director, and/or qualified staff review informal matters
 - ii. Cases can be closed based on voluntary compliance
 - iii. Informal conference may be scheduled to assist in reaching a settlement or if there is non-compliance with an agreed resolution
- b. Practice Complaints generally involving matters of incompetence, dishonesty, violation of any rule of professional ethics or professional conduct, failing to timely complete an engagement, failure to communicate, criminal convictions, breach of fiduciary duty or fraud or disclosing confidential information pose a greater threat to the public and as such are generally processed as follows:
 - i. Summary of investigation is reviewed by Attorney, Executive Director, appointed Board member, or Complaint Committee (depending upon board structure)
 - ii. Further investigation may be requested
 - iii. Information Conference may be scheduled to aid settlement
 - iv. Upon determination of a violation, corrective (remedial) or disciplinary action is taken (either by consent agreement or proceeding to formal hearing) upon approval of the Board
- c. Boards should review discipline from other agencies, such as the DOL, SEC, PCAOB, and AICPA, included in the NASBA Quarterly Enforcement Report to determine whether such discipline should give rise to disciplinary action by the Board.
- d. Boards should use a method of tracking probationary matters with assigned personnel (staff or investigator) to monitor compliance with probationary terms, such as follow up phone calls or other correspondence with licensee, requiring the licensee to appear in person at interviews/meetings as directed by the Board to report on probation compliance, submitting written quarterly compliance reports, and/or allowing a practice investigation upon request of the Board.

4. Disciplinary Guidelines

General Findings: Boards of accountancy are charged with protecting consumers by regulating the profession and disciplining licensees who fail to comply with the professional standards. Another goal of the disciplinary process is to increase adherence to licensing requirements and professional standards, thereby elevating the quality of services provided by the profession. Boards have the authority to impose discipline to revoke, suspend, condition, or refuse to renew a license or certificate for violation of rules and regulations or statutes of the accountancy law. Boards should strive to impose fair and consistent discipline against licensees who violate the accountancy laws or rules. These guidelines recommend penalties and conditions of probation for specific statutes and rules violated, as well as aggravating and mitigating circumstances that may necessitate deviation from the recommended discipline. The disciplinary guidelines are to be used by Board members, Board staff, and others involved in the disciplinary process. Boards may exercise discretion in recommending penalties, including conditions of probation, as warranted by aggravating and mitigating circumstances.

- a. The disciplinary process for boards of accountancy should consider offenses and their appropriate penalties, including the following major categories of offenses. Each determination should be fact specific and penalties may be escalated, reduced or combined depending on the Boards' consideration of the relevant mitigating and aggravating factors.
 - i. Grounds for Revocation
 1. Revocation of a license/permit by another agency or Board
 2. Failure to inform the Board of a failed peer review
 3. Fraud or deceit in obtaining a license
 4. Conviction of any crime substantially related to the qualifications, functions, or duties of a CPA (involving dishonesty or fraud)
 5. Dishonesty, fraud, or gross negligence in the practice of public accounting
 6. Commission of a felony
 - ii. Grounds for Suspension/Probation
 1. Failure to comply with board order
 2. Failure to meet firm ownership requirements
 3. Failure of a peer review
 - iii. Grounds for Monetary Fine/Penalty
 1. Unlicensed conduct
 2. Failure to comply with professional standards or code of conduct
 3. Failure to renew
 4. Failure to timely complete CPE or peer review
 - iv. Grounds for Remediation
 1. Failure to comply with professional standards
 2. Issues regarding client records/ownership of work papers
 3. Issues regarding confidential disclosures
 4. Unlicensed conduct due to inadvertence (i.e., mobility, multiple designations, foreign accountants, etc.)
 5. Misleading name, title, or designation
- b. Boards may adopt specific factors to consider in assessing penalties, such as:
 - i. Permissible sanctions available to the Board, including those sanctions set forth in Section 4(a) above
 - ii. Mitigating or aggravating factors (described in detail below)
 - iii. Past disciplinary history or "trends" in licensee's behavior involving this Board or other agencies such as SEC, IRS, PCAOB and societies
 - iv. Likelihood of repeating the behavior
 - v. Potential for future public harm
 - vi. Potential for licensee's rehabilitation
 - vii. Extent of damages or injury due to licensee's behavior
 - viii. Board sanctions with similar misconduct in other cases
 - ix. Other enforcement actions or legal actions against licensee involving the conduct which is the subject of the current case (and impact of those actions/sanctions upon licensee)
 - x. Whether action was a clear violation or was an area of law/rule subject to

- interpretation
- xi. Whether the individual or firm has already been sanctioned for the action by another state, PCAOB the SEC, or other enforcement body, and whether the enforcement body imposed sanctions consistent with sanctions the board would typically impose under the circumstances.
- c. Boards may consider the following mitigating factors in assessing penalties:
 - i. Passage of time without evidence of other professional misconduct
 - ii. Convincing proof of rehabilitation
 - iii. Violation was without monetary loss to consumers and/or restitution was made
 - iv. If multiple licensees are involved in the violation, the relative degree of culpability of the subject licensee should be considered
 - d. Boards may consider the following aggravating factors in assessing penalties:
 - i. Failure to cooperate with Board in investigation of complaint and/or disciplinary process (providing requested documentation, timely responses, participating in informal conference)
 - ii. Violation is willful, knowingly committed and/or premeditated
 - iii. Case involved numerous violations of Board’s statutes and rules, as well as federal or other state statutes
 - iv. History of prior discipline, particularly where prior discipline is for same or similar conduct
 - v. Violation results in substantial harm to client, employer and/or public
 - vi. Evidence that licensee took advantage of his client for personal gain, especially if advantage was due to ignorance, age or lack of sophistication of the client

5. Internet Disclosure

General Findings: The goal is to allow market forces to elevate the profession by directing consumers away from licensees with troubled records and toward those who have adhered to professional standards. Thus, the disclosures must be of sufficient detail for consumers to be able to make informed judgments about whether discipline poses a risk to them or is indicative of a prior problem relevant to why they are retaining the CPA.

Finally, internet disclosure has two other beneficial consequences. One, it elicits confidence in the board’s operations. If a consumer found out that the board had secreted information from the public about a CPA that hurt the consumer, that consumer would not view the board as its champion. Likewise, as enforcement is the major duty of the board, disclosure of enforcement promotes transparency and accountability about the performance of an important state government agency.

Internet disclosures should for these reasons provide easy access by consumers to the disciplinary history, if any, of a CPA offering services to the consumer. States will vary in the documents that may be accessed by the public online, but at a minimum, states should provide sufficient information that a consumer can readily determine if any regulatory “red flags” exist that warrant further investigation by the consumer.

- a. Boards should participate in the ALD and CPAVerify
 - i. Boards should strive to provide final disciplinary action to ALD/CPA Verify for notation in the database

- ii. Boards should strive to provide information necessary for “hashing” licensee records across jurisdictions to the ALD to assist transparency and cross-border discipline
- b. Boards should publish final disciplinary action by the Board through a web site, newsletter or other available media, either with specific information regarding the facts that caused the board to impose discipline including, but not limited to, a board considering posting official documents that would be public records if requested by a consumer, or sufficient information to allow the consumer to contact the Board for particular details.
- c. Boards should capture “discipline under mobility” violation in CPAverify licensee record indicating the state where discipline was issued, with sufficient information to allow the consumer to contact the disciplining board to investigate the activity that resulted in discipline.

** These Guiding Principles are intended for use as a reference by NASBA Member Boards and staff only. Due to the unique structure of each Board of Accountancy, the enforcement process will be conducted differently in each jurisdiction. It is the reader's responsibility to learn state specific procedures, bearing in mind that each jurisdiction has different statutes, rules and case law which frequently change the ways that Accountancy Boards conduct enforcement. Only the current version of the document will be available for use.*

The following information is provided by the National Association of State Boards of Accountancy (NASBA) to serve as its basis for determining which states' enforcement practices are substantially equivalent to its Enforcement Guidelines.

GUIDING PRINCIPLES OF ENFORCEMENT

OBJECTIVES FOR SUBSTANTIAL EQUIVALENCY EVALUATION

The CBA, MSG, and NASBA recognize that the enforcement process of each jurisdiction will vary based on many factors that are specific to the particular board, such as number of licensees, number of complaints/cases, authority vested in the board, delegation of certain phases of enforcement to other agencies, and interaction with an umbrella agency. As such, it is a disservice to this project to attempt to conform the review of an enforcement process to an objective checklist which does not allow one to consider the uniqueness of a specific enforcement process and its ability to meet the needs of the particular board. The term "substantial equivalency" implies that the review is not a checklist of specific data points, but rather an analysis that allows various methods of satisfying the over-reaching objectives of the project. Therefore, the review to determine whether a board's enforcement process is substantially equivalent to the Guiding Principles of Enforcement must be a subjective analysis of each jurisdiction's statutes, rules, and practices to inquire whether those elements create an enforcement process that reflects the comprehensive objectives of the Guiding Principles as described below.

The development of the Guiding Principles of Enforcement was a key element in assisting the California Board in meeting its legislative mandate pursuant to 5096.21, as well as a significant advance in cross-border accountancy regulation. The Guiding Principles identify the characteristics of an active and effective enforcement process, thereby enabling all state Boards to have confidence that other jurisdictions have a proactive culture of enforcement which successfully regulates the profession and protects the public consumer. In the environment of CPA mobility, Boards who are allowing CPAs licensed in other jurisdictions to provide services to their consumers through mobility have a vested interest in ensuring that the enforcement practices of other jurisdictions meet or exceed the objectives of the Guiding Principles. Consumer protection and disclosure of disciplinary data were important aspects of the development of the Guiding Principles, and Boards have used these Guiding Principles to review and in certain cases enhance their enforcement practices and policies."

1. Time Frames for Prosecuting a Complaint from Intake to Final Disposition

The structure and authority of boards of accountancy vary greatly across the country. Some boards are empowered to close or dismiss a matter without board vote while others would be required to hold the complaint open until a vote at the next board meeting. Some boards do not perform their own investigation of a complaint, but rather are required to send the complaint to an investigative unit within an umbrella agency, in which case it is beyond the authority of the board to regulate the speed of investigation, available investigative personnel, assignment of files, etc. The Guiding Principles set forth

benchmarks the help facilitate the speedy handling of complaints. Regardless of the timing of individual steps throughout the process (perhaps a board takes longer than the benchmark of 10 days to assign an investigator but completes investigations in less than the benchmark of 180 days), the ultimate objective of this principle is that (1) matters will be resolved in 540 days or less from the initiation of the complaint. Parties recognize that matters which are pending before other agencies or involved in civil litigation, or complex matters involving large firms or multiple parties may still fall outside this goal of 540 days due to the circumstances of the particular case.

2. Enforcement Resources to Adequately Staff Investigations

Boards typically either have one or more investigators dedicated to the board, utilize an investigator from an investigative pool provided by an umbrella agency, or utilize board staff or personnel to investigate complaints. Any of these methods may provide adequate resources to investigate complaints in a timely and knowledgeable manner. (1) As a measurement, if a board is able to meet the 540 day disposition benchmark in Principle #1, then the board is adequately staffed with sufficient personnel to timely conduct the investigations. Otherwise, the investigation process would bottleneck the disposition of cases. (2) Regarding qualification and training of investigators, those boards utilizing a designated investigator or personnel from an investigative pool would have sufficient investigative training to satisfy their particular board. Likewise, this principle can be satisfied by the performance of investigations by board members who can additionally provide particular subject matter expertise. (3) Boards should have access (through use of board members, contract hire, or other means) to subject matter experts to advise or testify as needed. (4) Boards should be able to access funds in order to prosecute a case against a big firm.

3. Case Management

The primary goal of this Principle is to determine that the board has (1) a case management process in place which allows staff to handle those complaints that can be dealt with administratively, if the Board is authorized to do so, and creates a process for efficient management of practice complaints through investigation, settlement, disciplinary hearings, etc. Again, the time management goal of 540 days in Principle #1 is an indicator that a board's case management system is meeting this criteria. (2) In addition, the case management process should also allow the board to prioritize those cases with the greatest potential for harm, if prioritization is required due to larger caseloads. (3) Boards should also consider discipline from other agencies as a basis for possible discipline by the board. (4) If probation is utilized, then the terms of the probation agreement should be monitored.

4. Disciplinary Guidelines

The disciplinary process of each board should consider offenses and appropriate penalties. (1) Boards may have written disciplinary guidelines and/or may utilize historical knowledge of the disciplinary history of the board to ensure consistency in disciplinary decisions. (2) Penalties may be escalated, reduced, or combined with other penalties or remedial measures depending on the board's

consideration of relevant mitigating or aggravating factors. Penalties can include revocation, suspension/probation, monetary fine/penalty, and remediation.

5. Internet Disclosures

The goal of internet disclosures is to provide sufficient information to allow the public to make an informed decision regarding the employment of a specific CPA. Consumers should be able to ascertain whether or not a CPA has an active license and whether the CPA has been disciplined by a particular board of accountancy. Because public records laws vary among jurisdictions, states should be least provide sufficient information that a consumer can readily determine if any regulatory “flags” exist that warrant further investigation by the consumer. This Principle can be satisfied by (1) disciplinary data being reflected on the board’s web site or (2) by the board providing disciplinary flags to be displayed in CPAverify.

GUIDING PRINCIPLES EVALUATION - as of 8/10/16

JURISDICTION	SE	SE w/o DISC FLAG	UNDETERMINED
Alabama		X	
Alaska	X		
Arizona	X		
Arkansas	X		
California	X		
Colorado	X		
Connecticut	X		
CNMI		X	
Delaware	X		
D.C.	X		
Florida	X		
Georgia	X		
Guam	X		
Hawaii	X		
Idaho	X		
Illinois	X		
Indiana	X		
Iowa	X		
Kansas	X		
Kentucky	X		
Louisiana	X		
Maine	X		
Maryland		X	
Mass.	X		
Michigan	X		
Minnesota	X		
Mississippi		X	
Missouri	X		
Montana	X		
Nebraska	X		
Nevada	X		
New Hampshire		X	
New Jersey	X		
New Mexico	X		
New York	X		
North Carolina	X		
North Dakota	X		
Ohio	X		
Oklahoma	X		
Oregon	X		
Pennsylvania	X		
Puerto Rico			X

Rhode Island	X		
South Carolina		X	
South Dakota		X	
Tennessee		X	
Texas	X		
Utah			X
Vermont	X		
Virgin Islands			X
Virginia		X	
Washington	X		
West Virginia	X		
Wisconsin	X		
Wyoming	X		
	43	9	3



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MSG Item V.
September 15, 2016

CBA Item VIII.C.5.
September 15-16, 2016

Discussion and Possible Action Regarding Next Steps for Making Determinations Pursuant to Business and Professions Code Section 5096.21(a)-(b)

Presented by: Nooshin Movassaghi, Legislative Analyst

Purpose of the Item

The purpose of this agenda item is to allow the California Board of Accountancy (CBA) the opportunity to discuss the next steps for making determinations pursuant to Business and Professions Code (BPC) section 5096.21(a)-(b).

Consumer Protection Objectives

The findings required by BPC section 5096.21(a)-(b) will be used by the CBA to determine whether allowing licensees of certain states to continue practicing under a no notice, no fee practice privilege fulfills the responsibility of the CBA to protect consumers.

Action(s) Needed

No specific action is required on this agenda item.

Background

BPC section 5096.21(a) requires the CBA to determine on and after January 1, 2016, whether allowing individuals from a particular state to practice in California pursuant to a practice privilege violates its duty to protect the public.

A state may be allowed to remain under the no notice, no fee practice privilege program under BPC 5096.21(c) if the following four statutory conditions are met:

1. The National Association of State Boards of Accountancy (NASBA) adopts enforcement best practices guidelines.
2. The CBA issues a finding that those practices meet or exceed the CBA's own enforcement practices.
3. A state has in place, and is operating pursuant to, enforcement practices substantially equivalent to the best practices guidelines.
4. Disciplinary history of a state's licensees is publicly available through the Internet in a manner that allows the CBA to link consumers to a website. The information available must be at least equal to the information that was previously available to consumers through the practice privilege from that was used in the CBA's notice and fee practice privilege program.

Discussion and Possible Action Regarding Next Steps for Making Determinations Pursuant to Business and Professions Code Section 5096.21(a)-(b)

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At the CBA's July 2015 meeting, NASBA was selected to assist with the evaluation process of comparing the states' enforcement practices to determine if they are substantially equivalent to NASBA's Guiding Principles of Enforcement.

Since January 2016, NASBA has continued to provide the CBA with a list of states that are substantially equivalent to NASBA's Guiding Principles of Enforcement. At its July 2016 meeting, the CBA determined that the 36 states already identified by NASBA were substantially equivalent.

Comments

As of August 10, 2016 NASBA has now identified 43 states as substantially equivalent to its Guiding Principles of Enforcement. The CBA will have the opportunity to make determinations on the seven states identified by NASBA to be substantially equivalent since the CBA's July 2016 meeting during **CBA Agenda Item VIII.C.4**.

There are nine states identified as substantially equivalent but with no disciplinary flag on the Internet, and only three jurisdictions remain undetermined. Only those states not found substantially equivalent to the NASBA Guiding Principles of Enforcement will need to undergo the second phase of the evaluation of other states' enforcement programs; however, even these states can still be deemed substantially equivalent at a later time should their status change.

Phase two requires the CBA to make determinations as to whether allowing licensees of a particular state to practice in California under a no notice, no fee practice privilege violates its duty to protect the public. If this determination shows the public is at risk, the licensees of those particular states would, following a rulemaking by the CBA, revert back to using the prior practice privilege program with its notice and fee provisions. In making the determinations, the CBA is required to consider three factors as follows:

- Whether the state timely and adequately addresses enforcement referrals made by the CBA to the accountancy regulatory board of that state, or otherwise fails to respond to requests the board deems necessary to meet its obligations under this article.
- Whether the state makes the disciplinary history of its licensees publicly available through the Internet in a manner that allows the board to adequately link consumers to an Internet website to obtain information that was previously made available to consumers about individuals from the state prior to January 1, 2013, through the notification form.
- Whether the state imposes discipline against licensees that is appropriate in light of the nature of the alleged misconduct.

Nine of the 12 states will qualify as substantially equivalent to the NASBA Guiding Principles of Enforcement once they post disciplinary flags on the Internet.

Discussion and Possible Action Regarding Next Steps for Making Determinations Pursuant to Business and Professions Code Section 5096.21(a)-(b)

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That leaves three remaining states, Puerto Rico, United States Virgin Islands, and Utah, to potentially enter phase two. This is far fewer states than was anticipated when the timeline for this project was established, and the time needed for phase two will not be as long.

NASBA will continue to work with the nine states to get a disciplinary flag posted on the Internet as soon as possible, and it will be working with the three undetermined states to determine their substantial equivalency as well. Staff will continue working closely with NASBA on these efforts and will bring any updated information to the CBA when it becomes available. With the shorter than anticipated timeline needed for phase two, the CBA may wish to defer any discussion and possible action on phase two to the CBA's January 2017 meeting in order to provide NASBA with additional time to establish the substantial equivalency of the remaining states.

At the CBA's July 2016 meeting, staff was asked to provide the MSG the disciplinary history information under the prior practice privilege program. This information was provided to the CBA at its September 2015 meeting (**Attachment**).

Fiscal/Economic Impact Considerations

There are no fiscal/economic impact considerations.

Recommendation

Staff recommend the MSG defers until its January 2017 meeting further discussion and possible action on phase two of the evaluation of other states' enforcement programs.

Attachment

CBA Agenda Item VIII.C.4. from September 2015 meeting



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MSG Item IV.
September 17, 2015

CBA Item VIII.C.4.
September 17-18, 2015

Discussion Regarding the Amount of Disciplinary History Information to be Available on the Internet in Order to Meet Business and Professions Code Section 5096.21(c)(4)

Presented by: Matthew Stanley, Information and Planning Officer

Purpose of the Item

The purpose of this agenda item is to provide the California Board of Accountancy (CBA) with information regarding the amount of information that must be posted on the Internet in order for a state to satisfy the requirement of Business and Professions Code (BPC) section 5096.21(c)(4) (**Attachment 1**).

Action(s) Needed

No specific action is required on this agenda item.

Background

BPC section 5096.21(a) requires the CBA to determine, on and after January 1, 2016, whether allowing individuals from a particular state to practice in California pursuant to a practice privilege violates its duty to protect the public. Alternatively, a state may be allowed to remain under the no notice, no fee practice privilege program under BPC 5096.21(c) if the following four statutory conditions are met:

1. The National Association of State Boards of Accountancy (NASBA) adopts enforcement best practices guidelines.
2. The CBA issues a finding that those practices meet or exceed the CBA's own enforcement practices.
3. A state has in place, and is operating pursuant to, enforcement practices substantially equivalent to the best practices guidelines.
4. Disciplinary history of a state's licensees is publicly available through the Internet in a manner that allows the CBA to link consumers to a website. The information available must be at least equal to the information that was previously available to consumers through the practice privilege form that was used in the CBA's notice and fee practice privilege program.

Discussion Regarding the Amount of Disciplinary History Information to be Available on the Internet in Order to Meet Business and Professions Code Section 5096.21(c)(4)

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The first condition was fulfilled when NASBA released its final Enforcement Guidelines in May 2015.

The second condition was fulfilled when the CBA issued a finding that those practices met the CBA's own enforcement practices at its May 28-29, 2015 meeting.

Fulfillment of the third condition is underway. At its July 22-23, 2015 meeting, the CBA selected NASBA to assist in comparing whether a state's enforcement practices are substantially equivalent to NASBA's Enforcement Guidelines.

With this agenda item, the CBA will gain a better understanding of the fourth condition in which the Legislature requires a minimum level of disciplinary history for state's licensees to be publicly available through the Internet. While a state may be deemed substantially equivalent to the NASBA Enforcement Guidelines, it must also satisfy this condition outlined in law to remain under the no notice, no fee practice privilege program.

At its July 2015 meeting, the CBA requested this agenda item to be brought to provide it with an opportunity to decide the level of information required to be posted on the Internet and how that information should be displayed. During the development of the agenda item, NASBA raised a legal question regarding whether the CBA had the legal authority to set the required disciplinary level higher than that established in BPC section 5096.21(c)(4). After consulting with Department of Consumer Affairs' legal counsel, it was determined that the Legislature had already established the minimum amount of information required in the law.

Comments

BPC section 5096.21(c)(4) requires information to be publicly available in a manner that allows the CBA to link the consumer to an Internet website to obtain information that is at least equal to the information that was previously available on the California practice privilege form (**Attachment 2**). The form required a licensee to disclose whether or not they have had a license, registration, permit or authority to practice a profession surrendered, denied, suspended, revoked, or otherwise disciplined or sanctioned except for the following occurrences:

- (1) an action by a state board of accountancy in which the only sanction was a requirement that the individual complete specified continuing education courses.
- (2) the revocation of a license or other authority to practice public accountancy, other than the license upon which the practice privilege is based, solely because of failure to complete continuing education or failure to renew.

If a person indicated that they had a license surrendered, denied, suspended, revoked, or otherwise disciplined or sanctioned, the form required that additional information be provided through an attachment on which the person self-reported explanatory details.

Discussion Regarding the Amount of Disciplinary History Information to be Available on the Internet in Order to Meet Business and Professions Code Section 5096.21(c)(4)

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The CBA would use whatever information the applicant provided as a starting point for conducting its own investigation. If circumstances warranted action, the CBA would revoke the practice privilege and post a flag on its website indicating the disciplinary action. Because the explanatory details provided by applicants could vary from person to person, the information that was consistently previously available through the practice privilege form was the indicator, or flag, that previous disciplinary action had been taken. Therefore, it appears this is the level of information that the Legislature is requiring to be publically made available through the Internet.

Staff performed research to identify Internet resources that make a flag for disciplinary history publicly available. To assist members, staff have provided an overview of the research (**Attachment 3**), which includes a review of how the CBA, CPAverify, and individual state websites display disciplinary history through the Internet. It is possible that some states may have laws that limit a board's ability to publicly display certain information.

Staff have also prepared preliminary findings regarding which states flag disciplinary history for their licensees on the Internet (**Attachment 4**). For those states where disciplinary history cannot be found by staff, it is expected that NASBA will work with those states to determine if such information is, or can be made, available on the Internet.

In order to best protect the consumers, the law appears to require that the disciplinary flag be available on the Internet in a manner that allows the public to check on any licensee in the country. Therefore, it would appear that having this disciplinary flag available on CPAverify or on another state board of accountancy website would be the appropriate location. However, another interpretation was put forward at the Mobility Stakeholders Group's July 2015 meeting that only those who are lawfully practicing in California under a practice privilege, and who have turned in a pre-notification form, need to be flagged for disciplinary history, and this flag could be on the CBA's own website.

Next Steps

Absent other direction by the CBA, it is presumed NASBA will use the interpretations outlined in this agenda item as it begins reviewing states for substantial equivalency to the NASBA Guiding Principles of Enforcement, and NASBA will work with each state to determine if disciplinary history information is, or can be made, available on the Internet.

Fiscal/Economic Impact Considerations

There are no fiscal/economic impact considerations.

Recommendation

Staff does not have a recommendation on this agenda item.

Discussion Regarding the Amount of Disciplinary History Information to be Available on the Internet in Order to Meet Business and Professions Code Section 5096.21(c)(4)

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Attachments

1. BPC section 5096.21
2. Prior Practice Privilege Form
3. An Overview of How Disciplinary History is Available on the Internet
4. Preliminary Findings Regarding Which States Flag Disciplinary History

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**Attachment 1****Business and Professions Code Section 5096.21****5096.21**

(a) On and after January 1, 2016, if the board determines, through a majority vote of the board at a regularly scheduled meeting, that allowing individuals from a particular state to practice in this state pursuant to a practice privilege as described in Section 5096, violates the board's duty to protect the public, pursuant to Section 5000.1, the board shall require, by regulation, out-of-state individuals licensed from that state, as a condition to exercising a practice privilege in this state, to file the notification form and pay the applicable fees as required by former Section 5096, as added by Chapter 921 of the Statutes of 2004, and regulations adopted thereunder.

(b) The board shall, at minimum, consider the following factors in making the determination required by subdivision (a):

(1) Whether the state timely and adequately addresses enforcement referrals made by the board to the accountancy regulatory board of that state, or otherwise fails to respond to requests the board deems necessary to meet its obligations under this article.

(2) Whether the state makes the disciplinary history of its licensees publicly available through the Internet in a manner that allows the board to adequately link consumers to an Internet Web site to obtain information that was previously made available to consumers about individuals from the state prior to January 1, 2013, through the notification form.

(3) Whether the state imposes discipline against licensees that is appropriate in light of the nature of the alleged misconduct.

(c) Notwithstanding subdivision (a), if (1) the National Association of State Boards of Accountancy (NASBA) adopts enforcement best practices guidelines, (2) the board, upon a majority vote at a regularly scheduled board meeting, issues a finding after a public hearing that those practices meet or exceed the board's own enforcement practices, (3) a state has in place and is operating pursuant to enforcement practices substantially equivalent to the best practices guidelines, and (4) disciplinary history of a state's licensees is publicly available through the Internet in a manner that allows the board to link consumers to an Internet Web site to obtain information at least equal to the information that was previously available to consumers through the practice privilege form filed by out-of-state licensees pursuant to former Section 5096, as added by Chapter 921 of the Statutes of 2004, no practice privilege form shall be required to be filed by any licensee of that state as required by subdivision (a), nor shall the board be required to report on that state to the Legislature as required by subdivision (d).

(d) (1) The board shall report to the relevant policy committees of the Legislature, the director, and the public, upon request, preliminary determinations made pursuant to this section no later than July 1, 2015. The board shall, prior to January 1, 2016, and

thereafter as it deems appropriate, review its determinations made pursuant to subdivision (b) to ensure that it is in compliance with this section.

(2) This subdivision shall become inoperative on July 1, 2017, pursuant to Section 10231.5 of the Government Code.

(e) On or before July 1, 2014, the board shall convene a stakeholder group consisting of members of the board, board enforcement staff, and representatives of the accounting profession and consumer representatives to consider whether the provisions of this article are consistent with the board's duty to protect the public consistent with Section 5000.1, and whether the provisions of this article satisfy the objectives of stakeholders of the accounting profession in this state, including consumers. The group, at its first meeting, shall adopt policies and procedures relative to how it will conduct its business, including, but not limited to, policies and procedures addressing periodic reporting of its findings to the board.

(f) On or before January 1, 2018, the board shall prepare a report to be provided to the relevant policy committees of the Legislature, the director, and the public, upon request, that, at minimum, explains in detail all of the following:

(1) How the board has implemented this article and whether implementation is complete.

(2) Whether this article is, in the opinion of the board, more, less, or equivalent in the protection it affords the public than its predecessor article.

(3) Describes how other state boards of accountancy have addressed referrals to those boards from the board, the timeframe in which those referrals were addressed, and the outcome of investigations conducted by those boards.

(g) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.



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**NOTIFICATION AND AGREEMENT TO CONDITIONS FOR THE PRIVILEGE TO
 PRACTICE PUBLIC ACCOUNTING IN CALIFORNIA PURSUANT TO CALIFORNIA BUSINESS AND
 PROFESSIONS CODE SECTION 5096 AND TITLE 16, DIVISION 1, ARTICLE 4 OF THE
 CALIFORNIA CODE OF REGULATIONS**

Attachment 2

CONTACT INFORMATION

Individual Information

Name: _____ Prior Name(s): _____

Date of Birth: ____ / ____ / ____ Social Security Number: _____

Daytime Direct Telephone Number: _____ E-mail Address: _____
 (optional)

Certified Public Accounting Firm Information

*Complete the Certified Public Accounting Firm Information **ONLY** if the certified public accounting firm name you are associated with is different from the individual name above.*

Certified Public Accounting Firm Name: _____

Firm Address: _____

Firm Main Telephone Number: _____ Fax Number: _____ Firm Taxpayer ID Number: _____

Include additional certified public accounting firms you are associated with on Attachment 2, if necessary.

Other Contact Information

Address of Record (mailing address: fill out only if different from firm address or if no firm address is listed above): _____

QUALIFICATION REQUIREMENTS

I state as follows:

1. I am an individual.
2. a. My principal place of business is not in California; **OR**
 b. I have a pending application for licensure in California under Sections 5087 and 5088.
3. I qualify for a practice privilege based on my current, valid license to practice public accountancy in the following state:

State: _____ License Number: _____ Date Originally Issued: _____ Expiration Date: _____
 11P-1 (1/12)

4. a. The license identified in Item 3 is deemed substantially equivalent by the California Board of Accountancy; **OR**
- b. My individual qualifications have been determined by the National Association of State Boards of Accountancy (NASBA) to be substantially equivalent (NASBA file no. _____); **OR**
- c. I have continually practiced public accountancy as a certified public accountant under a valid license issued by any state for four of the last 10 years.
5. a. I am submitting this notice to the CBA at or before the time I begin the practice of public accountancy in California; **OR**
- b. I am submitting this notice after I began the practice of public accountancy in California on ___/___/____. My reason(s) for not providing notice on or before that date is (are) provided below. (The safe harbor provision is referenced in Section 5096.14 of the California Business and Professions Code.)
-
-
6. I have met the continuing education requirements and any exam requirements for the state of licensure identified in Item 3.

I consent and agree to the following:

7. To comply with the laws of the state of California, including the California Accountancy Act (Business and Professions Code Section 5000 et seq., accessible at http://www.dca.ca.gov/cba/acnt_act.htm) and the regulations thereunder (accessible at <http://www.dca.ca.gov/cba/regs.htm>).
8. To the personal and subject matter jurisdiction of the CBA including, but not limited to, the following:
- a. To suspend, without prior notice or hearing and in the sole discretion of the CBA or its representatives, the privilege to practice public accounting;
 - b. To impose discipline for any violation of the California Accountancy Act or regulations thereunder and recover costs for investigation and prosecution; and
 - c. To provide information relating to a practice privilege and/or refer any additional and further discipline to the board of accountancy of any other state and/or the Securities and Exchange Commission (SEC), the Public Company Accounting Oversight Board (PCAOB) or other relevant regulatory authorities.
9. To respond fully and completely to all inquiries by the CBA relating to my California practice privilege, including after the expiration of this privilege.
10. To the authority of the CBA to verify the accuracy and truthfulness of the information provided in this notification. I consent to the release of all information relevant to the CBA's inquiries now or in the future by:
- a. Contacting other state agencies;
 - b. Contacting the SEC, PCAOB or any other federal agency before which I am authorized to practice; and
 - c. Contacting NASBA.
11. In the event that any of the information in this notice changes, to provide the CBA written notice of any such change within 30 days of its occurrence.
12. To submit any applicable fees timely.

AUTHORITY TO SIGN ATTEST REPORTS

Choose **ONE** of the following options:

- I WISH** to be able to sign an attest report under this practice privilege, and I have at least 500 hours of experience in attest services. By checking this box, I agree to pay within 30 days of submission of this Notification Form, the \$100 Notification Fee which includes authorization to sign attest reports.

OR

- I DO NOT WISH** to be able to sign an attest report under this practice privilege. Under this choice, I may participate in attest engagements but may not sign an attest report. By checking this box, I agree to pay the \$50 Notification Fee, due within 30 days of submission of this Notification Form.

DISQUALIFYING CONDITIONS

Please respond to the following items. For any items checked "Yes" in (A) – (G), you must provide additional information as requested in Attachment 1, and you are not authorized to practice in California unless and until you receive notice from the CBA that the privilege has been granted.

Please check "Yes" for any items even if they were previously reviewed and cleared by the Board in a past California Practice Privilege. To expedite the review process, please include the details of all disqualifying conditions, including those previously reported in the additional information you provide.

- | | | | |
|--------------------------|--------------------------|----|---|
| Y | N | A. | I have been convicted of a crime other than a minor traffic violation. |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| Y | N | B. | I have had a license, registration, permit or authority to practice a profession surrendered, denied, suspended, revoked, or otherwise disciplined or sanctioned except for the following occurrences: |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | (1) an action by a state board of accountancy in which the only sanction was a requirement that the individual complete specified continuing education courses. |
| | | | (2) the revocation of a license or other authority to practice public accountancy, other than the license upon which the practice privilege is based, solely because of failure to complete continuing education or failure to renew. |
| Y | N | C. | I am currently the subject of an investigation, inquiry or proceeding by or before a state, federal, or local court or agency (including the PCAOB) involving my professional conduct. |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| Y | N | D. | I have an unresolved administrative suspension or an unpaid fine related to a prior California Practice Privilege. |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| Y | N | E. | I did not respond to a request for information from the CBA related to a prior California Practice Privilege. |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| Y | N | F. | I have been notified by the CBA that prior Board approval is required before practice under a new California Practice Privilege may commence. |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| Y | N | G. | I have had a judgment or arbitration award against me involving my professional conduct in the amount of \$30,000 or greater. |
| <input type="checkbox"/> | <input type="checkbox"/> | | |

REQUIRED ADDITIONAL INFORMATION

I currently hold a California Practice Privilege. Yes No

Expiration date: _____ Unique Identifier: _____

I have held a California CPA/PA license. Yes No License number: _____

In addition to the state of licensure identified in Item 3, I also am authorized to practice public accountancy in the following:

State: _____ License Number: _____

State: _____ License Number: _____

Include additional licenses on Attachment 2, if necessary.

An answer of "No" to any of the following statements does not disqualify you from a California Practice Privilege.

I am an associated person of a firm registered with the PCAOB. Yes No

My firm has undergone peer review within the last three years. Yes No

The state of licensure identified in Item 3 requires CE in fraud detection. Yes No
If yes, I have fulfilled this requirement. Yes No

I, _____, understand that any misrepresentation or omission in connection with this notification disqualifies me from the California Practice Privilege and is cause for termination. Further I authorize the California Board of Accountancy to act accordingly, including notifying other state or federal authorities. I certify under penalty of perjury under the laws of the state of California that the foregoing information is true and correct.

Signature: _____ Date: _____

Unless you have checked "Y" to any items under Disqualifying Conditions, your privilege to practice commences with the submission of your properly completed notification. Your fee must be received within 30 days. Your privilege expires one year from the date of submission of this notification.



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ATTACHMENT 1

Name: _____
Last First MI

1. If you checked "Yes" to any of items A – G under Disqualifying Conditions, please provide explanatory details:

2. If you checked "Yes" to Item G under Disqualifying Conditions, please also provide:

Date of Judgment/
Arbitration Award: _____ Jurisdiction/Court: _____ Docket No: _____

PERSONAL INFORMATION COLLECTION AND ACCESS: The information provided in this form will be used by the California Board of Accountancy to determine whether you qualify for practice privilege in California. Sections 5096 through 5096.15 of the California Business and Professions Code authorize the collection of this information. Failure to provide any of the required information is ground for rejection of the form as being incomplete. Information provided may be transferred to the Department of Justice, a District Attorney, a City Attorney, or to another government agency as may be necessary to permit the CBA, or the transferee agency, to perform its statutory or constitutional duties, or otherwise transferred or disclosed as provided in California Civil Code Section 1798.24. Each individual has the right to review his or her file, except as otherwise provided by the California Information Practices Act. Certain information provided may be disclosed to a member of the public, upon request, under the California Public Records Act. The Executive Officer of the California Board of Accountancy is responsible for maintaining the information in this form, and may be contacted at 2000 Evergreen Street, Suite 250, Sacramento, CA 95815, telephone number (916) 263-3680, regarding questions about this notice or access to records.



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ATTACHMENT 2

Name: Last First MI

Certified Public Accounting Firm Information

Certified Public Accounting Firm Name:

Firm Address:

Firm Main Telephone Number: Fax Number: Firm Taxpayer ID Number:

Certified Public Accounting Firm Name:

Firm Address:

Firm Main Telephone Number: Fax Number: Firm Taxpayer ID Number:

In addition to the state of licensure identified in Item 3, I am also authorized to practice public accountancy in the following:

State: License Number:

PERSONAL INFORMATION COLLECTION AND ACCESS: The information provided in this form will be used by the California Board of Accountancy to determine whether you qualify for practice privilege in California. Sections 5096 through 5096.15 of the California Business and Professions Code authorize the collection of this information. Failure to provide any of the required information is ground for rejection of the form as being incomplete. Information provided may be transferred to the Department of Justice, a District Attorney, a City Attorney, or to another government agency as may be necessary to permit the CBA, or the transferee agency, to perform its statutory or constitutional duties, or otherwise transferred or disclosed as provided in California Civil Code Section 1798.24. Each individual has the right to review his or her file, except as otherwise provided by the California Information Practices Act. Certain information provided may be disclosed to a member of the public, upon request, under the California Public Records Act. The Executive Officer of the California Board of Accountancy is responsible for maintaining the information in this form, and may be contacted at 2000 Evergreen Street, Suite 250, Sacramento, CA 95815, telephone number (916) 263-3680, regarding questions about this notice or access to records.



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Attachment 3

An Overview of How Disciplinary History is Available on the Internet

Disciplinary History Available on the CBA Website

Through license lookup, the CBA provides the consumer with an indication of whether a license has been subject to disciplinary actions and/or subsequent restrictions.

Consumers can then link to details, which contain the following information:

- Summaries, accusations and final decision orders for all decisions since July 1, 1993 for licenses revoked or surrendered, and those licensees with license restrictions.
- Summaries, accusations and final decision orders for all decisions taking effect on or after January 1, 2005 that resulted in a license being placed on probation. Prior to this date, for licenses that were placed on probation, the summaries, accusation and final decision orders were removed after seven years from the decision effective date. The website directs consumers to contact the CBA's Enforcement Division for further information regarding these actions.
- Current effective Interim Suspension Orders (ISO) or Temporary Restraining Orders (TRO).

The screenshot shows a web browser window displaying the California Board of Accountancy website. The URL in the address bar is [www2.dca.ca.gov/pls/wllpub/WLLQRYNA\\$LCEV2.QueryView?P_LICENSE_NUMBER=71097&P_LTE_ID=783](http://www2.dca.ca.gov/pls/wllpub/WLLQRYNA$LCEV2.QueryView?P_LICENSE_NUMBER=71097&P_LTE_ID=783). The page header includes the CBA logo and navigation links such as Home, License Lookup, Consumers, Licenses, Applicants, Forms, Publications, What's New, Laws and Rules, About Us, and Contact Us. The main content area displays the following information for a license lookup:

Licensee Name:	[REDACTED]
License Type:	Certified Public Accountant
License Number:	[REDACTED]
License Status:	CLEAR, RESTRICTED Definition
Experience Completed:	A Definition
Expiration Date:	January 31, 2017
Issue Date:	May 10, 1996
Address:	[REDACTED]
City:	[REDACTED]
State:	CA
Zip:	95023
City:	SACRAMENTO

Below the license information, a yellow box highlights the text: **Disciplinary Actions/License Restrictions: Yes [Details](#)**.

The page also contains a **Disclaimer for Disciplinary Action Summary** with the following text:

The reports contained as part of this Web site represent summaries of those formal disciplinary orders issued by the Department of Consumer Affairs (Department) and its participating programs, boards, committees, and commissions, imposing suspension, revocation or other discipline. Disciplinary proceedings that are resolved by dismissal of the accusation or otherwise result in no actual discipline of a license are not reported at this Web site.

Summary information on recent orders is prepared approximately thirty (30) days after the final decision date of a disciplinary case. Therefore, although this web site may presently lack any such report, some licensees will actually be named in accusations, or be subject to disciplinary orders. The lack of a summary for a particular licensed person does not mean that the licensee has never been the subject of an accusation or administrative discipline.

The brief summaries offered at this web site are not intended as substitutes for the actual decisions and orders issued by the Department and its participating programs, boards, committees, and commissions. Copies of those decisions and orders are available at no cost by writing to the designated address for each program or board.

Also, the actions reported here may not be final and may not reflect any judicial action to stay or modify the administrative order. You should not take any action based on information contained in these summaries without verifying the information and determining whether the administrative order has been stayed or modified by a court. As used in this summary, the term "accusation" is a formal document that notifies a licensee of the agency's charges against the licensee, and that requests a disciplinary order. The licensee is entitled to contest the charges in a formal hearing before an administrative law judge. An accusation is usually resolved by an agency decision following such a hearing or by an agency decision pursuant to a settlement agreement. Often there is a considerable period of time between the date of filing an accusation and the resolution of the accusation.

The term "suspended" means that the licensee is prohibited for a period of time from engaging in activities for which licensure is required, usually for a specified number of days or months. A suspension will usually be imposed in conjunction with a lengthy period of probation of one or more years.

The term "revoked" means that the individual, partnership, or corporation is no longer licensed as a result of a disciplinary action. The revoked licensee has the right, one year or more after the revocation, to petition the California Board of Accountancy for reinstatement. Reinstatement of the revoked license must be approved by the Board and may include probation and/or terms and conditions.

For a copy of these actions, please contact the Board by mail, e-mail, telephone, or fax as listed below:

Email: enforcementinfo@cba.ca.gov
 Telephone: (916) 561-1729
 FAX: (916) 263-3673

Disciplinary History Available Through CPAVerify

CPAVerify provides an indication (Flag) of disciplinary history and provides the consumer with a disclaimer to contact the state board for official verification and further information. Of the 50 jurisdictions participating in CPAVerify, 31 provide information to the site regarding disciplinary history. If a participating state does not provide disciplinary history to CPAVerify, the report will specify that the state does not provide this type of data.

08/17/15 11:02:24
CPAVerify Individual Report Results

NAME: [REDACTED]
STATE OF LICENSE: AZ
LAST UPDATED: 2015-08-15

Address: [REDACTED]
License/Permit/Certificate Number: [REDACTED]
Registration Number: [REDACTED]
License/Permit/Certificate Status: ACTIVE

License/Certificate Status Details:
INDIVIDUAL: A certificate whose holder is current with all requirements for certification and is authorized to use the CPA designation.
FIRM: A firm whose partner is current with all requirements for registration and is authorized to use the CPA designation and represent to the public that it is a CPA firm.
CPA
An individual that holds a license to practice public accounting or is an individual exercising practice privileges pursuant to Arizona Administrative Code and Arizona Revised Statutes Title 32, Chapter 6.

License Type:
License Type Details:
Basis for License:
Issue Date: 2013-10-07
Expiration Date:
Enforcement, Non-Compliance or Disciplinary Actions: State Does Not Provide This Type of Data At This Site
Other Information: The Arizona Board only lists licenses that it is currently regulating or has regulated in the last ten years. Call our office to inquire about CPAs or CPA firms that have not been regulated in over ten years.

Contact the Board for official verification of information.

Details of Enforcement, Non-Compliance or Disciplinary Actions:

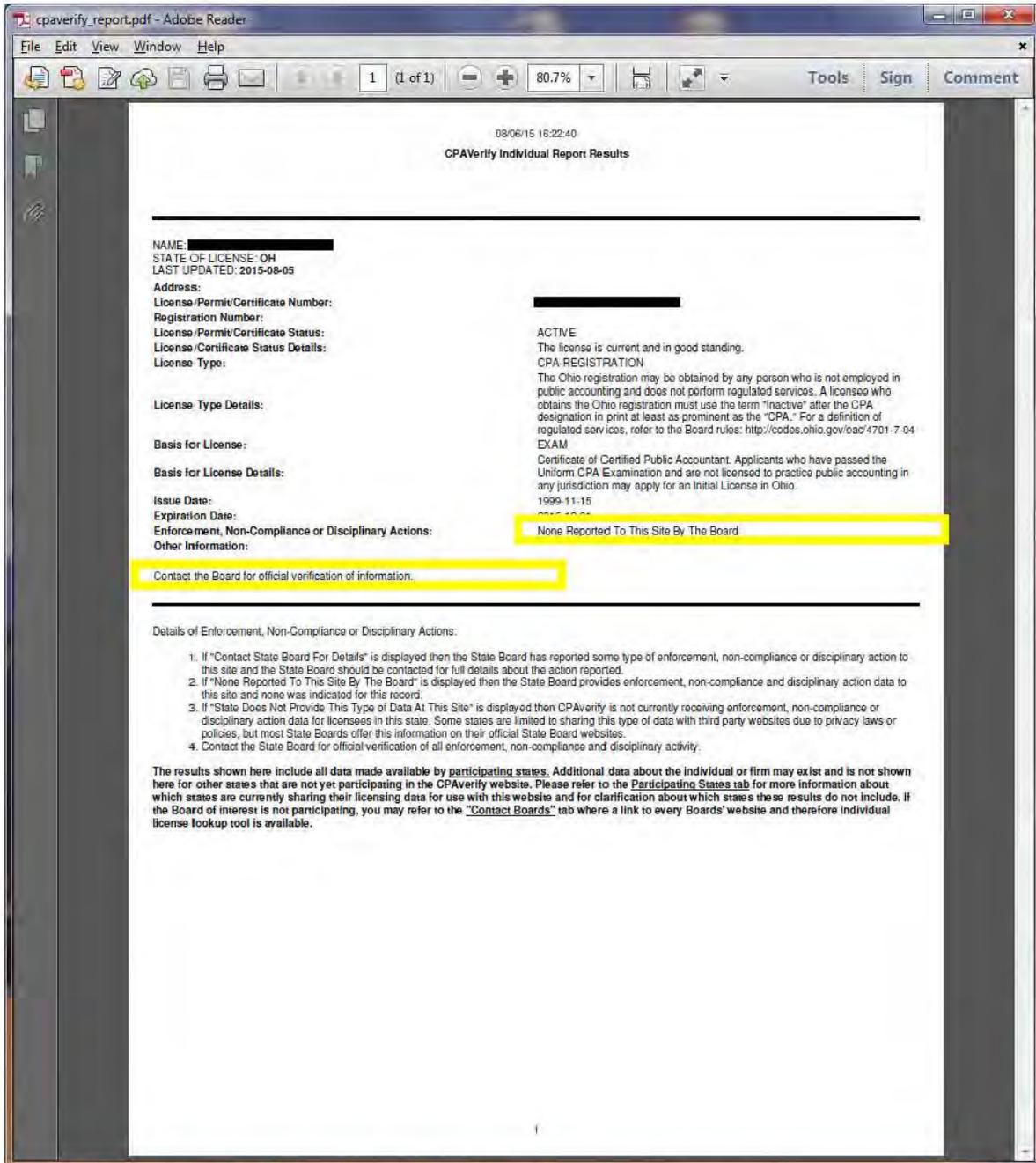
1. If "Contact State Board For Details" is displayed then the State Board has reported some type of enforcement, non-compliance or disciplinary action to this site and the State Board should be contacted for full details about the action reported.
2. If "None Reported To This Site By The Board" is displayed then the State Board provides enforcement, non-compliance and disciplinary action data to this site and none was indicated for this record.
3. If "State Does Not Provide This Type of Data At This Site" is displayed then CPAVerify is not currently receiving enforcement, non-compliance or disciplinary action data for licensees in this state. Some states are limited to sharing this type of data with third party websites due to privacy laws or policies, but most State Boards offer this information on their official State Board websites.
4. Contact the State Board for official verification of all enforcement, non-compliance and disciplinary activity.

The results shown here include all data made available by participating states. Additional data about the individual or firm may exist and is not shown here for other states that are not yet participating in the CPAVerify website. Please refer to the [Participating States tab](#) for more information about which states are currently sharing their licensing data for use with this website and for clarification about which states these results do not include. If the Board of interest is not participating, you may refer to the ["Contact Boards"](#) tab where a link to every Boards' website and therefore individual license lookup tool is available.

Page: 2 of 3 Words: 299 120%

The states that do provide disciplinary history to CPAVerify will return a search with one of the following two possible results.

- None reported to this site by the board. This means the state reports disciplinary history but none was reported for this person.



- Contact state board for details. This means the state reports disciplinary history, and this person has been flagged.

cpaverify_report (9).pdf - Adobe Reader

File Edit View Window Help

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Tools Sign Comment

08/16/15 14:03:19

CPAVerify Individual Report Results

NAME: [REDACTED]
 STATE OF LICENSE: CO
 LAST UPDATED: 2015-08-09

Address:
 License/Permit/Certificate Number: [REDACTED]
 Registration Number:
 License/Permit/Certificate Status:

License/Certificate Status Details:

License Type:
 License Type Details:
 Basis for License:
 Basis for License Details:
 Issue Date:
 Expiration Date:
 Enforcement, Non-Compliance or Disciplinary Actions:
 Other Information:

ACTIVE
 The status of a Licensees Certificate, license, or Registration, or other authority allowing the Licensee to assume or use the CPA designation and to offer or perform any service for which an active certificate of CPA or active or valid registration is required pursuant to Section 12-2-120(6), C.R.S.
 CPA
 Certified Public Accountant
 EXAMINATION
 Colorado Certificate was granted based on fulfilling the Colorado Examination requirements.
 2004-05-21
 2015-11-30

Contact State Board For Details

Contact the Board for official verification of information.

Details of Enforcement, Non-Compliance or Disciplinary Actions:

1. If "Contact State Board For Details" is displayed then the State Board has reported some type of enforcement, non-compliance or disciplinary action to this site and the State Board should be contacted for full details about the action reported.
2. If "None Reported To This Site By The Board" is displayed then the State Board provides enforcement, non-compliance and disciplinary action data to this site and none was indicated for this record.
3. If "State Does Not Provide This Type of Data At This Site" is displayed then CPAVerify is not currently receiving enforcement, non-compliance or disciplinary action data for licensees in this state. Some states are limited to sharing this type of data with third party websites due to privacy laws or policies, but most State Boards offer this information on their official State Board websites.
4. Contact the State Board for official verification of all enforcement, non-compliance and disciplinary activity.

The results shown here include all data made available by participating states. Additional data about the individual or firm may exist and is not shown here for other states that are not yet participating in the CPAVerify website. Please refer to the Participating States tab for more information about which states are currently sharing their licensing data for use with this website and for clarification about which states these results do not include. If the Board of interest is not participating, you may refer to the "Contact Boards" tab where a link to every Boards' website and therefore individual license lookup tool is available.

Disciplinary History Available on the State Websites

States vary greatly in the amount of information they make available on their websites.

Oregon provides consumers with a full disclosure of disciplinary history, similar to that of California. A licensee with disciplinary history is flagged on the state's license lookup. The user is then directed to a disciplinary action report on the website which provides a full listing of final disciplinary actions.

The screenshot shows the Oregon Board of Accountancy website. The browser address bar displays `licenseesearch.oregonboa.com`. The page header includes the Oregon.gov logo and a navigation menu with options like 'TEXT SIZE: A+ A- A', 'TEXT ONLY', and 'TRANSLATE'. The main content area is titled 'Board of Accountancy' and features a sidebar with various links such as 'About Us', 'Address Change', 'Administrative Rules & Revised Statutes', etc.

A 'View Detail' pop-up window is open, displaying the following information:

Individual Information	
License Number	[REDACTED]
Status	REVOKED
Type	CPA
Name	[REDACTED]
Address	[REDACTED]
Date License Granted	2/3/2004
Expires	6/30/2012
Firm Name	[REDACTED]
Muni	[REDACTED]
CPE Carryover Hours	[REDACTED]
Disciplinary	Yes

Below the pop-up window, a table displays disciplinary actions:

	Status	Expires	Disciplinary
OR	Revoked	6/30/2012	Yes

A yellow box highlights the following text:

A 'Yes' answer in the disciplinary column indicates that the Oregon Board of Accountancy's record of the CPA, PA or registered firm includes a final outcome of one or more disciplinary actions. More detail on disciplinary actions is available on the front page of the Board's web site through the continually updated Disciplinary Action Report, posted in alphabetical and chronological order. Discipline is reported as 'yes' when the outcome is a final resolution of the matter. This means that if the Board has proposed disciplinary action, but the matter is not yet resolved either through a legal process or settlement agreement, it will not be flagged with a 'Yes' in the disciplinary column. If you need additional information on a disciplinary action beyond what is reported on the Board's web site, please contact Bethany Reeves at 503-378-2270 or by e-mail at bethany.reeves@state.or.us

CPA Verify x cpaverify_report (11).pdf x www.oregon.gov/boa/do x
www.oregon.gov/boa/docs/DAR_Alpha_Mar_2015_formatted.pdf
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DISCIPLINARY ACTION REPORT IN ALPHABETICAL ORDER BY LAST NAME

Board of Accountancy (January 1, 2011 – March 9, 2015)

The following is a complete listing of all final public disciplinary actions or actions in lieu of discipline taken by the Board since 2010 and through January 1, 2015. This information is provided in accordance with the public records law, ORS 192.420 and ORS 676.175(3). If you require the full text of the Disciplinary Action, please refer to the last page of this report for contact information.

CASE #10-130CNK
(October 20, 2014)

Settlement Agreement and Stipulated Final Order of Revocation

In case #10-130CNK, the Board approved and adopted a settlement agreement which revokes Respondent's CPA certificate and permit, assesses civil penalties due to multiple rule violations, and terminates the Acarregui Accountancy PC registration.

In lieu of summarizing the contents of the settlement agreement, the full record of the document can be accessed here: [LINK](#)

CPA Verify x cpaverify_report (11).pdf x www.oregon.gov/boa/do x
www.oregon.gov/boa/docs/DAR_Alpha_Mar_2015_formatted.pdf
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Board Administrative laws and rules, Respondent gave the client his client file without the CPAs knowledge or consent. Respondent represented in a letter to the Board that he didn't solicit CPA's clients when, in fact, he had.

The Order provided and Respondent agreed to violations of: of OAR 801-030-0020(1) - Professional misconduct; and OAR 801-030-0020(7), Board communications and investigations, to pay civil penalties of \$500 and to complete 4 hours CPE in ethics.

CASES #12-072NK, 13-005, and 13-006
(May 7, 2014)

Final Order by Default (License Revocation, Civil Penalties)

In cases #12-072NK, 13-005 and 13-006 the Board issued a Notice of Intent to Impose Discipline and Notice of Right to Hearing on March 3, 2014, based on the Board's determination that there was sufficient evidence of a preliminary finding of violations by Respondent of at least twenty-two (22) violations of Oregon law and administrative rules, as follows:

1. Respondent violated ORS 673.320(3), Use of the title C.P.A., when he falsely represented himself as a CPA in his email signature line after his license to practice as a CPA had lapsed. (At least 6 violations)
2. Respondent violated OAR 801-030-0010(1)(b), Due Professional Care, when Respondent represented and promised his clients, both verbally and in writing, that he would provide tax services. Because Respondent's license had lapsed, said performance would constitute multiple violations of Oregon Board of Accountancy Administrative Statutes and Rules. Respondent's clients relied on Respondent's promises and paid Respondent for his services only to learn that Respondent could not lawfully provide the services, and that his representations and promises were false. Respondent did not inform his clients that he was unable to perform this work; as a result the clients' income tax filings were not timely filed with the taxing authorities. (At least 3 violations).
3. Respondent violated OAR 801-030-0015(2)(b), Requested records, when he did not respond to client requests for their records and documents and did not return the records to them. (At least 2 violations).
4. Respondent violated OAR 801-030-0020(1), Professional misconduct, when he stopped responding to client phone calls and email messages. (At least 6 violations).
5. Respondent violated OAR 801-030-0020(7), Board communications and investigations, when he failed to respond to at least five letters from the Board in connection with its investigations. (At least 3 violations).
6. Respondent violated OAR 801-030-0020(9), Notification of change of address, when he failed to notify the Board of his change of address, as evidenced by the return of letters sent to his office address of record. (At least 2 violations).

Respondent did not avail himself of the opportunity to request a hearing, and therefore a Final Order of Default imposing License Revocation and imposing a \$100,200 civil penalty and assessing \$500.00 in Board costs was issued on May 7, 2014.

CASE #12-033NK

Page 21 of 34

Board of Accountancy – Alphabetical Disciplinary Report: Final Board Actions from January 1, 2011 – March 9, 2015

Texas provides a brief summary of disciplinary history on its license lookup, which includes the case number, the date the case was opened and closed, the outcome, and the result.

CPA Verify | cpaverify_report (11).pdf | Texas State Board of Public Accountancy

https://www.tsbpa.state.tx.us/php/fpl/indlookup.php?x=o8wj8%2B%2FFVfo%3D

Apps For quick access, place your bookmarks here on the bookmarks bar. Import bookmarks now... Other bookmarks

 **Texas State Board of Public Accountancy**
William Treacy, Executive Director

Individual Licensee - [REDACTED]

[Search Help](#) | [Status Values](#) | [Terms of Use](#)

Certificate last name
[REDACTED]

Contact Information (most recent)
[REDACTED]

Date certified/registered
02/28/1983

License expiration date
12/31/1987

Status
Administrative Revocation

Employment areas most recently reported

Full time
NONE REPORTED

Part time
NONE REPORTED

Firms in which the individual is a partner, shareholder, owner, officer, director, or resident manager
NO OWNERSHIP REPORTED

History of disciplinary actions
Complaint 9011-1574L was opened on 11/05/1990 and was closed on 01/24/1991 with a resolution, Revocation.
Violation(s) Regarding:

- Nonpayment of fees for 3 years, Administrative action

[Back to Selection](#) [TSBPA Home](#)

Maryland, through its online license search, provides basic information for its “active” licensees only. No indication or flag or disciplinary history is available.

STATE OF MARYLAND
DLLR
DEPARTMENT OF LABOR, LICENSING AND REGULATION

Results for Active Licensed Certified Public Accountants: 105

The following results do not include current licensees who are on inactive status.

Name	Address	City	State	Zip	Expiration	Category	Reg. #
[REDACTED]	[REDACTED]	BALTIMORE	MD	21210	2017-01-19	ACTIVE C.P.A.	[REDACTED]
[REDACTED]	[REDACTED]	HOWARD BEACH	NY	11414	2016-12-31	ACTIVE C.P.A.	[REDACTED]
[REDACTED]	[REDACTED]	CABIN JOHN	MD	20818	2015-10-05	ACTIVE C.P.A.	[REDACTED]

**DEPARTMENT OF CONSUMER AFFAIRS**

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**Attachment 4**

Preliminary Findings Regarding Which States Flag Disciplinary History

	Jurisdiction	Participating in CPA Verify	Disciplinary History Flagged through CPA Verify	Disciplinary History Flagged on State's Website – "No" answers may require additional research
1	Alabama	X	No	No
2	Alaska	X	No	Yes
3	Arizona	X	No	No
4	Arkansas	X	Yes	No
5	CNMI	X	No	No
6	Colorado	X	Yes	Yes
7	Connecticut	X	Yes	No
8	Delaware		N/A	Yes
9	DC	X	No	No
10	Florida	X	Yes	Yes
11	Georgia	X	Yes	No
12	Guam	X	Yes	Yes
13	Hawaii		N/A	Yes
14	Idaho	X	Yes	Yes
15	Illinois	X	Yes	Yes
16	Indiana	X	No	Yes
17	Iowa	X	Yes	Yes
18	Kansas	X	Yes	Yes
19	Kentucky	X	Yes	Yes
20	Louisiana	X	Yes	No
21	Maine	X	Yes	Yes
22	Maryland	X	No	No
23	Massachusetts	X	Yes	Yes
24	Michigan		N/A	No
25	Minnesota	X	No	No
26	Mississippi	X	No	No
27	Missouri	X	Yes	Yes
28	Montana	X	Yes	No
29	Nebraska	X	Yes	Yes
30	Nevada	X	Yes	No
31	New Hampshire	X	No	No

32	New Jersey	X	Yes	Yes
33	New Mexico	X	No	Yes
34	New York	X	No	No
35	North Carolina	X	Yes	No
36	North Dakota	X	Yes	No
37	Ohio	X	Yes	No
38	Oklahoma	X	Yes	No
39	Oregon	X	Yes	Yes
40	Pennsylvania	X	Yes	Yes
41	Puerto Rico	X	No	No
42	Rhode Island	X	Yes	No
43	South Carolina	X	No	Yes
44	South Dakota	X	No	Yes
45	Tennessee	X	No	No
46	Texas	X	Yes	Yes
47	USVI	X	No	Yes
48	Utah		N/A	Yes
49	Vermont	X	No	Yes
50	Virginia	X	No	No
51	Washington	X	Yes	Yes
52	West Virginia	X	Yes	No
53	Wisconsin		N/A	Yes
54	Wyoming	X	Yes	Yes



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MSG Item VI.
September 15, 2016

CBA Item VIII.C.6.
September 15-16, 2016

Overview of Practice Privilege/Mobility Provisions in Other States/Jurisdictions

Presented by: Veronica Daniel, Manager, Licensing Division

Purpose of the Item

The purpose of this agenda item is to provide the California Board of Accountancy (CBA) with the varying practice privilege (commonly referred to as mobility) requirements for the 55 state boards of accountancy.

Consumer Protection Objectives

This agenda item will provide a current overview of practice privilege/mobility requirements in all jurisdictions. Maintaining current knowledge of requirements for licensees to lawfully practice inside and outside California protects all consumers.

Action(s) Needed

No specific action is required on this agenda item.

Background

At its July 2016 meeting, the CBA requested that staff provide a summary of the differences regarding other jurisdictions practice privilege/mobility provisions.

Comments

The following items are being provided to the CBA members:

- **Attachment 1** – A spreadsheet that provides a quick overview of key elements for all jurisdictions practice privilege provisions.¹
- **Attachment 2** – A compilation of detailed information regarding all 55 jurisdictions practice privilege provisions as reported on the National Association of State Boards of Accountancy (NASBA) Accountancy Licensing Library (ALL).²

¹ To develop this spreadsheet, staff relied on the data found in **Attachment 2** and when unclear or unavailable, staff obtained the data from the specific jurisdiction. The information obtained was done so as of August 8, 2016.

² The ALL is an online resource that provides up-to-date, CPA licensing information for all 55 state boards of accountancy.

Overview of Practice Privilege/Mobility Provisions in Other States/Jurisdictions

Page 2 of 3

Additionally, staff has summarized the information reflected in **Attachment 1** as it relates to the following topics: no notice/no fee, substantial equivalency by state and/or individual, quid pro quo requirement, specified disqualifying conditions, and applicable out-of-state accounting firm registration.

No Notice/No Fee

It appears that, with the exception of Hawaii and the Commonwealth of the Northern Mariana Islands, all other jurisdictions have adopted mobility provisions for individuals with a no notice, no fee element.

Substantial Equivalency by Jurisdiction and/or Individual

The vast majority of jurisdictions rely on some form of substantial equivalency. All jurisdictions reviewed provide an avenue for state substantial equivalency, with most using NASBA's list of substantially equivalent states. Many also provide for individual substantial equivalency should a state not consider another jurisdiction's licensing requirements substantially equivalent. In these instances, many jurisdictions (California included) require that the individual demonstrate individual substantial equivalency.

According to ALL, Alabama, Nebraska, Nevada and North Carolina, simply require an out-of-state practitioner to hold a license to practice public accountancy, regardless of the jurisdiction or the requirements under which the license was issued.

Quid Pro Quo Requirement

In reviewing the materials, staff identified two jurisdictions – Georgia and Massachusetts – that maintain a quid pro quo element in their respective practice privilege provisions. In both cases, the rights of an out-of-state practitioner to practice in these jurisdictions is tied to whether the jurisdiction from which s/he was licensed offers similar practice rights to practitioners from these jurisdictions.

Specified Disqualifying Conditions

Aside from maintaining an active license to practice public accountancy from another jurisdiction, four jurisdictions maintain certain specific disqualifying conditions. Arkansas and Iowa bar individuals from practice via mobility if specific disqualifying conditions are met. California and New York require pre-notification and clearance prior to practicing via mobility if the holder has certain specific disqualifying conditions.

Applicable Out-of-State Accounting Firm Registration

The majority of jurisdictions maintain out-of-state firm registration requirements. While the types of services rendered may vary (with most requiring the threshold to be attest services), all appear to be tied to whether the service the out-of-state accounting firm is providing is to a client located in the state. This is similar to requirements found in California. Currently, out of 49 jurisdictions that allow firm mobility, 16 jurisdictions have outright accounting firm mobility.

Overview of Practice Privilege/Mobility Provisions in Other States/Jurisdictions

Page 3 of 3

Fiscal/Economic Impact Considerations

There are no fiscal/economic impact considerations.

Recommendation

Staff do not have a recommendation on this agenda item.

Attachments

1. Overview of Jurisdictions Practice Privilege Provisions.
2. Detailed Overview of Individual Jurisdictions Practice Privilege Provisions.



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Attachment 1

Overview of Jurisdictions Practice Privilege Provisions

	No Notice/No Fee	Substantial Equivalency by State and/or Individual	Quid-Pro-Quo Requirement	Specified Pre-Practice Disqualifying Conditions	Outright Accounting Firm Mobility	Accounting Firm Registration Conditions Apply
Alabama	X				X	
Alaska	X	X				X
Arizona	X	X			X	
Arkansas	X	X		X		X
California	X	X		X		X
CNMI						
Colorado	X	X			X	
Connecticut	X	X				X
Delaware	X	X			X	
District of Columbia	X	X				X
Florida	X	X				X
Georgia	X	X	X			X
Guam	X	X				
Hawaii						X
Idaho	X	X			X	
Illinois	X	X				X
Indiana	X	X			X	
Iowa	X	X		X		X
Kansas	X	X				X
Kentucky	X	X				X
Louisiana	X	X				X
Maine	X	X				X
Maryland	X	X				X
Massachusetts	X	X	X			X
Michigan	X	X				X
Minnesota	X	X				X
Mississippi	X	X				X

Overview of Jurisdictions Practice Privilege Provisions

	No Notice/ No Fee	Substantial Equivalency by State, Individual or Both	Quid-Pro- Quo Requirement	Specified Disqualifying Conditions	Outright Accounting Firm Mobility	Accounting Firm Registration Conditions Apply
Missouri	X	X				X
Montana	X	X				X
Nebraska	X					X
Nevada	X					X
New Hampshire	X	X				X
New Jersey	X	X				X
New Mexico	X	X			X	
New York	X	X		X		X
North Carolina	X					X
North Dakota	X	X			X	
Ohio	X	X			X	
Oklahoma	X	X				X
Oregon	X	X				X
Pennsylvania	X	X				X
Puerto Rico	X	X				X
Rhode Island	X	X				X
South Carolina	X	X				X
South Dakota	X	X				X
Tennessee	X	X			X	
Texas	X	X				X
Utah	X	X			X	
Vermont	X	X			X	
Virgin Islands	X	X			X	
Virginia	X	X			X	
Washington	X	X			X	
West Virginia	X	X				X
Wisconsin	X	X			X	
Wyoming	X	X				X



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alabama

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective October 1, 2009, practice privileges became available in Alabama. Practice privileges were created by Act No. 2009-620 during the 2009 legislative session. The details of Act No. 2009-620 are provided below.

Beginning October 1, 2009, a CPA whose principal place of business is outside of Alabama may exercise all the privileges of Alabama CPAs without the need to obtain a license or pay a fee, if the individual holds an active permit, certificate or license which allows the person to engage in the practice of public accountancy as a CPA in another state. [Click here](#) to go to the Alabama State Board of Public Accountancy Mobility information page.

Practice Privileges extend to professional services offered or rendered, whether in person or by mail, telephone or electronic means, and no notice, fee or other submission shall be provided by any such individual.

Consent to Jurisdiction

By law, a CPA of another state exercising practice privileges in Alabama and the entity which employs the CPA consent, as a condition to the exercise of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of this Board and the courts of Alabama.

Compliance with the provisions of the Alabama Accountancy Law and the rules and regulations adopted by the Board.

In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in this state individually and on behalf of the CPA firm.

The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by the Alabama Board against the licensee.

Out-of-state firms with no office in Alabama will not be subject to Alabama's firm registration requirements, which is consistent with current law.

Anyone holding an Alabama CPA Certificate, whether it be original or reciprocal, must register annually with the Board, and if practicing in Alabama, must hold a permit to practice (active status). A CPA licensed in another state, not domiciled in Alabama, and holding an Alabama CPA Certificate who desires to practice in Alabama under practice privileges may do so if he or she surrenders his or her Alabama CPA Certificate in good standing.

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alaska

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective January 1, 2011, practice privileges became available in Alaska. Practice privileges were created by HB315 during the 2010 legislative session. The details of HB315 are provided below.

An individual who does not have a license in Alaska but who is licensed to practice public accounting in another state and whose principal place of business for the practice of public accounting is in the other state may engage in the practice of public accounting in Alaska under a practice privilege if:

The state in which the individual is licensed requires as a condition of licensure that an individual:

Have at least 150 semester hours of college education including a baccalaureate or higher degree conferred by a college or university;

Achieve a passing grade on the Uniform CPA Examination; and

Possess at least one year of experience, which includes providing any type of service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax, or consulting skills; the experience may be obtained through practice with the government, industry, colleges, universities, or the public; OR

The state does not require as a condition of licensure that an individual satisfy the above requirements but the individual's qualifications are substantially equivalent to the above listed requirements.

The education of an individual who holds a valid license to practice public accounting that is issued by another state before January 1, 2013, and who passes the Uniform CPA Exam before January 1, 2013, is exempt from the 150 hour educational requirement.

Alaska uses [this list of substantially equivalent jurisdictions](#) to assist CPA's in determining whether or not their home jurisdiction is considered substantially equivalent for mobility by the Alaska Board.

Unless the individual is a sole practitioner, if an individual who engages in the practice of public accounting under a practice privilege performs designated functions for a client whose home office is in Alaska, the individual may only provide the designated functions through a legal entity that has a permit.

An individual who is qualified to engage in the practice of public accounting in Alaska is not required to provide a notice to the Alaska Board, to pay a fee to the Board, or to submit documentation to the Board. The person may engage in practice privileges in Alaska by mail, by telephone, by electronic means, or in person.

Consent to Jurisdiction

An individual with a practice privilege who engaged in the practice of public accounting in Alaska, a legal entity with an Alaska permit or an out-of-state exemption issued by the Alaska Board who engaged in the practice of public accounting in Alaska, and a legal entity that hires an individual with a practice privilege shall:

Consent to the personal and subject matter jurisdiction and disciplinary authority of the Alaska Board;

Agree to comply with the Alaska laws, rules and regulations adopted by the Alaska Board;

Agree that the individual or legal entity will stop offering to engage or engaging in the practice of public accounting, whether individually or on behalf of a legal entity, if the license from the state of the individual's or legal entity's principal place of business becomes invalid; and

Consent to the appointment of the state board that issued the individual's license as the individual's or legal entity's agent for service of process in a court action or in another proceeding against the individual or legal entity that arises out of a transaction or an operation connected with or incidental to the individual's or legal entity's engagement in the practice of public accounting.

Firm Registration May Be Required

A legal entity that does not have an office in Alaska, that is authorized to practice public accounting in another state, and that performs designated functions for a client whose home office is located in Alaska may not engage in the practice of public accounting in Alaska unless the legal entity has an out-of-state permit.

"Designated Function" means:

An audit or other engagement performed in accordance with SAS;

An examination of prospective financial information performed in accordance with SSAE; or

An engagement performed in accordance with PCAOB.

The Board has confirmed that performance of services under SSARS will also trigger the need for an Alaska firm permit.

Requirements for an Out-of-state Permit include:

Firm must hold a current active license to practice public accounting in the other state;

Firm must participate in a qualify review program comparable to the Alaska peer review program requirements;

Firm must complete and submit the proper application form; and

Firm must pay the fees required by the Alaska Board.

A legal entity that performs designated services but not designated functions for a client whose home office is located in Alaska may engage in the practice of public accounting in Alaska under an out-of-state exemption if the legal entity:

Does not have an office in Alaska;

Is authorized to practice public accounting in another state;

Performs the designated services through an individual with a practice privilege; and

Participates in a quality review program comparable to the program required in Alaska.

"Designated Service" means a review of a financial statement, if the performance of the review is established by the SSARS; or a compilation service.

A legal entity that does not have an office in Alaska, is authorized to practice public accounting in another state, and does not perform designated function or designated services for a client whose home office is located in Alaska may engage in the practice of public accounting in Alaska under an out-of-state exemption if the services that the legal entity performs within the practice of public accounting are performed:

Through an individual who has a practice privilege; and

Only to the extent that the legal entity can lawfully perform the services in the state where the individual with a practice privilege has the individual's principal place of business.

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arizona

Practice Privilege / Mobility / Interstate Practice Requirements

Limited Reciprocity Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Limited Reciprocity Privilege. A CPA who is not a resident of Arizona, does not have a principal place of business in Arizona, holds a valid registration, certificate or license as a CPA issued by another state, and who is not the subject of suspension or revocation of a certificate as provided by section 32-741 or relinquishment of a certificate as provided by section 32-741.04, ARS 32-725(B)(2), may exercise limited reciprocity privileges in Arizona if the Applicant either:

Holds a license in a state that requires as a condition of licensure that an individual has all of the following:

At least 150 semester hours of college education including a baccalaureate degree or higher degree that is conferred by an accredited institution or a college or university that maintains standards that are comparable to those of an accredited institution;

A passing grade on the Uniform CPA Examination;

At least one year of experience in the practice of accounting that has been verified; OR

The individual meets the qualifications for reciprocal licensure by substantial equivalency. (Click Reciprocal Licensure above to view the qualifications.) Must not have been engaged in any conduct that would constitute grounds for revocation or suspension of a certificate or other disciplinary action.

[Click here](#) to view Arizona's mobility law. [Click here](#) for the definitions of "practice of accounting" and "accounting services."

Click here to view a [list of substantially equivalent jurisdictions](#) provided by the Arizona Board. If you are currently licensed with your principal place of business in a jurisdiction that is either non-substantially equivalent or marked with **, please contact the Arizona Board directly before exercising practice privileges in Arizona.

An out-of-state CPA who does not qualify for limited reciprocal privileges may enter Arizona and provide services limited to the following:

Expert witness services;

Teaching or lecturing; and

Other services as determined by the Arizona Board.

An individual qualifying for limited reciprocity privileges is considered to have qualifications that are substantially equivalent to the requirements of Arizona and has all the privileges of Arizona licensees without the need to obtain an Arizona CPA license. Such individuals may use the title "CPA" or "Certified Public Accountant" and may offer or practice accounting in person or by mail, telephone or electronic means. No notice, fee or other submission is required.

Consent to Jurisdiction

Each individual exercising the limited reciprocity privilege and each partnership, corporation or other entity engaging in the practice of accounting, shall consent to the following:

Shall comply with the Arizona board's laws and rules, and has the burden of demonstrating his/her eligibility to exercise the privilege in any investigation or other proceeding;

Shall cease offering or practicing accounting in person or by mail, telephone or electronic means in Arizona if the individual or entity no longer satisfies the requirements for eligibility;

Is subject to the personal and subject matter jurisdiction of the Arizona Board and its power to investigate complaints and take disciplinary action; and

Is subject to service by (1) the appointment of the state board that issued the registration, certificate or license to the individual as agent, on whom process may be served in any action or proceeding by the Board, or (2) directly on the person.

Firm Registration Requirements May Apply

[Click here](#) and scroll to 32-725(G) for language regarding firm mobility.

A partnership, corporation or other entity formed under the laws of another state or US territory relating to the practice of public accounting in that state or US territory may use the title "CPA" or "CPA" in Arizona and may engage in the practice of accounting in Arizona, including the provision of attest services, without having to register as a firm if all of the following apply:

The partnership, corporation or other entity is owned by or employs an individual who is a limited reciprocity privilege holder;

The partnership, corporation or other entity is in good standing in its principal place of business under the laws of that jurisdiction relating to the practice of accounting;

The principal place of business of the limited reciprocity privilege holder is a recognized place of business for the practice of accounting by the partnership, corporation or other entity; and

The partnership, corporation or other entity does not have an office in Arizona and does not represent that it has an office in Arizona.

The partnership, corporation or other entity holds an active permit or registration as a CPA firm in another state or US territory.

The practice of accounting is performed by or under the direct supervision of an individual who is qualified for the limited reciprocity privilege.

arkansas

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective July 31, 2009, SB133 will provide practice privileges in Arkansas without the need to file notice with the Arkansas Board, pay a fee or obtain a temporary permit. The requirements for practice privileges under SB133 are set forth below.

An individual whose principal place of business is not in Arkansas and who holds a valid license as a CPA from a substantially equivalent state shall be presumed to have qualifications substantially equivalent to Arkansas's requirements; shall have all the privileges of licensees of Arkansas without the need to obtain a certificate or permit if the individual:

Has a valid license as a certified public accountant from a [substantially equivalent state](#); OR

Has individual qualifications that are substantially equivalent with the CPA licensure requirements of the UAA.

Individuals must obtain an individual substantial equivalency evaluation from [NASBA's CredentialNet Service](#) verifying that the individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the UAA.

An individual who passed the Uniform CPA Exam and holds a valid license issued by any other state prior to January 1, 2012, may be exempt from the education requirement in Section 17-12-302.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Arkansas, and no notice or other submission shall be provided by the individual.

An individual who held an Arkansas CPA certificate at one time whose Arkansas CPA certificate has been revoked or surrendered in connection with a disciplinary investigation or proceeding is prohibited from performing attest or compilation services or using the title "CPA" whether or not such individual may otherwise qualify for practice privileges.

Practice privileges are not available if:

The individual has been convicted of a felony under the laws of any jurisdiction.

The individual has been convicted of any crime under the laws of any jurisdiction if an element of the crime involves dishonesty or fraud, such as forgery, embezzlement, obtaining money under false pretenses, theft, extortion, conspiracy to defraud or similar offenses.

The individual's license to practice public accounting has been suspended, revoked or otherwise disciplined by a licensing authority in this or another state, territory or country, for any cause other than failure to pay appropriate fees. "Disciplined" includes the voluntary surrender of a license to resolve a pending disciplinary investigation or proceeding in Arkansas or other jurisdiction.

The individual's right to practice public accounting before any state or federal agency or before the PCAOB has been suspended or revoked.

The individual has applied for licensure as a CPA in Arkansas or other jurisdiction and that application has been denied.

The individual's authority to exercise practice privileges has been revoked in Arkansas or other jurisdictions.

Consent to Jurisdiction

An individual licensee of another state exercising the practice privilege and the CPA firm that employs the licensee, as a condition of the exercise of this privilege, simultaneously consent and agree to the following:

To the personal and subject matter jurisdiction and disciplinary authority of the Arkansas Board;

To comply with the Arkansas Board's rules and laws;

To cease offering or rendering professional services in Arkansas individually and on behalf of the firm if the license from the state of the individual's principal place of business is no longer valid; and

To the appointment of the state board that issued the license as the agent upon whom process may be served in the action or proceeding by the Arkansas Board against the licensee.

Firm Registration Requirements May Apply

An individual and firm who qualifies for practice privileges may perform the following services for a client with its home office in Arkansas only through a firm that has obtained an Arkansas firm permit:

A financial statement audit or other engagement to be performed in accordance with SAS;

An examination of prospective financial information to be performed in accordance with SSAE; or

An engagement to be performed in accordance with PCAOB.

A firm that does not have an office in Arkansas may perform compilations or a review of a financial statement to be performed in accordance with SSARS for a client having its home office in Arkansas and may use the title "CPA" or "CPA firm" without registered in Arkansas only if the firm:

Meets the qualifications for firms in Arkansas; and

Performs the services through an individual with practice privileges in Arkansas.

A firm that is not subject to firm registration in Arkansas under the above requirements may perform other professional services while using the title "CPA" or "CPA firm" in Arkansas without registering in Arkansas only if the firm:

Performs the services through an individual with practice privileges in Arkansas; and

Can lawfully performed the services in the state where the individual(s) with practice privileges have their principal place of business.

Corporations, LLCs, partnerships, sole proprietorships and other permissible forms of practice that are practicing in Arkansas under practice privileges are subject to the following:

Ownership: A person who does not hold a current valid license as a CPA in Arkansas or some other state or U.S. jurisdiction but who actively participates within Arkansas under a practice privilege firm must not hold himself out as a CPA and must not have ultimate responsibility for the performance of audits,

review or compilations of financial statements, PCAOB engagements or any other form of attestation with regard to financial information.

Equity Ownership Limitations: Persons who are not CPAs or registered PAs shall not hold, in the aggregate, more than 49% of such firm's equity ownership or voting rights, or shall not receive, in the aggregate, more than 49% of the entity's profits or losses.

The principal executive officer, managing member or managing partner shall be a shareholder, member or partner who is a licensed CPA or PA, who holds a current, valid license in Arkansas or another state or jurisdiction. Directors, members, partners and officers who are not licensees shall not exercise any authority whatsoever over professional matters relating to the practice of public accounting.

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california

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirements

An individual whose principal place of business is not in this state and who has a valid and current license, certificate, or permit to practice public accountancy from another state may, subject to the conditions and limitations in this article, engage in the practice of public accountancy in this state under a practice privilege without obtaining a certificate or license from the California Board if the individual satisfies one of the following:

The individual has continually practiced public accountancy as a certified public accountant under a valid license issued by any state for at least four of the last 10 years.

The individual has a license, certificate, or permit from a state which has been determined by the board to have education, examination, and experience qualifications for licensure substantially equivalent to this state's qualifications. Pursuant to Reg 5.5, California considers all US jurisdictions to be substantially equivalent for mobility purposes except the US Virgin Islands.

The individual possesses education, examination, and experience qualifications for licensure which have been determined by the board to be substantially equivalent to this state's qualifications under Section 5093. Individual must apply to CredentialNet to obtain verification of their individual qualifications prior to exercising practice privileges in California.

Please Note: In order to sign any attest report, the holder of the practice privilege must meet the attest experience requirement of [Section 5095](#), which requires a minimum of 500 hours of experience, satisfactory to the board, in attest services.

An individual who qualifies for the practice privilege under this section may engage in the practice of public accountancy in this state, and no notice, fee, or other requirement shall be imposed on that individual by the board. All individuals and firms are responsible for complying with the applicable California Board laws and rules. Please read the [Practice Privilege Handbook](#) provided by the California Board.

Firm Registration May Apply

An individual who qualifies for the practice privilege under this section may perform the following services only through a firm of certified public accountants that has obtained a registration from the California board:

An audit or review of a financial statement for an entity headquartered in California.

A compilation of a financial statement when that person expects, or reasonably might expect, that a third party will use the financial statement and the compilation report does not disclose a lack of independence for an entity headquartered in California.

An examination of prospective financial information for an entity headquartered in California.

Consent to Jurisdiction

An individual who holds a practice privilege in California:

(1) Is subject to the personal and subject matter jurisdiction and disciplinary authority of the board and the courts of California.

(2) Shall comply with the provisions of California's accountancy law, board regulations, and other laws, regulations, and professional standards applicable to the practice of public accountancy by the licensees of California and to any other laws and regulations applicable to individuals practicing under practice privileges in California except the individual is deemed, solely for the purpose of practice privileges, to have met the continuing education requirements and ethics examination requirements of California when the individual has met the examination and continuing education requirements of the state in which the individual holds the valid license, certificate, or permit on which the substantial equivalency is based.

(3) Shall not provide public accountancy services in California from any office located in this state, except as an employee of a firm registered in California. This paragraph does not apply to public accountancy services provided to a client at the client's place of business or residence.

(4) Is deemed to have appointed the regulatory agency of the state that issued the individual's certificate, license, or permit upon which substantial equivalency is based as the individual's agent on whom notices, subpoenas, or other process may be served in any action or proceeding by the board against the individual.

(5) Shall cooperate with any board investigation or inquiry and shall timely respond to a board investigation, inquiry, request, notice, demand, or subpoena for information or documents and timely provide to the board the identified information and documents.

(6) Shall cease exercising the practice privilege in California if the regulatory agency in the state in which the individual's certificate, license, or permit was issued takes disciplinary action resulting in the suspension or revocation, including stayed suspension, stayed revocation, or probation of the individual's certificate, license, or permit, or takes other disciplinary action against the individual's certificate, license, or permit that arises from any of the following:

Gross negligence, recklessness, or intentional wrongdoing relating to the practice of public accountancy.

Fraud or misappropriation of funds.

Preparation, publication, or dissemination of false, fraudulent, or materially incomplete or misleading financial statements, reports, or information.

(7) Shall cease exercising the practice privilege in this state if convicted in any jurisdiction of any crime involving dishonesty, including, but not limited to, embezzlement, theft, misappropriation of funds or property, or obtaining money, property, or other valuable consideration by fraudulent means or false pretenses.

(8) Shall cease exercising the practice privilege if the United States Securities and Exchange Commission or the Public Company Accounting Oversight Board bars the individual from practicing before them.

(9) Shall cease exercising the practice privilege if any governmental body or agency suspends the right of the individual to practice before the body or agency.

(10) Shall notify the board of any pending criminal charges, other than for a minor traffic violation, in any jurisdiction.

Notice Required to the California Board

An individual to whom, within the last seven years immediately preceding the date on which he or she wishes to practice in California, any of the following criteria apply, shall notify the board, on a form prescribed by the board, and shall not practice public accountancy in California through practice privileges until the board provides the individual with written permission to do so:

He or she has been the subject of any final disciplinary action 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 in any other jurisdiction.

He or she has had his or her license in another jurisdiction reinstated after a suspension or revocation of the license.

He or she 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.

He or she has been convicted of a crime or is subject to pending criminal charges in any jurisdiction other than a minor traffic violation.

He or she has otherwise acquired a disqualifying condition as described in Section 5096.21.

[Section 5096](#) further describe conditions which will disqualify the non-resident CPA from exercising practice privileges in California. The section also sets forth reasons for revocation of the California practice privilege. Please read this information in detail before exercising practice privileges in California.

More information regarding pre-notification conditions and reporting requirements can be viewed on the [Practice Privilege pages](#) of the CBA web site.

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colorado

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges.

Effective August 6, 2008: An individual whose principal place of business is not in Colorado shall be presumed to have qualifications substantially equivalent to Colorado's requirements and shall have all the privileges of licensees of Colorado without the need to obtain a Colorado CPA license if the individual:

- Holds an valid license in good standing in a [substantially equivalent](#) jurisdiction; OR
- Has individual qualifications that are substantially equivalent to the UAA.

A CPA who holds a valid license in a jurisdiction not on the substantially equivalent list linked above must obtain an individual substantial equivalency evaluation from NASBA's [CredentialNet](#) Service.

Please Note: Any individual who passed the Uniform CPA Exam and holds a valid license issued by any other state prior to January 1, 2012, shall be exempt from the UAA's education requirement.

Practice privileges extend to the offering or rendering of professional services, whether in person, or by mail, telephone, or electronic means, and no notice or other submission shall be provided by any individual exercising the privilege.

Discipline by the Colorado Board

The Colorado Board may revoke, suspend, fine, censure, issue a letter of admonition, place on probation, impose other conditions or limitations or deny the practice privilege to the holder for violation of the Colorado Board's laws or rules.

If an individual practice privilege holder's certificate, license or permit to practice as a CPA or the firm's permit is limited or subjected to any form of discipline or denial by a foreign jurisdiction while exercising the practice privilege in Colorado, the practice privilege holder must notify the Colorado Board within seven (7) days of the action taken by the other jurisdiction.

Firm Registration

Any foreign partnership, corporation, limited partnership, limited liability partnership, or limited liability company engaging in the practice of accounting in Colorado through a holder of a practice privilege is not required to register with the Colorado Board.

Contact Information Required

Any person authorized to use the title "Certified Public Accountant" or "CPA" must provide an address and telephone number for the CPA's firm or sole practitioner to any client residing in or headquartered in Colorado.

commonwealth of the northern mariana islands

Practice Privilege / Mobility / Interstate Practice Requirements

Provisional Certificate

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice privileges are not current available in CNMI. An individual who has an active CPA license in good standing issued by another state, who does not have a principal place of business in CNMI and is coming into the Commonwealth for an engagement must apply for a Reciprocal Certificate. Click Reciprocal Licensure above for information and procedures to obtain a CNMI Reciprocal Certificate.

For mobility purposes, "CPA license" means a CPA license granted by the state board after all education, exam and experience requirements have been met. A CPA performing services through mobility may only perform the same level of services (attest or non-attest) in the mobility jurisdiction as he or she is permitted to perform in the home jurisdiction. Please note the following if you are coming from one of the jurisdictions listed:

An Alabama certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

A Connecticut certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

An Illinois certificate or registered certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

Both a Hawaii CPA license and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

A Kansas certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

Both a Montana CPA certificate and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

Both a Nebraska CPA certificate and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

An Oklahoma registrant must hold an active permit in order to hold out or practice as a CPA in a mobility jurisdiction.

Click Practice Privilege in the menu bar at the top of this page for additional information.

connecticut

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective May 12, 2008: Any individual whose principal place of business is not in Connecticut shall be presumed to have qualifications substantially equivalent to Connecticut's requirements, shall qualify for a practice privilege, and shall have all the privileges of licensees of Connecticut without the need to obtain a Connecticut CPA license if:

Such individual holds a valid license as a CPA from any state which NASBA has verified to be [substantially equivalent](#) to the CPA licensure requirements of the Uniform Accountancy Act; OR

Such individual holds a valid license as a CPA from any state which NASBA has not verified to be in substantial equivalence with the CPA licensure requirements of the UAA and the individual obtains verification from NASBA that such individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the UAA. Any individual who passed the Uniform CPA Exam and holds a valid license issued by any other state prior to January 1, 2012 may be exempt from the education requirement of the UAA for purposes of obtaining practice privileges.

Notwithstanding any provision of the general statutes, any individual who qualifies for a practice privilege may offer or render professional services, whether in person or by mail, telephone, or electronic means, based on a practice privilege, and no notice, fee or other submission shall be required of any such individual.

Any individual licensee of another state exercising the privilege and the firm that employs such licensee shall consent, as a condition of the grant of such privilege:

To the personal and subject matter jurisdiction and disciplinary authority of the Connecticut Board

To comply with any applicable provision of state law and board rules;

That in the event the license from the state of such individual's principal place of business is no longer valid, such individual shall cease offering or rendering professional services in Connecticut individually and on behalf of a firm; and

To the appointment of the state board that issued such license as the agent upon whom process may be served in any action or proceeding by the Connecticut Board against such licensee.

[Click here](#) to view the Board's informational web page regarding Practice Privilege Requirements.

Click here to view [additional information for out-of-state firms](#) on the Connecticut Board's web site.

Any individual who qualified for practice privileges and performs any of the following services, for any entity with its home office in Connecticut, may only provide such services through a firm that has obtained a firm permit:

Any financial statement audit or other engagement to be performed in accordance with SAS;

Any examination of prospective financial information to be performed in accordance with SSAE; or

Any engagement to be performed in accordance with PCAOB Auditing Standards.

delaware

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges. An applicant whose principal place of business is outside Delaware may exercise all the privileges of CPA licensees of Delaware without the need to obtain a license if the individual:

Holds a valid license as a CPA from any state which NASBA has verified to be in [substantial equivalence](#) with the CPA licensure requirements of the AICPA/NASBA Uniform Accountancy Act; OR

Holds a valid license as CPA from any state which NASBA has not verified to be in substantial equivalence with the CPA licensure requirements of the AICPA/NASBA Uniform Accountancy Act if such individual obtains from NASBA verification that such individual's CPA qualifications are substantially equivalent to the UAA. [Click here for CredentialNet application for individual qualification verification](#).

An individual who does not qualify for practice privileges must obtain a reciprocal certificate/permit to practice.

Please Note: Any individual who passed the Uniform CPA exam and holds a valid license issued by any other state prior to January 1, 2012 may be exempt from the education requirement in Section 107(a)(2) - requiring 150 semester hours and baccalaureate degree - for purposes of practice privileges.

Such CPA's shall have all the privileges of certificate and permit holders of Delaware without the need to obtain a certificate or permit from the Delaware Board.

Consent to Jurisdiction

An individual licensee of another state exercising practice privileges in Delaware and the firm which employs that licensee simultaneously consent, as a condition of the grant of this privilege:

To the personal and subject matter jurisdiction and disciplinary authority of the Delaware Board;
To comply with the Delaware Board's laws and rules;

That in the event the license from the state of the individual's principal place of business is no longer valid, the individual will cease offering or rendering professional services in Delaware individually and on behalf of a firm; and

To the appointment of the state board which issued their license as their agent upon whom process may be served in any action or proceeding by the Delaware Board against the licensee.

district of columbia

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege/Mobility

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges.

Practice privileges became effective in the District of Columbia on October 1, 2012. An out-of-state CPA holding a valid active license in another jurisdiction and whose principal place of business is not in the District will have all the privileges of licensees and permit holders in the District without the need to obtain a license or permit if:

The individual holds a valid license as a CPA from [any state that the NASBA National Qualification Appraisal Service has verified to be in substantial equivalence with the licensure requirements of the UAA](#), OR

The individual is not licensed in a substantially equivalent jurisdiction but the individual has obtained from the NASBA NQAS verification that the individual's CPA qualifications are substantially equivalent to the licensure requirements of the UAA. Any individual who passed the Uniform CPA Exam and holds a license issued by any state prior to January 1, 2012, may be exempted from the 150 semester hour educational requirement of the UAA.

An individual granted practice privileges who offers or renders professional services, whether in person or by mail, telephone, or electronic means, need not provide notice or other submission to any individual.

Consent to Jurisdiction

An individual licensee of another state exercising practice privileges and the firm that employs the licensee simultaneously consent, as a condition of the grant of the privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of the District of Columbia Board;

Compliance with the Board's laws and rules;

In the event the license from the state of the individual's principal place of business is no longer valid, the cessation of the offering or rendering of professional services in the District, individually and on behalf of a firm, and

The appointment of the state board that issued the license as the licensee's agent upon whom process may be served in any action or proceeding by the Board against the licensee.

Firm Registration Requirements May Apply

The performance of the following service by an individual qualified to exercise practice privileges in the District and provided for an entity with its home office in the District may only be performed through a firm that has obtained a registration and permit from the DC Board.

Any financial statement audit or other engagement performed in accordance with Statements on Auditing Standards;

Any examination of prospective financial information performed in accordance with Statements on Standards for Attestation Engagement; or

Any engagement to be performed in accordance with Public Company Accountancy Oversight Board Auditing Standards.

Note that firm registration will require at least one individual must hold an individual CPA license in D.C.

florida

Practice Privilege / Mobility / Interstate Practice Requirements

Temporary Permit /Temporary License for Military Spouse/Practice

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges/Temporary Permit.

A CPA who is not employed by a CPA firm licensed in Florida and whose address of record in their home state of licensure is not in Florida may temporarily provide services in Florida without providing notice or paying a fee if the individual:

Holds a valid active license in a jurisdiction determined by the board or its designee to be substantially equivalent to the UAA; OR

Holds a valid license as a CPA and obtains verification from [NASBA'S CredentialNet](#) service that the individual meets the Standards for Regulation including Substantial Equivalency of the UAA.

For a further explanation of states that are considered substantially equivalent to Florida, please [click here](#).

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Florida, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Florida and the firm which employs the CPA consents, as a condition to the exercising of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of this Board.

Compliance with the provisions of the Florida Accountancy Law and the rules and regulations adopted by the Board or governing the practice of the profession in Florida.

In the event the license from the state of the individual's principal place of business is no longer valid or is otherwise conditioned or restricted, the individual shall cease offering or rendering professional services in Florida individually and on behalf of the CPA firm.

The appointment of the board of accountancy or licensing authority which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

Effective July 1, 2009, the following must hold a Florida firm license:

Any firm with an office in Florida which performs services as defined in [473.302\(8\)\(a\)](#) ;

Any firm with an office in Florida that uses the title "CPA," "CPA firm," or any other title, designation, words, letters, abbreviations, or device tending to indicate that the firm practices public accounting;

Any firm that does not have an office in Florida but performs one or more types of services involving the expression of an opinion on financial statements, the attestation as an expert in accountancy to the reliability or fairness of presentation of financial information, the utilization of any form of opinion or financial statements that provide a level of assurance, the utilization of any form of disclaimer of opinion which conveys an assurance of reliability as to matters not specifically disclaimed, or the expression of an opinion on the reliability of an assertion by one party for the use by a third party for a client having its home office in Florida.

A firm that is not subject to the above requirements may perform other professional services while using the above referenced designations in Florida without a Florida firm license only if:

The firm performs such services through an individual with practice privileges in Florida; and

The firm can lawfully do so in the state where the individual with practice privileges has his or her principal place of business.

[You may view the Florida Board's web page discussing practice privileges at this link.](#)

Individuals who do not qualify for practice privileges will still be able to apply for the Temporary Practice Permit described below.

Temporary Practice Permit

General Requirements for Temporary Practice Permit

Applicant must file a formal application that is valid for only 90 days.

Application only covers one engagement.

Application must include the names of everyone entering the State of Florida to work on the engagement.

Application must be filed before beginning the engagement.

If this is the first application, then the applicant must submit a sample of work product to the Florida Board.

A temporary license is not required of CPAs or firms entering Florida for the purpose of preparing federal tax returns or advising as to federal tax matters if they do not use the title "CPA," "CPA firm" or any other title, designation, words, letters, abbreviations or device tending to indicate that the CPA or firm is authorized to practice public accounting.

Temporary License for Military Spouse.

A spouse of an active duty member of the Armed Forces of the United States may be issued a temporary CPA license in Florida. The applicant's spouse must be on active duty and assigned to a duty station in Florida. The applicant must hold a valid license as a CPA in another state, the District of Columbia, any United States territory or possession, or a foreign jurisdiction. The temporary license is valid for six months.

General Requirements

Applicant must file a formal application that is valid for only 6 months and is non-renewable.

Applicants must be married to an active duty member of the Armed Forces of the United States. Applicants must provide a copy of their military dependent ID card.

The applicant's spouse must be assigned to a duty station in Florida. Applicants must provide a copy of their spouse's military orders that reflect an active duty assignment in Florida, both that the applicant's spouse is assigned to a duty station in Florida and that the applicant is also assigned to a duty station in Florida.

Applicants must hold a valid CPA license in another state, the District of Columbia, any United States territory or possession, or a foreign jurisdiction. Applicants are required to provide a copy of the certificate of licensure and a copy of the statutes and/or rules that define the scope of work for the current license.

An applicant must submit a complete set of fingerprints to FDLE and have a background check as part of the licensing process. In order to obtain a Temporary License for Military Spouse, Florida law requires you to live in the state of Florida.

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georgia

Practice Privilege / Mobility / Interstate Practice Requirements

Practice privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

NOTE: Effective July 1, 2009, Georgia now provides practice privileges. Practices privileges were created in HB1055 during the 2008 legislative session. An individual may not engage in the practice of public accountancy in Georgia based on substantial equivalency privilege unless such individual holds a valid license as a CPA in a state which grants similar reciprocity to license holders of Georgia.

A CPA whose office location designation by such individual for purposes of substantial equivalency and reciprocity is in any other state may temporarily provide services in Georgia without providing notice or paying a fee if the individual:

Holds a valid active license as a CPA from any state which requires as a condition of licensure, that an individual:

Has at least 150 semester hours of college education including a baccalaureate or higher degree conferred by a college or university;

Achieves a passing grade on the Uniform Certified Public Accountant Examination; and

Possesses at least one year of experience, including providing any type of service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax, or consulting skills, which may be obtained through government, industry, academic, or public practice all of which was verified by a licensee; OR

Holds a valid license as a CPA from any state which does not meet the requirements above but such individual's CPA qualifications are substantially equivalent to those requirements.

Any individual who passed the Uniform CPA Exam and holds a valid license issued by any other state prior to January 1, 2012, may be exempt from the education requirement of 150 semester hours for purposes of practice privileges in Georgia.

Temporary Permits are no longer available in Georgia. An individual who does not qualify for practice privileges must apply for a Reciprocal License and Firm Permit.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Georgia, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Georgia and the firm which employs the CPA simultaneously consent, as a condition to the exercising of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of this Board.

Compliance with the provisions of the Georgia Accountancy Law and the rules and regulations adopted by the Board.

In the event the individual's license issued by any other state designated by such individual for purposes of substantial equivalency and reciprocity is not current, the individual shall cease offering or rendering professional services in Georgia individually and on behalf of the CPA firm.

The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

An individual exercising practice privileges in the performance of the following services for any entity that specifies a location in Georgia to which such service is directed must perform such services through a firm which has registered with the Georgia Board:

An audit to be performed according to standards adopted by board's rules or regulations;

An examination of prospective financial information to be performed according to standards adopted by board's rules or regulations, or

An engagement to be performed in accordance with standards related to public companies adopted by board's rules or regulations.

An individual qualifying for practice privileges in Georgia may provide expert witness services in Georgia.

An out-of-state firm (those firms with no office in this state) may provide review of financial statements in accordance with SSARS for a client having its home office in Georgia and may use the title "CPA" or "CPA firm" without obtaining a Georgia firm permit if the firm:

Meets requirements for firm ownership and peer review in Georgia; and

Performs services through an individual with practice privileges. Privileges are not permitted for an individual unless that individual holds a valid license as a CPA in a state which grants similar practice privileges to license holders in Georgia.

An out-of-state firm that does not perform any of the services described above may perform other professional services while using the title "CPA" or "CPA firm" without a Georgia firm permit if the firm:

Performs the services through an individual with practice privileges in Georgia; and

May lawfully perform the services in the state where the individuals with practice privileges have their office location designated by such individuals for purposes of substantial equivalency and reciprocity.

guam

Practice Privilege / Mobility / Interstate Practice Requirements

Notice of Intent

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirements

Applicant's principal place of business must NOT be in Guam.

Applicant must have a valid certificate or license as a CPA from any state which has been deemed to be [substantially equivalent](#) to Guam OR Applicant's individual qualifications must be substantially equivalent to the UAA. Click Initial Licensure above for information on current licensing requirements.

Practice privileges only apply to individuals. No *firm* shall perform services as a certificated public accounting *firm* in Guam without a *Firm* Permit to Practice. Click *Firm* Registration above for additional information.

Notice must be received by the Guam Board within thirty days after the individual knowingly avails himself/herself of the laws of Guam by either accepting an engagement or assignment to render professional services in Guam or offering to render professional services through direct solicitation or marketing targeted to persons in Guam.

A non-resident individual is not required to file a Notice of Intent if the individual's contact in Guam is limited to the following:

- (1) teaching college or continuing education course;
- (2) delivering a lecture;
- (3) moderating a panel discussion; or
- (4) rendering professional services to the individual's employer or to persons employed by the individual's employer provided that such services are not rendered for the employer's clients.

hawaii

Practice Privilege / Mobility / Interstate Practice Requirements

Temporary Permit to Practice

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Applicant must be at least 18 years of age.

Applicant must possess a history of competence, trustworthiness and fair dealing.

Applicant must hold a valid certified public accountant or public accountant license in another state or hold a valid comparable license from a foreign country.

Applicant's work in Hawaii must be incidental to the Applicant's practice in such other state or country and the Applicant must desire to practice public accounting in Hawaii on a temporary basis.

The applicant must apply for the Temporary Permit to Practice at least 60 days in advance.

Applicant must complete the appropriate application and submit applicable fees.

Please Note: Temporary permits are only valid for 90 days. A new application must be filed for each 90-day period.

Out-of-State CPA's coming in to Hawaii for a temporary engagement must also obtain a Firm Permit to Practice (FPTP), as provided in HAR 16-71-24, because the firm of which the CPA is a part will be engaging in the practice of public accounting in the State. Furthermore, one of the requirements for a FPTP is that the out-of-State firm have at least one Hawaii-licensed CPA/PA with a Hawaii permit to practice (not a Hawaii TPTP).

In the situation with an out-of-State CPA who must obtain a TPTP, the firm that must obtain a FPTP may base that FPTP on another principal who is already licensed and permitted in the State of Hawaii.

idaho

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Effective July 1, 2008, an individual whose principal place of business is outside of Idaho may exercise all the privileges of Idaho CPAs without the need to obtain a license or pay a fee if the individual:

- Holds an active license in good standing in a [substantially equivalent](#) jurisdiction; OR
- Has individual qualifications that are substantially equivalent to Idaho's requirements; OR
- Has been licensed for no less than four years as a certified public accountant within the previous ten years.

There are no notice or fee requirements for such practice privileges; however such individuals will be subject to the disciplinary authority of the Idaho Board.

A CPA who holds a license in a jurisdiction not on the substantially equivalent list linked above may submit documentation of their individual substantially equivalent qualifications to the Idaho Board of Accountancy or they may obtain an individual substantial equivalency evaluation from NASBA's [CredentialNet](#) Service. Documentation sent to the Idaho Board should be mailed to P.O. Box 83720, Boise ID 83720-0002.

Consent to Jurisdiction

Licensees of other states exercising the privilege afforded hereby consent, as a condition to the grant of this privilege:

- To the personal and subject matter jurisdiction and disciplinary authority of the Idaho Board;
- To comply with the law and board rules; and
- To the appointment of the state boards which issued their licenses as their agents upon whom process may be served in any action or proceeding by Idaho Board's against such licensees.

Firm Registration Requirements May Apply

Individuals with practice privileges in Idaho shall comply with the peer review requirements in the state of their principal place of business.

Internet Disclosures. An individual entering into an engagement to provide professional services via a web site, pursuant to practice privileges granted by Idaho, shall disclose, via their web site, their principal state of licensure, license number and address. A firm offering or rendering professional services to Idaho businesses or residents via a web site shall provide, in the web site's homepage, a means for regulators and the public to contact a responsible licensee in charge at the firm regarding complaints, questions or regulatory compliance. Such a firm or individual consents to the disciplinary authority of the Idaho Board by the act of providing services via a web site.

Illinois

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirements

Effective January 1, 2008: An individual whose principal place of business is not in Illinois shall have all the privileges of a person licensed in Illinois as a licensed certified public accountant without the need to obtain a license or registration from the Department or file notice with the Department, if the individual:

Holds a valid license as a CPA issued by another state that NASBA has verified to be in [substantial equivalence](#) with the CPA licensure requirements of the Uniform Accountancy Act; OR

Holds a valid license as a CPA issued by another state and obtains from NASBA verification that the individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the Uniform Accountancy Act. However, any individual who has passed the Uniform CPA Examination and holds a valid license issued by any other state prior to January 1, 2012 shall be exempt from the education requirements of Section 3 of the Illinois Act.

Sec. 3. Qualifications of applicants. To be admitted to take the examination after the year 2000, for the purpose of determining the qualifications of applicants for certificates as certified public accountants under this Act, the applicants shall be required to present proof of the successful completion of 150 college or university semester hours of study or their quarter-hour or other academic credit unit equivalent, to include a baccalaureate or higher degree conferred by a college or university acceptable to the Board, the total educational program to include an accounting concentration or equivalent as determined by Board rule. In adopting those rules, the Board shall consider, among other things, any impediments to the interstate practice of public accounting that may result from differences in the requirements in other states.

Notwithstanding any other provision of law, an individual who offers or renders professional services through practice privileges, whether in person or by mail, telephone, or electronic means, shall be granted practice privileges in Illinois and no notice or other submission must be provided by any such individual.

An individual licensee of another state who is exercising this privilege and the CPA firm that employs such individual, if any, as a condition of the grant of this privilege, hereby simultaneously consent:

To the personal and subject matter jurisdiction and disciplinary authority of the Department;

To comply with the Illinois Act and the Department's rules adopted under this Act;

That in the event that the license from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering accounting activities in Illinois individually or on behalf of a CPA firm; and

To the appointment of the state board that issued the individual's or the CPA firm's license as the agent upon which process may be served in any action or proceeding by the Department against the individual.

An individual licensee who qualifies for practice privileges performs, for any entity headquartered in Illinois, (1) financial statement audit or other engagement in accordance with SAS; (2) an examination of prospective financial information in accordance with SSAE; or (3) an engagement in accordance with PCAOB standards may only do so through a firm licensed under the Illinois Act.

indiana

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Applicant must not be a resident of the State of Indiana.

Applicant's principal place of business must not be in Indiana.

Applicant must hold an active unrestricted license in good standing in another jurisdiction.

A CPA who is not a resident of the state of Indiana and whose principal place of business is outside Indiana shall have all the privileges granted to an Indiana CPA without the need to obtain a certificate or a permit in Indiana if:

The CPA is licensed in a [substantially equivalent](#) state; or

Indiana utilizes the NASBA list for substantially equivalent jurisdictions. However, if you are licensed in a state has is marked with single or double asterisks, you should contact the Indiana Board directly to confirm your individual eligibility.

The CPA has individual qualifications that are substantially equivalent.

NOTE: Any CPA availing himself/herself of practice privileges in the State of Indiana is subject to disciplinary action by the Indiana Board of Accountancy.

Notwithstanding any other provision of law, an individual who offers or renders professional services, in person or by mail, telephone, or other electronic means, as authorized under this section is not required to provide notice or other submissions to the board; and is subject to the requirements listed below.

An individual of another state exercising the privilege granted under this section, and a CPA firm that employs the individual consent, as a condition of the grant of this privilege:

to the personal and subject matter jurisdiction and disciplinary authority of the Indiana Board;

to comply with Indiana Code 25-2.1 and Title 872 of the Indiana Administrative code;

that if a certificate as a CPA from the state of the individual's principal place of business is no longer valid, the individual shall cease exercising the privilege granted under this section in Indiana, individually and on behalf of the CPA firm; and

to the appointment of the Indiana Board or Accountancy or the Indiana Professional Licensing Agency on whom process may be served in any action or proceeding by the Indiana Board against the individual.

This is NOT a license or permit for the firm to practice in Indiana.

iowa

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges. Effective July 1, 2009, Iowa allows practice privileges. Practices privileges were created in SF2379 during the 2008 legislative session. The details of SF2379 are provided below.

A CPA whose principal place of business is outside of Iowa may temporarily provide services in Iowa if such person holds a valid, unexpired license in good standing in the state of their principal place of business that is substantially equivalent to a comparable license issued in Iowa.

The other state's licensing standards must be substantially equivalent to those required by Iowa, or the individual must have individual qualifications that are substantially equivalent to Iowa's licensing requirements. The basic qualifications for an Iowa CPA certificate include 150 semester hours of education, a baccalaureate or higher degree, passing the national CPA examination, and one year of qualifying experience or, for an attest practice, two years of qualifying experience. ([Click here for a list of substantially equivalent jurisdictions](#))

Out of state CPAs who were not issued a CPA certificate from a state which is substantially equivalent to Iowa and who do not otherwise satisfy substantially equivalent qualifications, are eligible to exercise a practice privilege in Iowa if they satisfy the "four-in-ten" rule in [Iowa Code 542.19\(1\)\(c\)](#) .

You may use the Iowa Board's [Mobility Check List](#) as a guide to determine whether you are eligible to exercise practice privileges in Iowa.

Individuals or firms must be licensed to lawfully perform in its principal place of business all public accounting services offered or rendered under a practice privilege in Iowa.

Practice privileges do not prevent governmental officials or bodies, or other clients from requiring that public accounting services performed in Iowa or for an Iowa client be performed by a person or firm holding an Iowa license.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Iowa, and no notice or other submission shall be provided by the individual.

Individuals Ineligible for Practice Privileges

The practice privileges in Iowa is not applicable if:

The individual has been convicted of a felony under the laws of any jurisdiction.

The individual has been convicted of any crime under the laws of any jurisdiction if an element of the crime involves dishonesty or fraud.

The individual's license to practice public accounting has been suspended, revoked or otherwise disciplined by a licensing authority in this or another state, territory or country, for any cause other than failure to pay appropriate fees.

The individual's right to practice public accounting before any state or federal agency or the PCAOB has been suspended or revoked.

The individual has applied for licensure as a CPA in Iowa or other jurisdiction and has been denied.

Civil penalties have been imposed against the individual pursuant to Iowa Code 542.14.

The individual's authority to exercise a practice privilege has been revoked in Iowa or other jurisdiction.

Consent to Jurisdiction

As a condition to exercising the practice privilege in Iowa, the individual and firm consent to the following:

The personal and subject matter jurisdiction and regulatory authority of the Iowa Board;

The appointment of the regulatory body of the state that issued the license in the principal place of business as the agent upon whom process may be served in any action or proceeding by the Iowa Board against the individual and/or firm;

To supply the Iowa Board, upon request and without subpoena, with information or records licensees are similarly required to provide the Iowa Board; and

To promptly cease offering or providing public accounting services in Iowa or for a client with a home office in Iowa if the license in the individual/firm's principal place of business expires or is otherwise no longer in good standing, or if any of the conditions for exercising the practice privilege are no longer satisfied, or if the Iowa Board revoked the practice privilege.

The practice privilege in Iowa is temporary and will cease if the license in the person's or firm's principal place of business expires, is no longer valid or in good standing, or otherwise no longer lawfully supports the conditions of practice privileges in Iowa.

The Iowa Board may revoke a practice privilege, impose a civil penalty, issue an order to secure compliance, may refer a complaint to the home licensing authority or take additional actions if a person or firm acting under a practice privilege violates Iowa's laws or rules.

Firm Registration Requirements May Apply

A CPA firm that holds a valid, active license in good standing in the state of its principal place of business may provide those public accounting services in Iowa or for clients with a home office in Iowa authorized by the firm's out-of-state license and may practice in Iowa without notice to the Iowa Board if the firm's practice is performed by individuals who hold a license in Iowa or who have practice privileges in Iowa under the following conditions:

The firm shall not perform audit, review or other attest services in Iowa or for a client having a home office in Iowa.

The firm shall not have an office in Iowa which uses the title "CPAs", "CPA firm", "certified public accountants", or "certified public accounting firm."

The firm may perform compilation services only if it complies with the ownership and peer review requirements of Iowa.

The firm shall not make any representation tending to falsely indicate that the firm is licensed in Iowa.

The firm, upon a client's or prospective client's request, shall provide accurate information on the state or states of licensure, principal place of business, contact information and manner in which licensure status can be verified.

The firm shall comply with all professional standards, laws and rules that apply to licensees performing the same professional services.

Iowa firm licensure is required if:

The firm performs or offers to perform audit, review or other attest services in Iowa or for a client with a home office in Iowa; or

The firm has one or more offices in Iowa at which the firm uses the title "CPAs", "CPA firm", "certified public accountants", or "certified public accounting firm."

NOTE: SF2122, which became effective July 1, 2012, clarified SSARS services performed through mobility would no longer require the out-of-state firm to obtain an Iowa firm permit. All other attest services still require an Iowa firm permit.

Individuals providing compilation services in Iowa or for a client with a home office in Iowa must comply with the peer review provisions of the Iowa Code section 542.6(6) or provide such services through a CPA or LPA firm, or a substantially equivalent firm that is validly licensed in the firm's principal place of business, that complies with the peer review and ownership provisions of Iowa Code section 542.7 or 542.8.

Firms Ineligible for Practice Privileges

The practice privilege in Iowa is not applicable if:

The firm or any of the firm's owners has been convicted of a felony under the laws of any jurisdiction.

The firm or any of the firm's owners has been convicted of any crime under the laws of any jurisdiction if an element of the crime involves dishonesty or fraud.

The license to practice public accounting of the firm or any of the firm's owners has been suspended, revoked or otherwise disciplined by a licensing authority in this or another state, territory or country, for any cause other than failure to pay appropriate fees.

The right of the firm or any of the firm's owners to practice public accounting before any state or federal agency, or the PCAOB has been suspended or revoked.

The firm or any of the firm's owners has applied for licensure as a CPA firm or a CPA in Iowa or other jurisdiction and the application has been denied.

Civil penalties have been imposed against the firm or any of the firm's owners.

The authority of the firm or any of the firm's owners to exercise a practice privilege has been revoked in Iowa or another jurisdiction.

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kansas

Practice Privilege / Mobility / Interstate Practice Requirements

Practice by Notification/Practice privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective November 1, 2009, Kansas began allowing practice privileges to individuals without requiring notification or fee. The new practice privileges were created in HB2339 during the 2009 legislative session. The details of HB2339 are provided below.

A CPA whose principal place of business is outside of Kansas may temporarily provide services in Kansas without providing notice or paying a fee if the individual:

- Holds a valid active license in a jurisdiction determined by the Kansas Board to be substantially equivalent. OR
- Has substantially equivalent individual CPA qualifications. Such individual's CPA qualifications must be substantially equivalent to the following:
 - Have at least 150 semester hours of college education, including a baccalaureate or higher academic degree, with a concentration in accounting as defined by the home licensing jurisdiction, from a college or university;
 - Obtains credit for passing each of the four test sections of the Uniform CPA Examination; and
 - Possesses at least one year of experience including service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which were verified by a CPA holding an active license to practice.

Non-resident CPAs should contact the Kansas Board prior to exercising practice privileges in Kansas to determine whether they are eligible for practice privileges in **KS** through either path described above.

An individual who does not qualify for practice privileges based on substantial equivalency must apply for Reciprocal Certification, Licensure and Firm Permit. For additional information, click the Reciprocal Licensure and Firm Registration tabs above.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Kansas, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Kansas and the firm which employs the CPA consents, as a condition to the exercising of this privilege, to the following:

- The personal and subject matter jurisdiction of this Board.
- Compliance with the provisions of the Kansas Accountancy Law and the rules and regulations adopted by the Board.
- In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in Kansas individually and on behalf of the CPA firm.
- The appointment of the state regulatory body which issued the individual or firm license as the agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Please Note: Any individual or firm prohibited from practicing certified public accountancy in Kansas, as a result of having a permit, certificate or practice privilege revoked or suspended by the Kansas Board, shall not be granted practice privileges without first obtaining the approval of the Board.

Firm Registration Requirements May Apply

An individual exercising practice privileges in the performance of the following services for any entity with its home office in Kansas must perform such services through a firm which has registered with the Kansas Board:

- Any audit or other engagement to be performed in accordance with SAS,
- Any audit to be performed in accordance with the Kansas municipal audit guide;
- Any review of a financial statement to be performed in accordance with SSARS,
- Any engagement, except a compilation, to be performed in accordance with SSAE; or
- Any engagement to be performed in accordance with the auditing standards of the PCAOB.

The following firms must be registered by the Kansas Board:

- Any firm with an office in Kansas which practices certified public accountancy; and
- Any firm that does not have an office in Kansas but performs or offers to perform attest services as described in KSA 1-321(d) and listed in the paragraph above, for a client having its home office in Kansas.

An individual who has practice privileges in Kansas who performs or offers to perform services for which a firm registration is required by the Kansas Board shall not be required to obtain an individual certificate or permit.

An out-of-state firm that does not perform any attest services as defined by KSA 1-321(d) may perform or offer non-attest services as defined by KSA 1-321(s) and may use the "certified public accountant," "CPA" or "CPA firm" without a firm permit issued by the Kansas Board if:

- The individuals performing such services on behalf of the firm meet the experience requirements for initial licensure set forth in KSA 1-302b;
- It performs the services through an individual with practice privileges in Kansas; and
- It may lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

kentucky

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirements

Applicant must not have an office located in Kentucky.

Applicant must hold a valid and active license as a CPA from any state that the Kentucky Board has determined to have licensure requirements substantially equivalent to those found in the Kentucky law and accompany administrative regulations thereunder.

[Click here](#) to review a list of states that are substantially equivalent.

Notwithstanding any other provision, a person who satisfies the requirements for practice privileges is not required to provide notice of offering or providing such services to the Kentucky Board and is subject to the requirements listed below.

A person who offers to perform or performs a regulated activity in person or by mail, telephone or other electronic means in Kentucky pursuant to practice privileges agree to:

Submit to the personal and subject matter jurisdiction and disciplinary authority of the Kentucky Board;

Comply with the laws and rules of the Kentucky Board;

Cease exercising the privilege if the license issued by the board or agency located in the state of the person's principal place of business expires or is no longer valid;

The appointment of the state board of agency where the person's principal place of business is located and which issued the person's license as the agent upon whom process may be served in any action or proceeding by the Kentucky State Board against that person;

Notify the Kentucky Board prior to opening any office in this state and immediately apply for a license from the Kentucky Board; and

Notify the Kentucky Board immediately if the person's license in the state where his or her principal place of business is located becomes inactive, lapses, or is subjected to any disciplinary action.

The Kentucky Board may take disciplinary action against a person granted a privilege for an act committed by the person in another state if the act at the time of its commission is a violation of that state's law or regulations and Kentucky's laws or regulations.

A person who qualifies for the practice privilege and offers to perform or performs one or more of the following services for a client with its home office located in Kentucky or for a person who is a resident of Kentucky, shall perform the service(s) through a firm which has obtained a Kentucky license:

Any financial statement audit or other engagement to be performed in accordance with SAS;

Any examination of prospective financial statements to be performed in accordance with SSAE; or

Any engagement to be performed in accordance with the PCAOB.

The following firms shall obtain a license to practice in Kentucky:

Any firm with an office located in Kentucky performing attest services or compilations;

Any firm with an office in Kentucky that uses the title "CPA" or other phrase or abbreviation in any manner described in Kentucky's laws or rules to suggest it is a certified public accounting firm; and

Any firm that does not have an office located in Kentucky but performs any attest service (audit or engagement performed according to SAS, exam of prospective financial information performed according to SSAE, or engagement performed according to PCAOB standards) for a client with his or her home office in Kentucky or a client who is a resident of Kentucky.

The following firms shall not be required to obtain a license from the Kentucky Board and may use the title "CPA in the name of the firm:

A firm which does not have an office in Kentucky that performs services (any review of a financial statement performed according to SSARS or compilations as defined by KRS325.220(5)) for a client having its home office in Kentucky or a client who is a resident of Kentucky if :

The firm complies with firm ownership and peer review requirements of Kentucky; and

All services provided by the firm are performed by an individual with practice privileges granted by the Kentucky Board.

A firm which does not have an office in Kentucky and does not provide the review and compilation services described above to a client having his or her home office located in Kentucky or a client who is a resident of Kentucky may provide other services that are regulated activities, as defined by the Kentucky Board, if:

The services are provided through an individual granted practice privileges by the Kentucky Board; and

The firm can legally provide the services in the state where the individual with a practice privilege has his or her principal place of business.

In addition to the above exemption to licensure, KRS 325.301(7) authorizes a firm to perform the following services without a Kentucky license:

Conduct a peer review of a firm; or

Perform attestation work, incidental to an engagement which was initiated with a client located outside of Kentucky and has extended into Kentucky due to common ownership or existence of a subsidiary, assets, or other operations located within Kentucky.

Louisiana

Practice Privilege / Mobility / Interstate Practice Requirements

Provisional License/ Practice Privileges by SE

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Provisional License:

General Requirement

The Louisiana engagement must be a one-time event, lasting 90 days or less, for a Provisional License to be granted. This license is not renewable.

Any CPA firm located outside of Louisiana that does not have a Louisiana CPA firm permit and plans to practice in Louisiana for a period of 90 days or less must file for a Provisional License. This license covers the individual CPAs and the firm.

If the engagement will last over 90 days, then the Applicant should apply for a Reciprocal License and a regular firm permit.

Applicant must hold an original and active license from a jurisdiction other than Louisiana.

Applicant must not live or have an office in Louisiana.

Practice Privileges:

Practice Privileges by State Substantial Equivalency

General Requirement

CPAs who reside outside of Louisiana and who do not have a principal place of business in Louisiana may qualify for practice privileges in Louisiana (no fee, no notice or application required to be submitted to the Louisiana Board).

Applicant must have an original license from a substantially equivalent state.

Applicant must maintain his/her original valid active CPA license that was issued by the substantially equivalent state; OR

Applicant previously held an original valid active CPA license that was issued by a substantially equivalent state, but because of a re-location of residence and principal place of business to another state, maintains a valid active license from the other state that was issued under reciprocity, OR

Applicant previously held an original valid active Louisiana CPA license, but because of a re-location of residence and principal place of business to another state, maintains an active valid license from the other state that was issued under reciprocity.

[Click here to visit the Louisiana Board's web site](#) and view the list of substantially equivalent jurisdictions found in part A under the Practice Privileges section.

Practice Privileges by Individual Substantial Equivalency

General Requirements

An out-of-state CPA not licensed in a substantially equivalent jurisdiction may qualify for practice privileges if Applicant's individual qualifications are as follows:

CPA holds a valid active CPA license issued by a state board of accountancy and has passed the Uniform CPA Examination (or IQEX examination, if applicable), AND

Applicant has 150 semester hours of college education and has at least one year of CPA supervised accounting related experience in the last four years; OR

Applicant has four years of experience outside of Louisiana as a practicing CPA (or Chartered Accountant if applicable) within the last ten years.

Consent to Jurisdiction

By law, a CPA of another state exercising practice privileges in Louisiana and the CPA firm which employs the CPA consents, as a condition to the grant of this privilege, to the following:

the personal and subject matter jurisdiction and disciplinary authority of this Board.

compliance with the provisions of the Louisiana Accountancy Law and the rules and regulations adopted by the Board.

in the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in this state individually and on behalf of the CPA firm.

the appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this board against the licensee.

Firm Registration Requirements May Apply

CPA firms that do not have an office or a place of business in Louisiana, that satisfy Louisiana firm ownership and peer review requirements, and that provide services in Louisiana or to Louisiana clients are required to have a Louisiana firm permit only if they perform any of the following services for a client whose home office is located in Louisiana:

audit or other engagement under SAS or Government Auditing Standards, or

examination of prospective financial information under SSAE, or

engagement in accordance with PCAOB auditing standards.

maine

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

A CPA whose principal place of business is outside Maine shall have all the privileges of a permit holder in Maine and may provide professional services in Maine without the requirement to obtain a permit or otherwise notify or register with the Maine Board or pay any fee if the individual:

Holds a valid license as a CPA from a [substantially equivalent](#) jurisdiction; OR

Holds a valid license as a CPA from a non-substantially equivalent jurisdiction but has individual qualifications which are substantially equivalent. Individual substantial equivalency can be evaluated through NASBA's [CredentialNet](#) service.

An individual who qualified for the practice privilege under substantial equivalency may render professional services in Maine, whether in person or by mail, telephone or electronic means, and no notice or other submission may be required for any such individual. Individual substantial equivalency can be evaluated through NASBA's [CredentialNet](#) service.

An individual exercising practice privileges and the firm employing that individual consent, as a condition of the grant of this privilege:

To the personal and subject matter jurisdiction and disciplinary authority of the Maine Board;

To comply with the provisions of the Maine Board's laws and rules;

To the stipulation that, in the event the license from the state of the individual's principal place of business is no longer valid, the individual will cease offering or rendering professional services in Maine individually and on behalf of a firm; and

To the appointment of the state board that issued the individual's license as the individual's agent upon whom process may be served in any action or proceeding by the Maine Board against the individual.

An individual may exercise practice privileges to provide the following services for an entity with its home office in Maine, provided that the individual operated through a firm that has obtained a permit:

A financial statement audit or other engagement performed in accordance with SAS;

An examination of prospective financial information to be performed in accordance with SSAE; or

An engagement to be performed in accordance with auditing standards of the PCAOB.

maryland

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privilege.

Effective **October 1, 2008**, an out-of-state CPA who does not have a principal place of business in Maryland may exercise all the privileges of a Maryland CPA without the need to obtain a license or pay a fee if the individual:

 Holds an active license in good standing in a [substantially equivalent](#) jurisdiction; OR

 Has individual qualifications that are substantially equivalent to the Uniform Accountancy Act.

 A CPA who holds a license in a jurisdiction not on the substantially equivalent list linked above must obtain an individual substantial equivalency evaluation from NASBA's [CredentialNet](#) Service.

Please Note: An individual who has passed the Uniform CPA Exam and holds a valid license issued by another state prior to January 1, 2012, may be exempt from the education requirement in the Uniform Accountancy Act for purposes of practice privileges.

Practice privileges extend to the practice of certified public accountancy in Maryland by any means including mail, telephone, or electronic communication. There are no notice, fee or other submissions required for such practice privileges.

Consent to Jurisdiction

As a condition of the practice privilege, an individual who qualifies for the privilege and the firm that employs the individual shall both consent to the following:

 To the personal and subject matter jurisdiction and disciplinary authority of the Maryland Board;

 To comply with public accountancy laws and regulations adopted by the Maryland Board;

 To the appointment of the state board of public accountancy which issued the individual's license to practice certified public accountancy as the agent upon whom process may be served in any action or proceeding by the Maryland Board against the individual; and

 Ceasing to offer or provide services in Maryland if the license issued by the state in which the individual's principal place of business is located is no longer valid.

Firm Registration Requirements May Apply

A sole practitioner who is practicing in Maryland through practice privileges may only perform attest services (audit or engagement in accordance with SAS, examination of prospective financial information in accordance with SSAE, and any engagement in accordance with auditing standards of PCAOB) through a firm that holds a Maryland permit. A sole practitioner who is actively licensed in another state and plans to perform these identified attest services in Maryland under mobility must meet the requirements for one of these types of business permits in Maryland: Partnerships, Corporations, and LLC/LLP.

A firm permit is required to operate a business through which certified public accountancy is practiced if the firm:

 Has an office in Maryland that performs attest services (audit or engagement in accordance with SAS, review in accordance with SSAR; examination of prospective financial information in accordance with SSAE, and any engagement in accordance with auditing standards of PCAOB);

 Has an office in Maryland that uses the title "CPA" or "CPA firm"; OR

 Is an out-of-state CPA firm performing attest services (audit or engagement in accordance with SAS, examination of prospective financial information in accordance with SSAE, and any engagement in accordance with auditing standards of PCAOB) for a client with a home office in Maryland.

A firm that does not have an office in Maryland may perform the following services for a client with a home office in Maryland without a Maryland permit if the firm:

 Performs a review of financial statement performed in accordance with SSARS; or

 Performs a compilation (presentation of information) in the form of a financial statement that: (1) is performed in accordance with SSARS; and (2) is the representation of management without an undertaking on the part of the preparer to express any assurance on the statement; AND performs the above services through an individual who has a "practice privilege" under Maryland law.

An out-of-state firm must meet the requirements set forth in the Maryland Accountancy Act for Partnerships, Corporations, and LLC/LLP.

Click here to view the [Mobility page](#) of the Maryland Board's web site.

massachusetts

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privilege.

On February 4, 2010, HB4159 was signed into law by the Governor, creating practice privileges for out-of-state CPAs in Massachusetts. The requirements for practice privileges as set forth in the law are described below for *informational purposes* only. Please note: Additional rule-making may be required for full implementation of mobility. Individuals and firms seeking to exercise practice privileges in Massachusetts should contact [the Massachusetts Board office](#).

The information below is a summary of the mobility legislation and may be modified by rule-making. Also, please view the [Advisory Opinion](#) published by the Massachusetts' Board at its June 24, 2010 meeting.

Effective *July 1, 2010*, an individual whose principal place of business is not in Massachusetts shall be qualified to engage in the practice of certified public accountancy in Massachusetts, if the individual:

Holds a valid license as a CPA issued by another state that the NQAS of NASBA has verified to be in [substantial equivalence](#) with the CPA licensure requirements of the Uniform Accountancy Act, if such state has adopted and implemented a 150 hour educational requirement as a qualification for initial licensure as a CPA; OR

Holds a valid license as a CPA issued by another state and obtains from the [NQAS](#) (CredentialNet) of NASBA verification that the individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the Uniform Accountancy Act.

Please Note: An individual who has passed the Uniform CPA Examination and holds a valid license issued by any other state prior to January 1, 2012 shall be exempt from the education requirements of subsection (e) of section 87A 1/2.

Practice privileges in Massachusetts are only offered on a Quid Pro Quo basis. Practice privileges are only available to CPAs currently holding a license from a state that permits a CPA licensed by Massachusetts to qualify for substantial equivalency and to engage in the practice of certified public accountancy in that state and have all the privileges of a CPA in that state without the need to obtain a certificate or license from that state.

Practice Privileges extend to professional services offered or rendered in Massachusetts, whether in person or by mail, telephone, or electronic means, and no notice or other submission must be provided by any such individual.

Consent to Jurisdiction

An individual licensee of another state who is exercising this privilege and the CPA firm that employs such individual, if any, as a condition of the grant of this privilege, hereby simultaneously consents:

To the personal and subject matter jurisdiction of any duly authorized court of Massachusetts, and the disciplinary authority of the Massachusetts Board;

To comply with the laws and regulations adopted by the Massachusetts Board;

To agree to cease offering or rendering professional services in Massachusetts personally and as an agent of a firm, if the certificate from the state of the person's principal place of business is no longer valid, or if the certificate or license from the state of the firm's principal place of business is no longer valid; and

To the appointment of the state board that issued the individual's or the CPA firm's license as the agent upon which process may be served in any action or proceeding by the Board.

Firm Registration May Apply

CPAs entering Massachusetts through mobility will be subject to the same firm registration requirements as a Massachusetts' CPA entering the home state. If firm registration is required in Massachusetts, at least one CPA must hold a Massachusetts individual CPA license. Contact the Massachusetts Board directly for additional instructions.

michigan

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Effective June 11, 2008: An individual whose principal place of business is not in Michigan shall be considered to have qualifications substantially equivalent to Michigan's requirements and shall have all the privileges of Michigan licensees and may practice public accountancy without the need to obtain a certificate, license or temporary practice permit if:

The individual holds a valid license as a CPA from another licensing jurisdiction that requires, as a condition of licensure, that the individual meets all of the following:

- Has at least 150 semester hours of college education including a baccalaureate or higher degree conferred by a college or university;
- Achieves a passing grade on the uniform certified public accountant examination; and
- Possesses at least 1 year of experience including providing any type of service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax, or consulting skills, all of which may be obtained through government, industry, academic, or public practice as verified by a licensee. OR

The individual holds a valid license as a CPA from another licensing jurisdiction that does not meet the above requirements, but such individual's CPA qualifications are substantially equivalent to those requirements. Any individual who passed the Uniform CPA Exam and holds a valid license issued by another licensing jurisdiction prior to January 1, 2012 is exempt from the education requirement of 150 semester hours of college education including a baccalaureate or higher degree.

[Click here to view a list of substantially equivalent jurisdictions.](#)

An individual exercising the practice privilege and the firm employing that individual simultaneously consent to all of the following as a condition of the exercise of that privilege:

- To the personal and subject matter jurisdiction and disciplinary authority of the Michigan Board and the department;
- To comply with the Michigan Act and applicable rules;
- In the event the license from the licensing jurisdiction of the individual's principal place of business is no longer valid, the individual will cease offering or rendering professional services in Michigan individually and on behalf of a firm; and
- To the appointment of the state board or other licensing authority issuing his or her license as the agent upon whom process may be served in any action or proceeding by the Michigan Board against the individual or the firm employing that individual.

An individual qualified to exercise practice privileges may perform the following types of engagements for an entity with its home office in Michigan only through a firm that has obtained a valid Michigan firm license:

- Any audit or other engagement to be performed in accordance with SAS;
- Any examination of prospective financial information to be performed in accordance with SSAE; or
- Any engagement to be performed in accordance with PCAOB auditing standards.

A licensee of Michigan offering or rendering services or using the CPA title in another licensing jurisdiction or before a state or federal agency is subject to the disciplinary action in Michigan for an act committed in another licensing jurisdiction or before a state or federal agency for which the licensee would be subject to discipline for an act committed in another licensing jurisdiction or before a state or federal agency. The department is required to examine any complaint made by the state board or other licensing jurisdictional authority and may accept, as prima facie evidence of a violation of this Michigan Act, the final order of violation issued by another state board or other licensing jurisdictional authority.

NOTE: In order to license a firm in Michigan, the person with administrative responsibility must hold a Michigan license as a CPA.

A firm which is not required to obtain a Michigan license under the above criteria (an office located in Michigan or performing attest services for a client whose home office is in Michigan) may perform a review engagement in accordance with the SSARS, perform an examination, other than an engagement describe in 720(1)(a)(iii), a review, or agreed-upon procedures engagement in accordance with SSAE, or perform a compilation for a client having its home office in Michigan, may use the title "CPA" or "CPA firm", and may practice public accountancy without a Michigan license only if it meets both of the following conditions:

- It meets the requirements for a firm obtaining a Michigan license; and
- It performs such services through an individual with practice privileges.

Firms not seeking to provide such services may perform other professional services within the practice of public accountancy while using the title "CPA" or "CPA firm" in Michigan without a Michigan license only if it meets both of the following conditions:

- It performs such services through an individual with practice privileges; and
- It can lawfully do so in the licensing jurisdiction where such individuals with practice privileges have their principal place of business.

minnesota

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

- Applicant must be of good moral character.
- Applicant's principal place of business must not be in Minnesota.
- Applicant must have a valid certificate or license as a certified public accountant from any state which is [substantially equivalent](#) with the certified public accountant licensure requirements of Minnesota OR Applicant's individual qualifications are substantially equivalent with the certified public accountant licensure requirements of Minnesota.

An individual licensee from another state exercising practice privileges and the firm which employs that licensee are deemed to have consented, as a condition of the grant of this privilege:

- To the personal and subject matter jurisdiction and disciplinary authority of the Minnesota Board;
- To comply with the laws and the Board rules;
- To the appointment of the state board that issued the license as the licensee's agent upon whom process may be served in any action or proceeding by the Minnesota Board against the licensee; and
- To cease offering or rendering professional services in this state individually and on behalf of a firm in the event the license issued by the state of the individual's principal place of business is no longer valid or in good standing.

An individual who has been granted practice privileges in Minnesota, who performs attest services for any entity with its headquarters in Minnesota, must do so through a firm which has obtained a Minnesota permit. The firm must file a firm permit application. An individual's practice privilege in Minnesota is not effective if that individual's firm is required to have a valid Minnesota permit but does not have one.

The following must hold a firm permit issued by the Minnesota Board:

- Any firm with an office in Minnesota performing attest services;
- To the extent required by section [326A.10](#) , paragraph (k), any firm with an office in Minnesota performing compilation services as defined in section [326A.01](#) , subdivision 6;
- Any firm with an office in Minnesota that uses the title "CPA" or "CPA firm"; or
- Any firm that does not have an office in Minnesota but performs attest services in accordance with SAS, SSAE or PCAOB standards.

NOTE: If your client is headquartered in Minnesota, your firm must obtain a Minnesota firm license even if you have no office location in Minnesota.

A firm holding a valid permit from another state which does not have an office in Minnesota may perform a compilation or review of a financial statement in accordance with SSARS for a client having its headquarters in Minnesota and may use the title "CPA" or "CPA firm" without a permit issued by the Minnesota Board only if:

- It meets Minnesota's requirements for firm ownership;
- Peer review is required for renewal in its state of licensure; and
- It performs services through an individual who qualifies for practice privileges in Minnesota.

Any firm possessing a valid permit from another state that does not have an office in Minnesota and is not required to obtain Minnesota firm permit based on the above requirements may perform other professional services while using the title "CPA" or "CPA firm" in Minnesota without a Minnesota firm permit only if the firm:

- Meets Minnesota's requirements for firm ownership;
- Performs services through an individual who qualifies for practice privileges in Minnesota; and
- Can lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

mississippi

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

NOTE: Effective July 1, 2009, practice privileges became available in Mississippi. Practice privileges were created in the 2008 legislative session in SB2628 and further clarified during the 2010 legislative session in SB2128. The specific requirements of SB2628 are detailed below.

Beginning July 1, 2009, a CPA whose principal place of business is outside of Mississippi may exercise all the privileges of Mississippi CPAs without the need to obtain a license or pay a fee, if the individual:

Holds a valid license from a state that requires, as a condition of licensure, that an individual:

Has at least 150 semester hours of college education including a baccalaureate or higher degree conferred by a college or university;

Achieves a passing grade on the Uniform CPA Examination; and

Possesses at least one year of experience verified by a licensee, including providing any type of service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, which may be obtained through government, industry, academic or public practice.

Click here to view a listing of [substantially equivalent](#) jurisdictions; OR

Has individual CPA qualifications determined by [CredentialNet](#) to be substantially equivalent to the UAA.

Please Note: Any individual who passed the Uniform CPA Exam and holds a valid license issued by any other state prior to January 1, 2012, may be exempt from the 150 hour education requirement for purposes of practice privileges.

Practice Privileges extend to professional services offered or rendered, whether in person or by mail, telephone or electronic means, and no notice, fee or other submission shall be provided by any such individual.

For individuals performing engagements in Mississippi other than the types listed at 73-33-17(4) which requires a firm permit issued by the Mississippi Board, it appears that MS Code Section 73-33-17(3)(a) & (b) require that the other state licensee exercising the practice privilege agrees to be under the authority of the Board and to follow Board rules and regulations. Since all public practice in Mississippi must be done through firms holding valid firm permits, the individual practicing in Mississippi under mobility must be licensed in the home state and also must perform the work under a valid firm permit issued by the other state.

Consent to Jurisdiction

By law, a CPA of another state exercising practice privileges in Mississippi and the CPA firm which employs the CPA consents, as a condition to the grant of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of this Board.

Compliance with the provisions of the Mississippi Accountancy Law and the rules and regulations adopted by the Board.

In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in this state individually and on behalf of the CPA firm.

The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this board against the licensee.

Firm Registration Requirements May Apply

An individual exercising practice privileges in Mississippi for any entity with its home office in Mississippi must obtain a firm permit issued by the Mississippi Board in order to perform the following services:

An financial statement audit or other engagement to be performed in accordance with SAS,

An examination of prospective financial information to be performed in accordance with SSAE, or

An engagement to be performed in accordance with the auditing standards of the PCAOB.

An out-of-state firm may provide a review of a financial statement performed in accordance with SSARS or a compilation as defined in Section 73-33-2(d), for a client having its home office in Mississippi and may use the title "CPA" or "CPA firm" without a firm permit issued by the Mississippi Board only if the firm:

Meets Mississippi's firm ownership requirements;

Complies with Mississippi's peer review requirements; and

Performs services through an individual with practice privileges.

An out-of-state firm that does not perform attest or compilation services as described above for a client having its home office in Mississippi may perform other professional services while using the title "CPA" or "CPA firm" without a firm permit issued by the Mississippi Board if the firm:

Performs the services through an individual with practice privileges and

Such firm can lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

missouri

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privilege: Effective November 30, 2006, a non-resident CPA who does not have a principal place of business in Missouri and does not have a Missouri CPA certificate may exercise practice privileges in Missouri without giving notification or paying a fee if the individual:

- Holds a valid unrestricted license from a [substantially equivalent](#) state; OR
- Holds a valid unrestricted licensed from a non-substantially equivalent state but whose individual qualifications are substantially equivalent to Missouri; OR
- Holds a valid unrestricted license and has practiced as a CPA for a minimum of four (4) of the last ten (10) years and has a bachelor's degree and passed the CPA exam.

Out-of-state CPA holding a restricted license: A non-resident CPA who qualifies for practice privileges under one of the three options listed above but holds a restricted license shall apply to the Missouri Board in writing, on a provisional licensure form obtain from the Missouri Board. Should the Missouri Board chose to approve the provisional license, there will be no fee.

Practice Privileges extend to offering to perform or performing a regulated activity in person or by mail, telephone, or other electronic means in Missouri.

Consent to Jurisdiction

An individual licensee of another state exercising practice privileges and the firm which employs such licensee simultaneously consent, as a condition of the grant of this privilege, to:

- Submit to the personal and subject matter jurisdiction and disciplinary authority of the Missouri Board;
- Comply with the laws and rules of the Missouri Board;
- Cease offering or rendering professional services in Missouri individually and on behalf of a firm if the license from any state is no longer valid or unrestricted;
- The appointment of the state board that issued the individual's license as the agent upon whom process may be served in any action or proceeding by the Missouri Board against that individual.

Firm Registration Requirements May Apply

A CPA who qualifies for practice privileges and intends to perform attest services for an entity with a home office in Missouri shall only do so through a firm which has obtained a Missouri firm permit.

A CPA who qualifies for practice privileges may provide compilation or review services provided the licensee is associated with a firm holding a current permit to practice in this or any other state.

The following shall hold a firm permit:

- Any firm with an office in Missouri performing compilation, review or attest services;
- Any firm with an office in Missouri that uses the title "CPA" or "CPA firm"; and
- Any firm that does not have an office in Missouri performing attest services for a client having a home office in Missouri. (One page of the firm application includes a provisional license application for one individual of the firm.)

A firm that does not have an office in Missouri may perform compilation and review services for a client having a home office in Missouri and may use the title "CPA" or "CPA Firm" without a permit issued by the Missouri Board only if:

- The firm meets the qualifications regarding firm ownership and peer review for Missouri firms; and
- Performs such services through an individual with practice privileges in Missouri.

A firm which is not located in Missouri or providing attest, compilation or review services for a client located in Missouri may perform other professional services while using the title "CPA" or "CPA firm" in Missouri without a permit issued by the Missouri board only if it:

- Meets the Missouri firm ownership requirements;
- Performs such services through an individual with practice privileges in Missouri; and
- Can lawfully do so in the state where said individual with practice privileges has his/her principal place of business.

Incidental Practice Exception

An out-of-state CPA may temporarily practice in Missouri for professional business incidental to a CPA's regular practice outside Missouri. "Temporary practice" means that practice related to the direct purpose of an engagement for a client located outside of Missouri, which engagement began outside of Missouri and extends into Missouri through common ownership, existence of a subsidiary, assets or other operations located within Missouri.

montana

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

- Applicant must not be a resident of Montana.
- Applicant must not maintain an office in Montana.

A CPA whose principal place of business is outside of Montana may provide services in Montana without providing notice or paying a fee if the individual:
Holds a valid active license in a [substantially equivalent](#) jurisdictions; OR
Has substantially equivalent individual CPA qualifications. Individual substantial equivalency can be evaluated through NASBA's [CredentialNet](#) service.

Please Note: Any individual who passed the Uniform CPA Examination and holds a valid license issued by any other state prior to January 1, 2012 shall be exempt from the 150 hour education requirement for practice privilege purposes.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Montana, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Montana and the firm which employs the CPA consents, as a condition to the exercising of this privilege, to the following:

- The personal and subject matter jurisdiction and disciplinary authority of this Board.
- Compliance with the provisions of the Montana Accountancy Law and rules and regulations adopted by the Board.
- In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in Montana individually and on behalf of the CPA firm.
- The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

A person who has been granted practice privileges in Montana and who, for any client with its home office in Montana, performs any attest services or compilations may do so only through a firm registered in Montana.

The following firms must register annually in Montana:

- Those with an office in Montana performing attest services and compilations;
- Those with an office in Montana that uses the title CPA or CPA Firm ;
- Firms that do not have an office in Montana but perform attest services and compilations for a client having its home office in Montana.

A firm that is not subject to the above requirements for licensure may perform other professional services while using the title CPA or CPA Firm without a firm registration in Montana if the firm:

- Performs the services through an individual with practice privileges in Montana; and
- May lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

nebraska

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Beginning September 1, 2010, a CPA whose principal place of business is outside of Nebraska may exercise all the privileges of Nebraska CPAs without the need to obtain a license or pay a fee, if the individual holds an active permit, certificate or license which allows the person to engage in the practice of public accountancy as a CPA in another state.

Please Note: A person is not eligible to exercise the practice privilege if the person has a permit, certificate or license under current suspension or revocation for reasons other than nonpayment of fees or failure to comply with continuing professional educational requirements in another state.

Practice Privileges extend to professional services offered or rendered, whether in person or by mail, telephone or electronic means, and no notice, fee or other submission shall be provided by any such individual.

Consent to Jurisdiction

By law, a CPA of another state exercising practice privileges in Nebraska and the entity which employs the CPA consents, as a condition to the exercise of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of this Board.

Compliance with the provisions of the Nebraska Accountancy Law and the rules and regulations adopted by the Board.

In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in this state individually and on behalf of the CPA firm.

The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by the Nebraska Board against the licensee.

The practice privilege shall not be interpreted to prevent any governmental body from requiring that public accounting services performed for a governmental body or for an entity regulated by a governmental body be performed by a person or firm holding a permit issued by the Nebraska Board.

Foreign Countries: The Nebraska Board may grant to a person who holds a certificate, degree or license in a foreign country constituting a recognized qualification for the practice of public accountancy in such country and who does not hold a certificate or permit issued by Nebraska or any other state and whose principal place of business is outside Nebraska, the privilege to temporarily practice in Nebraska on professional business incident to his or her regular practice outside Nebraska. Such privilege must be conducted in conformity with the rules and regulations of the Board. Foreign individuals temporarily practicing in Nebraska consent to the same criteria as listed above for practice privileges. Performing attestation services for any entity with its home office in Nebraska will require the firm to hold a permit issued by the Nebraska Board. The individual must use only the title or designation under which he or she is generally known in their own country, followed by the name of the foreign country. The Nebraska Board may require the filing of notice and/or payment of a fee for this temporary privilege. Contact the Nebraska Board directly for additional information.

Firm Registration Requirements May Apply

An individual exercising practice privileges in Nebraska and who provides attestation services (including review engagements) for any entity with its home office in Nebraska may only do so through a firm or an affiliated entity which holds a firm permit issued by the Nebraska Board. [Click here to review the Mobility Guideline in Nebraska for out of state CPA firms](#).

If firm registration is required for mobility purposes, then a firm partner will also require Nebraska licensure.

nevada

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges. Effective July 1, 2009, Nevada will allow practice privileges. Practices privileges were created in SB335 during the 2009 legislative session. The details of SB335 are provided below.

A CPA whose principal place of business is outside of Nevada may temporarily provide certain non-attest services in Nevada without providing notice or paying a fee if the individual holds a valid license as a CPA from any state other than Nevada. Click here to view the [Nevada Practice Privilege \(Mobility\) Information and on-line form](#) created by the Nevada Board of Accountancy. However, a CPA performing attest services for a client having its home office in Nevada must obtain out of state registration of the firm or sole proprietorship.

Attest is defined by the Nevada Board as follows: "Attest, attesting and attestation mean the issuance of opinions, reports or other documents which state or imply assurance of the reliability of information when the opinions, reports or other documents are accompanied by or contain any name, title or wording which indicates that the person or other entity which has issued them is an accountant or auditor, or has expert knowledge in accounting or auditing. The terms include any disclaimer of an opinion when the disclaimer is in a form which is understood to imply any positive assurance of the reliability of the information and expertise on the part of the person making the disclaimer."

Attest engagements would also include the following:

Any audit or other engagement to be performed in accordance with SAS;

Any review of a financial statement to be performed in accordance with SSARS;

Any examination of prospective financial information to be performed in accordance with SSAE which include forecasts, projections, budgets whether compiled or audited, agreed upon procedures, examination of written assertions, review of written assertions, and bank directors examinations; and

Any engagement to be performed in accordance with PCAOB standards.

"Home office" is defined as the location specified by a client of an accountant as the address of an entity for which the accountant practices public accounting, performs an attestation or compilation, or performs other professional services within the practice of public accounting.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Nevada and the partnership, corporation, LLC or sole proprietorship that employs the CPA consents, as a condition to the exercising of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of the Nevada Board.

Compliance with the provisions of the Nevada laws and the rules and regulations adopted by the Nevada Board.

In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in Nevada individually and on behalf of the partnership, corporation, LLC or sole proprietorship.

The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any investigation, action or proceeding by the Nevada Board against the licensee.

Firm Registration Requirements May Apply

A natural person granted practice privileges in Nevada may perform attest services for a client having his home office in Nevada only if the partnership, corporation, LLC or sole proprietorship that employs the person is properly registered in Nevada.

An out of state firm or sole practitioner that does not have an office in Nevada may utilize the CPA designation and perform the following services WITHOUT registering with the Nevada Board:

Practice of Public Accounting (No Attest) - Defined as the offering to perform or the performance by a holder of a live permit, for a client or potential client, of one or more services involving the use of skills in accounting or auditing, one or more services relating to advising or consulting with clients on matters relating to management or the preparation of tax returns and the furnishing of advice on matters relating to taxes.

Compilation Services - Defined as the presentation, in the form of financial statements prepared in accordance with the Statements on Standards for Accounting & Review Services (SSARS) published by the AICPA, of information that is a representation by the owner or management of an entity without undertaking to state or imply assurance of the reliability of the information.

In addition, individual CPA registration is NOT required if the CPA is employed by a firm or sole proprietorship that requires registration. Only the firm would obtain the out of state registration.

A person who, on his own behalf or on behalf of a partnership, corporation, LLC or sole proprietorship, signs or authorizes another to sign an accountant's report on financial statements shall meet the requirements for competency as set forth in the professional standards of accounting.

A partnership, corporation, LLC or sole proprietorship that does not have an office in Nevada:

Must register with the Nevada Board if the partnership, corporation, LLC or sole proprietorship performs attest services for a client having his home office in Nevada, and

May practice public accounting, may perform compilation services or other professional services within the practice of public accounting other than attest services for a client having his home office in Nevada, may be styled and known as a certified public accountant and may use the title or designation "certified public accountant and the abbreviation "CPA" without registering with the Nevada Board if:

Persons who are CPAs in any state constitute a simple majority, in terms of financial interests and voting right of all partners, shareholders, officers, members and principals thereof, of the ownership of the partnership, corporation, LLC or sole proprietorship;

The partnership, corporation, LLC or sole proprietorship complies with the ownership, organization and liability requirements of Nevada firms;

A natural person granted practice privileges in Nevada practices such public accounting or performs such compilation services or such other

professional services within the practice of public accounting (other than attest services) for the client having his home office in Nevada; and The partnership, corporation, LLC or sole proprietorship can lawfully perform such services in the state where the natural person exercising practice privileges in Nevada has his principal place of business.

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new hampshire

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privilege. Effective July 1, 2009, New Hampshire will allow practice privileges. Practices privileges were created in HB256 during the 2009 legislative session. The details of HB256 are provided below.

A CPA whose principal place of business is outside of New Hampshire may temporarily provide services in New Hampshire without providing notice or paying a fee if the individual:

- Holds a valid active license in a [substantially equivalent](#) jurisdiction; OR
- Has substantially equivalent individual CPA qualifications. Individual substantial equivalency can be evaluated through NASBA's [CredentialNet](#) service.

Please Note: Any individual who passed the Uniform CPA Examination and holds a valid license issued by any other state prior to July 1, 2014 shall be exempt from the 150 hours education requirement for practice privilege purposes.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in New Hampshire, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in New Hampshire and the firm which employs the CPA consents, as a condition to the exercising of this privilege, to the following:

- The personal and subject matter jurisdiction and disciplinary authority of this Board.
- Compliance with the provisions of the New Hampshire Accountancy Law and the rules and regulations adopted by the Board.
- In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in New Hampshire individually and on behalf of the CPA firm.
- The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

An individual exercising practice privileges in the performance of the following services for any entity with its home office in New Hampshire must perform such services through a firm which has registered with the New Hampshire Board:

- A financial statement audit or other engagement to be performed in accordance with SAS,
- An examination of prospective financial information to be performed in accordance with SSAE, or
- An engagement to be performed in accordance with the auditing standards of the PCAOB.

The Board has confirmed that services performed in accordance with SSARS also requires firm registration in New Hampshire.

An out-of-state firm (those firms with no office in this state) may provide compilation services or review financial statements in accordance with SSARS for a client having its home office in New Hampshire and may use the title "CPA" or "CPA firm" without obtaining a New Hampshire firm permit if the firm:

- Meets firm requirements for licensure in New Hampshire; and
- Performs services through an individual with practice privileges.

An out-of-state firm that does not perform any of the services described above may perform other professional services while using the title "CPA" or "CPA firm" without a firm permit if the firm:

- Performs the services through an individual with practice privileges in New Hampshire; and
- May lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

new jersey

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective July 15, 2009, New Jersey will allow practice privileges. Practices privileges were created in A2466 during the 2008 legislative session. The details of A2466 are provided below. Click here to access the [New Jersey Legislature's bill search site](#).

A CPA whose principal place of business is outside of New Jersey may temporarily provide services in New Jersey without providing notice or paying a fee if the individual:

Holds a valid active license in a **substantially equivalent** jurisdiction; OR

Has substantially equivalent individual CPA qualifications. Individual substantial equivalency can be evaluated through NASBA's [CredentialNet](#) service. Individuals who do not qualify for practice privileges must apply for a Reciprocal License. Click Reciprocal Licensure above for additional information.

Please Note: Any individual who passed the Uniform CPA Examination and holds a valid license issued by any other state prior to January 1, 2012 shall be exempt from the 150 hours education requirement for practice privilege purposes.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in New Jersey, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in New Jersey and the firm which employs the CPA consents, as a condition to the exercising of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of this Board.

Compliance with the provisions of the New Jersey Accountancy Law and the rules and regulations adopted by the Board.

In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in New Jersey individually and on behalf of the CPA firm.

The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

An individual exercising practice privileges in the performance of the following services for any entity with its home office in New Jersey must perform such services through a firm which has registered with the New Jersey Board:

A financial statement audit or other engagement to be performed in accordance with SAS,

An examination of prospective financial information to be performed in accordance with SSAE, or

An engagement to be performed in accordance with the auditing standards of the PCAOB.

An out-of-state firm (those firms with no office in this state) may provide compilation services or review financial statements in accordance with SSARS for a client having its home office in New Jersey and may use the title "CPA" or "CPA firm" without obtaining a New Jersey firm permit if the firm:

Meets firm requirements for licensure in New Jersey; and

Performs services through an individual with practice privileges.

An out-of-state firm that does not perform any of the services described above may perform other professional services while using the title "CPA" or "CPA firm" without a firm permit if the firm:

Performs the services through an individual with practice privileges in New Jersey; and

May lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

new mexico

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Applicant must be of good moral character and lack a history of dishonest or felonious acts.
Applicant's principal place of business must not be in New Mexico.

A person whose principal place of business or residence is not in New Mexico shall be presumed to have qualifications substantially equivalent to New Mexico's requirements and may exercise all the practice privileges of certificate holders of New Mexico without the need to obtain a certificate in New Mexico if the person:

holds a valid license as a CPA from any state that requires, as a condition of licensure, that a person:

- have at least 150 semester hours of college education, including a baccalaureate or higher degree conferred by a college or university acceptable to the Board;
- achieve a passing grade on the Uniform CPA Exam; and
- possess at least one year of experience, including any type of service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, which may be obtained through government, industry, academic or public practice, all of which can be verified by a licensee; OR

holds a valid license as a CPA from any state that does not meet the above requirement but the person's individual qualifications are substantially equivalent to those requirements. A person who passed the uniform CPA examination and holds a valid license issued by any other state prior to January 1, 2012 may be exempt from the education requirement.

A person exercising the practice privilege and the firm that employs the licensee simultaneously shall consent, as a condition of exercising the practice privilege, to have:

- Submitted to the personal and subject matter jurisdiction and disciplinary authority of the New Mexico Board;
- To cease offering or rendering professional attest services in New Mexico in the event the license from the state of the person's principal place of business is no longer valid;
- Agreed to full compliance with the New Mexico Act and related Board rules; and
- Consented to appointment of the state board that issued the license as agent upon whom process may be served in an action or proceeding by the New Mexico public accountancy board against the licensee.

A person exercising the practice privilege shall cease offering or rendering professional attest services in New Mexico in the event the license from the state of the person's principal place of business is no longer valid.

An individual who qualified for practice privileges may offer or render professional services whether in person or by mail, telephone, or electronic means without the need to notify the New Mexico Board or remit a fee.

new york

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges/Limited Permit

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges.

Effective November 15, 2011: A CPA whose principal place of business is not in New York and who is licensed by another state which the Board of Regents has determined to have substantially equivalent certified public accountant licensing requirements (all U.S. jurisdictions except the Virgin Islands), or whose individual licensure qualifications are verified by the department to be substantially equivalent to New York's requirements, and is in good standing, may practice public accountancy in New York if the CPA:

- holds a valid license to practice public accountancy in the other state; and
- practices public accountancy in another state that is his/her principal place of business.

Currently it is unclear whether an individual holding a New York CPA license in "inactive" status can avail themselves of practice privileges in New York. An individual holding an inactive New York CPA license should contact the New York Board directly before exercising practice privileges for further clarification.

Firm Registration Requirements May Apply

An individual who has been granted practice privileges who offers to perform or performs attest and/or compilation services or offers to perform or performs professional services for clients, in any or all matters relating to accounting concepts and to the recording, presentation, or certification of financial information or data must do so through a firm which has obtained a New York firm registration. CPAs exercising practice privileges in New York may offer to perform or perform, for other persons, the following services through a CPA firm that does not have a registration in New York but holds a valid license, registration or permit in another state: One or more types of the following services including but not limited to accounting, management advisory, financial advisory, and tax exclusive of services described earlier in this paragraph, involving the use of professional skills or competencies of the licensed accountant as described in the rules of the board of regents, including professional services rendered to one's employer not required to register, in any and all matters related to accounting concepts and to the recording of financial data or information or the preparation or presentation of financial statements.

Any CPA who qualifies for practice privileges and offers or renders professional services in person or by mail, telephone or electronic means may practice public accountancy in New York without notice to the Department.

Consent to Jurisdiction

Any CPA exercising practice privileges in New York and the firm that employs such CPA, consents to all of the following as a condition to the exercise of such practice privileges:

- 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;
- To comply with the laws, rules of the Board of Regents and the regulations of the commissioner;
- To the appointment of the secretary of state or other public official acceptable to the department, in the CPA's state of licensure or the state in which the firm has its principal place of business, as the CPA or firm's agent upon whom process may be served in any action or proceeding by the department against such CPA or firm.

In the event the license from the CPA's principal place of business is no longer valid or in good standing, or that the CPA 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 (1) the suspension or revocation of his/her license, or (2) other disciplinary action against his/her 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 CPA shall cease offering to perform or performing such services in New York individually and on behalf of his/her firm, until and unless such CPA receives written permission from the department to resume the practice of public accountancy in New York.

Competency Requirements

Any licensee who supervises attest services or signs or authorizes someone to sign an accountant's report on the financial statements of a client for such services shall: (i) have at least 1,000 hours of experience within the previous five years in providing attest services or reporting on financial statements gained through employment in government, private industry, public practice or an educational institution satisfactory to the State Board for Public Accountancy; or (ii) be employed by a firm registered with the Department pursuant to section 70.8 of the Regulations of the Commissioner of Education that has undergone a peer review satisfactory to the Department which indicates that the firm has received a rating of pass or pass with deficiencies. The individual must also have completed at least 40 hours of continuing education in the area of accounting, auditing or attest during the prior three calendar years or in the calendar year in which the service is performed; and have maintained the level of education, experience and professional conduct required by generally accepted professional standards as described in paragraph (7) of this subdivision, relating to the attest services performed.

Any licensee who supervises a compilation engagement or signs or authorizes someone to sign an accountant's report on financial statements of a client for such compilation services shall have completed at least 40 hours of continuing education in the area of accounting, auditing or attest during the prior three calendar years or in the calendar year in which the service is performed; and

Restrictions May Apply

Any CPA who, within the last seven years immediately preceding the date on which he/she wishes to practice in New York, meets any of the following conditions, must notify the department and cannot not practice public accountancy in New York through practice privileges until he/she has received from the department written permission to do so. Failure to provide this notice subjects the CPA to the disciplinary authority of the Board.

- Has been the subject of any final disciplinary action taken against him/her 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/her in any other jurisdiction or
- Has had his/her license in another jurisdiction reinstated after a suspension or revocation of said license, or

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
Has been convicted of a crime or is subject to pending criminal charges in any jurisdiction.

A person wishing to practice public accounting in New York who does not meet the requirements for practice privileges must obtain a full license and registration from the New York Board. Click Reciprocal Licensure above for additional information.

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north carolina

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Individual Practice Privilege

An individual whose principal place of business is outside North Carolina is granted the privilege to perform or offer to perform services, whether in person or by mail, telephone or electronic means, in North Carolina as a CPA without notice to the North Carolina Board, the submission of any other documentation or the payment of any fee if the individual meets all of the following conditions:

Holds a valid unrevoked certificate as a CPA or its equivalent issued by another state, a territory of the U.S., or the District of Columbia.

Holds a valid and unrevoked license or permit to practice as a CPA issued by another state, a territory of the U.S., or the District of Columbia.

Has passed the Uniform CPA Examination; and

Has not been convicted of a felony under the laws of the US, any state, a territory of the US, of the District of Columbia and has never been convicted of a crime, an essential element of which is dishonesty, deceit, or fraud unless the jurisdiction in which the individual is licensed has determined the felony or other crime has no effect on the individual's license.

Any person who holds a CPA certificate from another jurisdiction and who temporarily enters North Carolina for the sole purpose of rendering advisory or consulting services to person employed by the same employer as the CPA (including parent, sister, or subsidiary entities) is not required to obtain licensure in North Carolina. Out-of-state CPAs neither residing nor employed in North Carolina who enter the state for the sole purpose of performing a peer review or quality review for a North Carolina licensee are not required to obtain licensure to perform the review.

Individual Consent to Jurisdiction

An individual who qualifies for practice privileges and exercise the privilege by performing or offering to perform services as a CPA in North Carolina simultaneously consents as a condition to the grant of this privilege to:

Comply with the laws of North Carolina, the provisions of the chapter and rules adopted by the North Carolina Board;

Have an administrative notice of hearing served on the licensing board in the individual's principal state of business, notwithstanding the individual notice requirements of G.S. 150B-38; and

Be subject to personal jurisdiction, subject matter jurisdiction and disciplinary authority of the North Carolina Board.

Firm Practice Privilege, Consent to Jurisdiction and Firm Notification Requirements

A firm whose principal place of business is outside North Carolina and has no office in North Carolina is granted the privilege to perform or offer services, whether in person or by mail, telephone or electronic means, in North Carolina as a firm without notice to the North Carolina Board, submission of any other documentation or payment of any fee, except as otherwise provided below. A firm that exercises the privilege afford simultaneously consents as a condition to the grant of the privilege to:

Comply with the laws of North Carolina, the provisions of the chapter and rules adopted by the North Carolina Board;

Be subject to personal jurisdiction, subject matter jurisdiction and disciplinary authority of the North Carolina Board; and

Provide notice without a fee to the Board if any individual with the firm who has been granted privileges in North Carolina to practice as a CPA performs any of the following services for a client in North Carolina:

A financial statement audit or other engagement performed in accordance with SAS;

An examination of prospective financial information performed in accordance with SSAE; or

An engagement performed in accordance with the PCAOB auditing standards.

north dakota

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirements

Effective August 1, 2009, a CPA whose principal place of business is outside of North Dakota may temporarily provide services in North Dakota without providing notice or paying a fee if the individual:

Holds a valid active license in a [substantially equivalent](#) jurisdiction; OR

Has substantially equivalent individual CPA qualifications. Individual substantial equivalency can be evaluated through NASBA's [CredentialNet](#) service.

Please Note: Any individual who passed the Uniform CPA Examination and holds a valid license issued by any other state prior to January 1, 2012 shall be exempt from the education requirement in the Uniform Accountancy Act for practice privilege purposes.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in North Dakota, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in North Dakota and the firm which employs the CPA consents, as a condition to the grant of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of the North Dakota Board.

Compliance with the provisions of the North Dakota Accountancy Law and the rules and regulations adopted by the Board.

In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in North Dakota individually and on behalf of the CPA firm.

The appointment of the board of accountancy which issued the individual license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

Any firm with an office in North Dakota practicing public accountancy or using the title "CPA", "LPA", "CPA firm" or "LPA firm" or similar titles must hold a permit issued by the North Dakota Board.

An out-of-state firm may perform professional services while using the title "CPA" or "CPA firm" without a firm permit issued by the North Dakota Board only if the firm:

Performs the services through an individual who holds a valid CPA license or with practice privileges in North Dakota; and

May lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

ohio

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

An individual whose principal place of business is not in Ohio and who holds a valid foreign certificate as a certified public accountant shall be presumed to have qualifications substantially equivalent to Ohio's CPA requirements and shall have all of the privileges of a holder of a CPA certificate and an Ohio permit without the need to obtain a CPA certificate and an Ohio permit if the Ohio State Board has found that the CPA requirements of the state that issued the individual's foreign certificate are substantially equivalent to Ohio's CPA requirements. [Click here to see a list of states deemed to be substantially equivalent by the Ohio State Board.](#)

Please Note: All of the states that do not have a 150-hour basic requirement will be considered substantially equivalent until January 1, 2012. For states designated as "two-tier," only those CPAs holding an active license or permit are considered substantially equivalent.

oklahoma

Practice Privilege / Mobility / Interstate Practice Requirements

Practice privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirements

An individual whose principal place of business is outside Oklahoma and who holds a valid certificate or license as a CPA or PA from any state or territory of the United States or from the District of Columbia shall be presumed to have qualifications substantially equivalent to Oklahoma's requirements and shall have all the privileges of certificate and license holders of Oklahoma without the need to obtain an Oklahoma certificate, license or permit.

Oklahoma previously offered practice privileges on a "quid pro quo" status with the CPA's home jurisdiction. However, the Oklahoma legislature passed HB1779 providing practice privileges to qualified CPAs with no notice or fee requirements. HB1779 was signed by the Governor on April 14, 2009 and went into effect immediately.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Oklahoma, and no notice or other submission shall be provided by the individual.

Firm Registration Requirements (May Apply to Individuals)

An individual exercising practice privileges in the performance of the following services for any entity with its home office in Oklahoma must perform such services through a firm which has registered with the Oklahoma Board:

- Any audit or other engagement to be performed in accordance with the Statements on Auditing Standards (SAS),
- Any review of a financial statement to be performed in accordance with the Statements on Standards for Accounting and Review Services (SSARS),
- any report performed in accordance with the Statements on Standards for Attestation Engagements (SSAE), or
- Any engagement to be performed in accordance with the Auditing Standards of the Public Company Accounting Oversight Board (PCAOB).

An out-of-state firm that does not perform any of the services described above for a client whose home office is in Oklahoma may perform other professional services in Oklahoma without a firm license, permit or notice to the Oklahoma Board if the firm's practice in Oklahoma is performed by an individual who is licensed in Oklahoma or who has been granted practice privileges in Oklahoma.

An individual offering or rendering professional accounting services to Oklahoma clients from a web site or any electronic means shall disclose, via any such web site or electronic means, the individual's principal jurisdiction of licensure, license number and an address as a means for regulators and the public to contact the individual regarding complaints, questions or regulatory compliance. A firm offering or rendering such services must provide on the web site's home page or by electronic medium, a name, an address and the principal jurisdiction of licensure.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Oklahoma and the firm which employs the CPA simultaneously consent, as a condition to the exercising of this privilege, to the following:

- The personal and subject matter jurisdiction and disciplinary authority of this Board.
- Compliance with the provisions of the Oklahoma Accountancy Act and the rules and regulations adopted by the Board.
- In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in Oklahoma individually and on behalf of the CPA firm.
- The appointment of the board of accountancy which issued the individual or firm license as the agent upon whom process may be served in any action or proceeding by this Board against the licensee.

oregon

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

The Oregon legislature passed SB867 on June 3, 2009. The legislation became effective on June 26, 2009, after it was signed by the Governor.

A CPA whose principal place of business is outside of Oregon may temporarily provide services in Oregon without providing notice or paying a fee if the individual:

- Holds a valid active license in a [substantially equivalent](#) jurisdiction; OR

- Has substantially equivalent individual CPA qualifications.

- Individuals must make his/her own determination whether their qualifications meet the requirements for Oregon.

- No submissions to the Oregon Board are required.

CPAs who are not currently licensed in a substantially equivalent jurisdiction and do not have substantially equivalent individual qualifications will most likely be required to apply for a reciprocal license. CPAs seeking to exercise practice privileges in Oregon after July 1, 2009 who are not currently licensed in an SE jurisdiction should contact the Oregon Board directly for additional information.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Oregon and the business organization that employs the CPA consent, as a condition to the exercising of this privilege, to the following:

- The personal and subject matter jurisdiction and disciplinary authority of this Board.

- Compliance with the provisions of the Oregon Accountancy Law and the rules and regulations adopted by the Board.

- In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual and any other person who is employed by the business organization and who is offering or rendering professional services in Oregon shall cease offering or rendering professional services in Oregon individually and on behalf of the business firm.

- The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

- For purposes of practice privileges, a sole proprietor is a business organization.

Firm Registration Requirements May Apply

An individual exercising practice privileges in the performance of the following services for any entity with its home office in Oregon must perform such services through a firm which has registered with the Oregon Board:

- A financial statement audit or other engagement to be performed in accordance with SAS, ISA, or other internationally recognized auditing standards,

- An examination of prospective financial information to be performed in accordance with SSAE, or

- An engagement to be performed in accordance with the auditing standards of the PCAOB.

An out-of-state firm (those firms with no office in this state) may provide compilation services or review financial statements in accordance with SSARS for a client having its home office in Oregon and may use the title "CPA" or "CPA firm" without obtaining a Oregon firm permit if the firm:

- Meets firm requirements for licensure in Oregon; and

- Performs services through an individual with practice privileges.

An out-of-state firm that does not perform any of the services described above may perform other professional services while using the title "CPA" or "CPA firm" without an Oregon firm permit if the firm:

- Performs the services through an individual with practice privileges in Oregon; and

- May lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

pennsylvania

Practice Privilege / Mobility / Interstate Practice Requirements

Temporary Practice Permit

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective September 8, 2008, an individual whose principal place of business is outside of Pennsylvania may exercise all the privileges of Pennsylvania CPAs without the need to obtain a license or pay a fee if the individual:

Holds an active license in good standing in a [substantially equivalent](#) jurisdiction; OR

Has individual qualifications that are substantially equivalent to Pennsylvania's requirements. A CPA who holds a license in a jurisdiction not on the substantially equivalent list linked above may obtain an individual substantial equivalency evaluation from NASBA's [CredentialNet](#) Service.

An individual who passed the Uniform CPA Exam and holds a valid license to practice public accounting issued by any other state on or before December 31, 2011, may be exempt from the education requirement of 150 semester credit hours for purposes of practice privileges.

Practice privileges extend to the provision of professional services in Pennsylvania including, without limitation, in person or by mail, telephone or electronic means.

General Requirement for Temporary Practice Permit

A non-resident applicant may temporarily practice public accountancy in Pennsylvania if applicant:

Holds a valid license or registration to practice public accountancy in another state or jurisdiction;

Concurrently practices public accountancy in the other state or jurisdiction; and

Obtains a temporary practice permit from the Pennsylvania State Board prior to performing the temporary work.

Temporary practice permit :

Allows a certified public accountant, or partnership or corporation, who meets the requirements above to work for not more than 500 hours in Pennsylvania during a 12-month period, except that this 500 hour limitation does not apply if the holder of the temporary practice permit is working only on a single, nonrecurring engagement;

Is valid for not more than 12 months beginning on the date of issuance; and

Is renewable if the permit was not granted for a single, nonrecurring engagement in excess of 500 hours.

puerto rico

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privilege.

Effective August 28, 2014: An individual whose principal place of business is not in Puerto Rico shall have all the privileges of a Puerto Rico CPA without the need to obtain a reciprocal Puerto Rico CPA license or file notice, if the individual:

 Holds a valid license as a CPA issued by another state that the NQAS of NASBA has verified to be in [substantial equivalence](#) with the CPA licensure requirements of the Uniform Accountancy Act; OR

 Holds a valid license as a CPA issued by another state and obtains from the NQAS ([CredentialNet](#)) of NASBA verification that the individual's CPA qualifications are substantially equivalent to the CPA licensure requirements of the Uniform Accountancy Act.

Please Note: An individual who has passed the Uniform CPA Examination and holds a valid license issued by any other state prior to January 1, 2012 shall be exempt from the education requirements of Sec 774(e) for purposes of Sec 775(a)(2).

The performance of attest services or the issuance of signed reports may require individual reciprocal licensing and society membership. Please contact the Puerto Rico Board directly for further clarification on requirements specific to your activities.

Consent to Jurisdiction

An individual licensee of another state who is exercising this privilege and the CPA firm that employs such individual, if any, as a condition of the grant of this privilege, hereby simultaneously consents:

 To the personal and subject matter jurisdiction and disciplinary authority of the Board;

 To comply with the Puerto Rico law and rules;

 That in the event that the license from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering accounting activities individually or on behalf of a CPA firm; and

 To the appointment of the state board that issued the individual's or the CPA firm's license as the agent upon which process may be served in any action or proceeding by the this Board against the individual.

Firm Registration Requirements May Apply

An individual licensee who qualifies for practice privileges who, for any entity with its home office in Puerto Rico, performs (1) an audit or other engagement to be performed in accordance with SAS; (2) any review of a financial statement or compilation to be performed in accordance SSARS; (3) any engagement to be performed in accordance with SSAE; or (4) any engagement to be performed in accordance with PCAOB standards may only do so through a firm having obtained a firm permit issued under Sections 776 or 778 unless the individual is a sole practitioner in the state which is the individual's principal place of business.

For mobility purposes, "CPA license" means a CPA license granted by the state board after all education, exam and experience requirements have been met. A CPA performing services through mobility may only perform the same level of services (attest or non-attest) in the mobility jurisdiction as he or she is permitted to perform in the home jurisdiction. Please note the following if you are coming from one of the jurisdictions listed:

 An Alabama certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

 A Connecticut certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

 An Illinois certificate or registered certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

 Both a Hawaii CPA license and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

 A Kansas certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

 Both a Montana CPA certificate and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

 Both a Nebraska CPA certificate and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

 An Oklahoma registrant must hold an active permit in order to hold out or practice as a CPA in a mobility jurisdiction.

Click Practice Privilege in the menu bar at the top of this page for additional information.

rhode island

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Applicant's principal place of business or principal residence is not in the state of Rhode Island.
Applicant must be of good moral character.
Applicant must pass the AICPA Ethic's Exam.
Applicant must have a valid certificate or license as a certified public accountant from any state whose licensure requirements are determined to be substantially equivalent. The substantial equivalency standard indicates that an individual whose principal place of business or principal residence is not in this state, having a valid certificate or license as a certified public accountant from any state whose licensure requirements are determined to be substantially equivalent with the conditions of this section, shall have all the privileges of certificate holders and licensees of Rhode Island without the need to obtain a certificate or permit from Rhode Island.

INDIVIDUAL OUT-OF-STATE PERMIT

General Requirement

Applicant's principal residence or primary place of employment must not be in Rhode Island. This requirement may be waived by the Rhode Island State Board at its discretion.
Applicant must be of good moral character.
Applicant must meet all current requirements in Rhode Island at the time application is made.
At the time of issuance of the Applicant's certificate in the other state, the applicant met all requirements then applicable in Rhode Island unless reciprocity is allowed under Rhode Island's substantial equivalency standard. Substantial equivalency standard indicates that an individual whose principal place of business or principal residence is not in this state, having a valid certificate or license as a certified public accountant from any state whose licensure requirements are determined to be substantially equivalent with the conditions of Rhode Island, shall have all the privileges of certificate holders and licensees of this state without the need to obtain a certificate or permit from this state as long as the conditions of this section are met.
If the holder of a certificate issued by another state meets all current requirements in Rhode Island except the educational or experience requirements, or passed the examination under different credit provisions then applicable in Rhode Island, then the board shall issue a certificate to the applicant upon application for the certificate and upon payment of the required fee, provided that:
The applicant has four (4) years of experience in the practice of public accountancy within the ten (10) years immediately prior to the application; or
The applicant has five (5) years of experience in the practice of public accountancy over a longer or earlier period and has completed fifteen (15) current semester hours of accounting, auditing, and any other related subject that the board specifies by rule, at an accredited institution, and has one year of current experience in the practice of public accountancy.

Education Requirement

Applicant must have completed 150 semester hours.
Applicants will be deemed to have met the education requirement if, as part of the 150 semester hours of education, he or she has met any one of the following conditions:
Earned a graduate degree with a concentration in accounting from a program that is accredited in accounting by an accrediting agency recognized by the Rhode Island State Board.
Earned a graduate degree from a program accredited in business by an accrediting agency recognized by the Rhode Island State Board and completed not less than twenty-four (24) semester hours in accounting at the undergraduate level or fifteen (15) semester hours at the graduate level, or an equivalent combination thereof.
Earned a baccalaureate or higher degree at an institution accredited by an accrediting agency recognized by the Rhode Island State Board and completed not less than twenty four (24) semester hours in accounting at the undergraduate or graduate level, and completed not less than 24 semester hours in business courses (other than accounting courses) at the undergraduate or graduate level.

Examination Requirement

Applicant shall have passed the Uniform Certified Public Accountant Examination.
Applicant must pass the AICPA Ethic's Exam.

Experience Requirement

Applicant must have a minimum of one year work experience.
Applicant's experience must be under the direct supervision of a CPA.
This experience shall include providing any type of service or advice involving the use of accounting, attest, management advisory, financial advisory, tax or consulting skills all of which was verified and supervised by a licensee, meeting requirements prescribed by the Rhode Island State Board by rule.
Experience may be in public practice, government, industry, education, or any combination thereof.

south carolina

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

An out-of-state applicant whose principal place of business is outside of South Carolina is presumed to have qualifications substantially equivalent to South Carolina's requirements and may exercise all the privileges of licensees of South Carolina without the need to obtain a license if the individual:

Holds a valid license as a CPA from any state which requires, as a condition of licensure, that an individual:

- Have at least 150 semester hours of college education including a baccalaureate or higher degree conferred by a college or university;
- Achieve a passing grade on the Uniform CPA Exam; and
- Possess at least one year of accounting experience.

[Click here to view a listing of jurisdictions determined by the South Carolina Board to be substantially equivalent Mobility purposes.](#) OR

Holds a valid license as a CPA from any state that does not meet the above requirements but such individual's CPA qualifications are substantially equivalent to those requirements.

An individual who passed the Uniform CPA Exam and holds a valid license issued by any other state before January 1, 2012, may be exempt from the education requirement for these purposes.

Notwithstanding any other provision of law, an individual who offers or renders professional services, whether in person or by mail, telephone, or electronic means pursuant to practice privileges is granted such privileges in South Carolina and no notice, fee or other submission may be required of the individual.

An individual licensee or holder of a permit to practice of another state exercising practice privileges and the firm that employees that licensee simultaneously consents, as a condition of exercising this privilege:

- To the personal and subject matter jurisdiction and disciplinary authority of the South Carolina Board;
- To comply with the provisions of the law and the regulations promulgated pursuant to this privilege;
- That in the event the license or permit to practice from the state of the individual's principal place of business is no longer valid, to cease offering or rendering professional services in South Carolina individually and on behalf of a firm; and
- To have an administrative notice of hearing served on the board in the individual's principal state of business in any action or proceeding by the South Carolina Board against the licensee.

An individual who qualifies for practice privileges who performs any of the following services for an entity with its home office in South Carolina may only perform these services through a firm that has obtained a registration issued by the South Carolina Board:

- An audit or other engagement to be performed in accordance with Statements on Auditing Standards;
- An examination of prospective financial information to be performed in accordance with the Statements on Standards for Attestation Engagements; or
- An engagement to be performed in accordance with Public Company Accounting Oversight Board Auditing Standards.

Out-of-State Firms

Firms that do not have an office in South Carolina and that do not perform audits under SAS, examinations under SSAE, or services under PCAOB auditing standards for a client having its home office in South Carolina, may engage in the practice of accounting, without obtaining a registration.

Such firms may perform services including reviews according to SSARS and compilations for a client having its home office in South Carolina, may engage in the practice of accounting and may use the title "CPA" or "CPA firm" only if the firm:

- Meets Board qualifications for firm license; and
 - Performs these services through an individual with practice privileges.
- Can lawfully do so in the state where these individuals with practice privileges have their principal place of business.

Out of State Firms that perform audits under SAS, examinations under SSAE, or services under PCAOB auditing standards for a client having its home office in South Carolina must register for an Out-of-State Firm Practice Privilege with the South Carolina Board of Accountancy.

Click on [Firm Registration](#) above for the appropriate application and procedures.

south dakota

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective July 1, 2009, practices privileges are available in South Dakota. Practice privileges were created in HB1058 during the 2009 legislative session. The details of HB1058 are provided below.

A CPA whose principal place of business is outside of South Dakota may temporarily provide services in South Dakota without providing notice or paying a fee if the individual:

Holds a valid active license in a [substantially equivalent](#) jurisdiction; OR

Has individual CPA qualifications determined to be substantially equivalent to the CPA licensure requirements of South Dakota.

Individuals may send their credentials to the South Dakota Board for verification of substantial equivalency but are not required to do so.

Individuals who do not qualify for practice privileges must apply for a reciprocal license.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in South Dakota, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in South Dakota and the firm which employs the CPA consents, as a condition to the grant of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of the South Dakota Board.

Compliance with the provisions of the South Dakota Accountancy Law and the rules and regulations adopted by the Board.

In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in South Dakota individually and on behalf of the CPA firm.

The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

An individual exercising practice privileges may perform the following services for a client who resides in South Dakota or has its home office in South Dakota only if the firm has obtain a South Dakota firm permit:

Any audit or other engagements to be performed in accordance with SAS;

Any examination of prospective financial information to be performed in accordance with SSAE; or

Any engagement to be performed in accordance with PCAOB auditing standards.

A firm which does not have an office in South Dakota may perform compilations in accordance with SSARS that is the representation of management (owners) without undertaking to express any assurance on the statements and any review of a financial statements to be performed in accordance with SSARS for a client residing in or having a home office in South Dakota and may use the title CPAs, CPA firm, PAs, or PA firm without a South Dakota firm permit if:

The firm meets the requirements for firm licensure in South Dakota; and

The firm performs the services through an individual with practice privileges.

An out-of-state firm may perform other professional services while using the title CPA, PAs, CPA firm or PA firm without a firm permit issued by the South Dakota Board only if the firm:

Performs the services through an individual with practice privileges in South Dakota; and

May lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

tennessee

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Applicant is the holder of a valid Certified Public Accountant license from a [substantially equivalent](#) jurisdiction or their individual qualifications are substantially equivalent. Individual substantial equivalency can be evaluated through NASBA's [CredentialNet](#) Service.

Applicant must NOT have a principal place of business in Tennessee.

Applicant must agree to comply with Tennessee accountancy rules.

Applicant is automatically subjected to the authority and jurisdiction of the Tennessee Board.

Firm Registration Requirements May Apply

Performance of services through mobility in Tennessee does not require the out-of-state firm to obtain a Tennessee firm permit, so long as the firm is properly licensed and in good standing in its principal jurisdiction.

texas

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges

General Requirement

Applicant must be a non-resident of Texas.

Applicant must hold a valid original certificate and license/permit in good standing as a Certified Public Accountant from a state that has been deemed [substantially equivalent](#) by the National Association of State Boards of Accountancy or individual must have substantially equivalent qualifications. Individual substantial equivalency evaluations are offered through NASBA's [CredentialNet](#) service.

If the firm establishes or maintains an office in Texas, or provides financial audit services to an entity that has its principal office in Texas, then the individual must practice through a CPA firm holding an active Texas firm license.

Audit services include: (a) a financial statement audit or other engagement that is to be performed in accordance with SAS, (b) an examination of prospective financial information that is to be performed in accordance with SSAE, and (c) an engagement that is to be performed in accordance with auditing standards of the PCAOB or its successor.

An individual or firm practicing in Texas without notice to the Texas Board is subject to the personal and subject matter jurisdiction of the Board; must comply with the Act and the Texas Board's rules; and is considered to have appointed the regulatory agency of the state that issued the individual's certificate or license as the agent on whom process may be served in any action by the Board against the individual.

Individuals wishing to temporarily practice in Texas, but not currently licensed in a substantially equivalent state or holding substantially equivalent individual qualifications must obtain a reciprocal license and *firm* permit.

utah

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Applicant must be a non-resident of Utah.

Applicant's principal place of business is not in this state; and

Applicant must hold a valid original certificate and license/permit in good standing as a Certified Public Accountant from a state, district, or territory of the US that has been deemed [substantially equivalent](#) to the UAA by the National Association of State Boards of Accountancy; OR

Applicant must have substantially equivalent individual qualifications. Individual substantial equivalency evaluations are offered through NASBA's [CredentialNet](#) service.

The person consents as a condition of the grant of this privilege:

To personal and subject matter jurisdiction and disciplinary authority of the Utah Board;

To comply with the Act and Rules of the Utah Board;

That in the event the license from the state of the person's principal place of business becomes invalid, the person shall cease offering or rendering professional services in Utah both individually and on behalf of the firm; and

To the appointment of the state board which issued the person's license as the person's agent upon whom process may be served in an action or proceeding brought by the Division against the licensee.

If Applicant does not qualify for the the Practice Privilege listed above, then Applicant must apply for a License by Endorsement. Refer to Reciprocal Licensure in the menu bar at the top of this page for additional information.

vermont

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective July 1, 2009, Vermont now allows practice privileges. Practices privileges were created in H.86 during the 2009 legislative session. The details of H.86 are provided below.

Click here to view "[Mobility and What it Means to You](#)" on the Vermont Board's web site.

A CPA whose principal place of business is outside of Vermont may temporarily provide services in Vermont without providing notice or paying a fee if the individual:

- Holds a valid active license in a [substantially equivalent](#) jurisdiction; OR
- Has substantially equivalent individual CPA qualifications. Individual substantial equivalency can be evaluated through NASBA's [CredentialNet](#) service.

Please Note: Any individual who passed the Uniform CPA Examination and holds a valid license issued by any other state prior to January 1, 2012 shall be exempt from the 150 hours education requirement for practice privilege purposes.

CPAs who do not qualify for practices privileges must apply for a reciprocal license and firm license to practice in Vermont. Click Reciprocal Licensure above for additional information.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Vermont, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Vermont and the firm which employs the CPA consents, as a condition to the exercising of this privilege, to the following:

- The personal and subject matter jurisdiction and disciplinary authority of this Board.
- Compliance with the provisions of the Vermont Accountancy Law and the rules and regulations adopted by the Board or governing the practice of the profession in Vermont.
- In the event the license from the state of the individual's principal place of business is no longer valid or is otherwise conditioned or restricted, the individual shall cease offering or rendering professional services in Vermont individually and on behalf of the CPA firm.
- The appointment of the board of accountancy or licensing authority which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.
- Performance of only those services within the scope of practice authorized by the state of the licensee's principal place of business.

Firm Registration Requirements May Apply

An individual exercising practice privileges in Vermont or in the performance of the following services for any entity with its home office in Vermont must perform such services through a firm which has registered with the Vermont Board:

- A financial statement audit or other engagement to be performed in accordance with SAS,
- An examination of prospective financial information to be performed in accordance with SSAE, or
- An engagement to be performed in accordance with the auditing standards of the PCAOB.

An out-of-state firm (those firms with no office in this state) may provide compilation services or review financial statements in accordance with SSARS for a client having its home office in Vermont and may use the title "CPA" or "CPA firm" without obtaining a Vermont firm registration if the firm:

- Meets firm ownership requirements for licensure in Vermont;
- Performs services through an individual with practice privileges in Vermont, and
- Complies with Vermont's peer review requirements.

virgin islands

Practice Privilege / Mobility / Interstate Practice Requirements

Temporary Practice Permit

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Practice Privileges. Effective May 16, 2015, an individual whose principal place of business is not in the Virgin Islands and who holds a valid license as a certified public accountant from a [substantially equivalent jurisdiction](#) shall be presumed to have qualifications substantially equivalent to Virgin Islands' requirements and shall have all the privileges of permittees of the Virgin Islands without the need to obtain a permit under sections 250c or 250d.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in the Virgin Islands, and no notice or other submission shall be provided by the individual.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in the Virgin Islands and the firm which employs the CPA simultaneously consent, as a condition to the exercising of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of this Board.

Compliance with the provisions of the Virgin Islands Accountancy Law and the rules and regulations adopted by the Board.

That if the license from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in the Virgin Islands individually and on behalf of the firm; and

The appointment of the state board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

An individual exercising practice privileges in the performance of the following services for any entity with its home office in the Virgin Islands must perform such services through a firm which has obtained a permit issued under Section 250d:

Any financial statement audit or other engagement to be performed in accordance with Statement on Auditing Standards;

Any examination of prospective financial information to be performed in accordance with Statement on Standards for Attestation Engagements; or

Any engagement to be performed in accordance with PCAOB auditing standards.

Please note: In order to obtain a firm permit, at least one member of the firm must hold an active VI CPA individual certificate in good standing.

A permittee of the Virgin Islands offering or rendering services or using its CPA title in another state is subject to disciplinary action in the Territory for an act committed in another state for which the licensee would be subject to discipline for an act committed in the other state. Notwithstanding practice privileges, the Board shall investigate any complaint made by the board of accountancy of another state.

For mobility purposes, "CPA license" means a CPA license granted by the state board after all education, exam and experience requirements have been met. A CPA performing services through mobility may only perform the same level of services (attest or non-attest) in the mobility jurisdiction as he or she is permitted to perform in the home jurisdiction. Please note the following if you are coming from one of the jurisdictions listed:

An Alabama certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

A Connecticut certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

An Illinois certificate or registered certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

Both a Hawaii CPA license and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

A Kansas certificate holder may not hold out or practice as a CPA in a mobility jurisdiction.

Both a Montana CPA certificate and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

Both a Nebraska CPA certificate and permit are required in order to hold out or practice as a CPA in a mobility jurisdiction.

An Oklahoma registrant must hold an active permit in order to hold out or practice as a CPA in a mobility jurisdiction.

virginia

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege/Licensing by Substantial Equivalency

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Applicant must hold a license in good standing in a state other than Virginia.

Practice Privilege via State Substantial Equivalency

A non-resident of Virginia shall be granted the privilege of practicing public accounting in Virginia if he holds a valid and unrestricted CPA certificate or license to practice public accounting in another state or foreign jurisdiction that is determined by the Virginia Board to have education, CPA exam and experience requirements to those provided in Virginia.

If the Applicant's CPA certificate is issued by a state that the Virginia State Board has determined to be substantially equivalent, then the CPA certificate issued by that state shall constitute evidence of the privilege to practice.

NOTE: The Virginia Board utilizes [NASBA's SE Chart](#) with the following caveats:

Individuals from a state with no asterisk are eligible for practice privileges;

Individuals from a state with one asterisk are eligible for practice privileges if the individual holds an active CPA license; and

Individuals from a state with two asterisks are not eligible for practice privileges based on the SE status of his state but must demonstrate to the Board that his individual qualifications are substantially equivalent.

Practice Privilege via Individual Substantial Equivalency

A non-resident of Virginia shall be granted the privilege of practicing public accounting in Virginia if he holds a valid and unrestricted CPA certificate or license to practice public accounting in another state or foreign jurisdiction and has individual education, CPA exam and experience requirements that are substantially equivalent to the current requirements for initial licensure in Virginia.

If the Applicant's CPA certificate is issued by a state that has not been deemed substantially equivalent by the Virginia State Board, then the CPA is not required to notify the Virginia Board of his intent to exercise practice privileges in Virginia but must be prepared to provide proof if requested by the Virginia State Board that he has personally satisfied the requirements listed above for substantial equivalency.

A CPA Certificate by Endorsement shall be obtained if the CPA exercising the privilege to practice under substantial equivalency moves his principal place of business to Virginia or ceases to have an office in any other state.

Firm Registration Requirements May Apply

A firm that is not required to obtain a Virginia license may provide attest services or compilation services to persons or entities located in Virginia if:

The firm can lawfully provide attest services, compilation services, or financial statement preparation services to persons or entities in the state where its principal place of business is located; and

The firm complies with the same ownership and peer review requirements same firms located in Florida; and

The firm's personnel working on the engagement either (i) hold a Virginia license or (ii) hold the license of another state and comply with the substantial equivalency requirements of Virginia; OR

The firm's personnel working on the engagement are under the supervision of a person who either (i) holds a Virginia license or (ii) holds the license of another state and complies with the substantial equivalency provisions of Virginia.

Click [Firm Registration](#) above for additional information and forms.

washington

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

Effective June 12, 2008, a CPA whose principal place of business is outside Washington shall have all the privileges of Washington CPAs without the need to obtain a license if the individual:

Holds a valid CPA license from a [substantially equivalent jurisdiction](#) OR

Has individual qualifications which are substantially equivalent to the following requirements:

Holds a valid CPA license from any US jurisdiction;

Has at least 150 semester hours of college or university education, including a baccalaureate or higher degree conferred by a college or university;

Achieves a passing grade on the Uniform CPA Exam; and

Possesses at least one year of experience including service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax, or consulting skills, all of which was verified by a licensee.

Please Note: Any individual who passed the Uniform CPA Exam and holds a valid license issued by any other state prior to January 1, 2012, may be exempt from the 150 semester hour education requirement.

Click here to view the [Mobility page](#) of the Washington Board's web site.

A CPA who holds a license in a state that is not on the substantially equivalent jurisdiction list above may submit documentation of their individual substantially equivalent qualifications to the Washington Board of Accountancy or they may obtain an individual substantial equivalency evaluation from NASBA's [CredentialNet Service](#).

If a CPA wishes to use the Washington Board of Accountancy to verify his/her individual substantial equivalency qualifications, then he/she may submit documentation of valid license including expiration date, education (transcripts), CPA examination grades, and experience to the following address: Washington State Board of Accountancy, P.O. Box 9131, Olympia, WA 98507-9131.

Practice Privileges extend to professional services offered or rendered in Washington, whether in person or by mail, telephone, or electronic means, and no notice, fee, or other submission shall be provided by any such individual.

Consent to Jurisdiction

Any out of state CPA exercising these practice privileges and the firm that employs the CPA simultaneously consent, as a condition of exercising this privilege:

To the personal and subject matter jurisdiction and disciplinary authority of the Washington Board;

To comply with the law and Board rules;

That in the event the license from the state of the individual's principal place of business is no longer valid, the individual will cease offering or rendering professional services in Washington individually and on behalf of the firm;

To the appointment of the state board which issued the certificate or license as their agent upon whom process may be served in any action or proceeding by the Washington Board against the certificate holder of licensee; and

That the CPA will not render any services in Washington unless the CPA is licensed to render the service in the state where the CPA is licensed.

Firm Registration May Apply

The following must hold a firm license issued by the Washington Board:

Any firm with an office in Washington performing attest services or compilations; or

Any firm with an office in Washington that uses the title "CPA" or "CPA firm".

A Washington firm license is not required for a firm that does not have an office in Washington, but offers or renders attest services in Washington. The firm is considered to have firm mobility if the firm meets the requirements of RCW 18.04.195(1)(a) or (b).

A CPA firm from another state or US jurisdiction may exercise all the privileges of a Washington CPA firm, without a Washington State CPA firm license, provided the CPA firm:

Must have a valid license in the state from which the individuals doing the work for the Washington client have their principal place of business;

All individuals holding out as CPAs and assigned the work to hold an active CPA license issued by another state or US jurisdiction to perform the type of work requested by the Washington client;

Meets the Board's quality assurance review program requirements;

Consents to comply with the Public Accountancy Act and Board's rules;

Ceases offering or rendering services if the firm's license in the home state becomes invalid; and

Ceases offering or rendering specific professional services if it is restricted in the state of the principal place of business.

A Washington firm license is not required to perform other professional services in Washington, including compilation services and other non attest professional services while using the title "CPA" or "CPA firm," if the firm complies with the following:

Performs such services through an individual with practice privileges under Washington law; and

Can lawfully do so in the state where said individual with practice privileges have their principal place of business.

NOTE: Although a firm may not need a Washington State CPA Firm license, all firms doing business in Washington may need to register with other Washington state agencies.

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west virginia

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privileges

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

General Requirement

- Applicant must be a non-resident of West Virginia.
 - Applicant's principal place of business is not in this state; and
 - Applicant must hold a valid original certificate and license/permit in good standing as a Certified Public Accountant from a state, district, or territory of the US that has been deemed [substantially equivalent](#) to the UAA by the National Association of State Boards of Accountancy; OR
 - Applicant must have substantially equivalent individual qualifications. Individual substantial equivalency evaluations are offered through NASBA's [CredentialNet](#) service.
- [View the West Virginia practice privilege/mobility web page.](#)

Any individual who qualifies for practice privileges before the first day of January 2012, and who passed the uniform CPA examination and holds a valid license issued by another state is exempt from the education requirement in the UAA .

By law, a CPA of another state exercising practice privileges in West Virginia and the CPA firm which employs the CPA consents, as a condition to the grant of this privilege, to the following:

- the personal and subject matter jurisdiction and disciplinary authority of this Board.
- compliance with the provisions of the West Virginia Accountancy Law and the rules and regulations adopted by the Board.
- in the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in this state individually and on behalf of the CPA firm.
- the appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this board against the licensee.

Firm Registration Requirements May Apply

Individual practitioners (CPAs who are not part of a firm) from other jurisdictions offering to perform any of the services below must first file for an Authorization to Perform Attest Services as an individual practitioner and provide documentation that he/she is enrolled in a Peer Review Program that conforms with applicable Rules:

- An audit or other engagement to be performed in accordance with SAS,
- An examination of prospective financial information to be performed in accordance with SSAE, or
- An engagement to be performed in accordance with the auditing standards of the PCAOB.

An out-of-state firm (those firms with no office in this state) may provide a review of a financial statement performed in accordance with SSARS for a client having its home office in West Virginia and may use the title "CPA" or "CPA firm" without a firm permit if the firm:

- Meets firm ownership requirements;
- Is enrolled in a peer review program that conforms with applicable rules; and
- Performs services through an individual with substantial equivalency practice privileges.

An out-of-state firm that does not perform attest services for a client having its home office in West Virginia may perform other professional services while using the title "CPA" of "CPA firm" without a firm permit if the firm:

- Performs the services through an individual with substantial equivalency practice privileges and
- May lawfully perform the services in the state where the individuals with practice privileges have their principal place of business.

In addition, out-of-state CPA firms are required to have both a Firm Permit and Authorization to Perform Attest Services only if they perform for a client whose home office is located in West Virginia:

- An audit or other engagement performed in accordance with SAS;
- An examination of prospective financial information to be performed in accordance with SSAE; or
- An engagement to be performed in accordance with the auditing standards of the PCAOB.

NOTE: Individual practitioners, West Virginia accounting firms and out-of-state accounting firms that wish to perform attest or compilation services must complete the Authorization to Perform Attest or Compilation Services form and pay the additional fee.

Firm requirements may differ depending on the type of services performed. Additional information for individual and firm practice privilege requirements can be viewed at [the West Virginia practice privilege/mobility web page](#).

wisconsin

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective April 11, 2006, a CPA that has a valid license to practice from a [substantially equivalent state](#) has practice privileges in Wisconsin. CPAs who meet this requirement do NOT need to register, complete any forms or pay a fee in order to have practice privileges in Wisconsin. By entering the state and practicing without a Wisconsin credential under the practice privileges statute, the CPA agrees to follow the Wisconsin [statutes and rules](#) and is subject to investigation and disciplinary action for a violation of Wisconsin statutes or rules in the same manner as a Wisconsin licensee.

This privilege is only available to CPAs who are not residents of Wisconsin or whose primary office is not in Wisconsin. Residents of Wisconsin or individuals whose primary office is in Wisconsin must obtain a Wisconsin CPA credential in order to practice in Wisconsin. CPAs holding a valid license from a state which is not included in the list of substantially equivalent states must apply for a Certificate by Endorsement.

Firm Registration Requirements May Apply

Wisconsin does not require the out-of-state firm to obtain a Wisconsin firm permit, so long as the individual is qualified to provide such services through mobility in Wisconsin and the out-of-state firm is validly licensed and in good standing in its home jurisdiction.

Click Reciprocal Licensure in the menu bar at the top of this page for additional information.

wyoming

Practice Privilege / Mobility / Interstate Practice Requirements

Practice Privilege

To view a complete list of procedures and forms for applying for the Practice Privilege / Mobility / Interstate Practice [click here](#).

Effective July 1, 2009, Wyoming will allow practice privileges. Practices privileges were created in HB0008 during the 2009 legislative session. The details of HB0008 are provided below.

Effective July 1, 2009, a CPA whose principal place of business is outside Wyoming shall have all the privileges of a Wyoming CPA without having to obtain a license, give notice or pay a fee if the individual:

Holds a valid active CPA license in the [state which has been deemed substantially equivalent](#) by NASBA; or

Has individual qualifications that have been deemed substantially equivalent by [CredentialNet](#); or

Has the following individual qualifications:

Passed the Uniform CPA Exam prior to January 1, 2012;

Holds an active certificate in the state of the individual's principal place of business; and

Completed at least one year (2000 hours) of broad based experience (within five years of certificate date) involving accounting, attest, compilation, management advisory services, financial advisory services, tax or consulting services.

Wyoming does not require any submission to verify an out-of-state CPA's credentials for purposes of practice privileges. The CPA is responsible for reading the Wyoming laws and rules, as well as the Wyoming Board of Accountancy's web site information. A reciprocal certificate would only be required if an out-of-state CPA relocated to Wyoming.

Practice privileges extend to any individual who offers or renders professional services, whether in person, by mail, telephone or electronic means, in Wyoming, and no notice or other submission shall be provided by the individual. An individual or firm using practice privileges and advertising professional services via a web site shall disclose the state of his principal place of business, his license or certificate number, an address, and a phone number where he may be contacted by the general public or regulators.

NOTE: A non-resident CPA who currently holds a Wyoming certificate and qualifies for practice privileges may (1) return the certificate to the Board and be noted as "mobility" status or (2) continue to maintain the certificate on active status.

Consent to Jurisdiction

A CPA of another state exercising practice privileges in Wyoming and the firm which employs the CPA consents, as a condition to the exercising of this privilege, to the following:

The personal and subject matter jurisdiction and disciplinary authority of this Board.

Compliance with the provisions of the Wyoming Accountancy Law and the rules and regulations adopted by the Board.

In the event the certificate from the state of the individual's principal place of business is no longer valid, the individual shall cease offering or rendering professional services in Wyoming individually and on behalf of the CPA firm.

The appointment of the board of accountancy which issued the individual or firm license as his agent upon whom process may be served in any action or proceeding by this Board against the licensee.

Firm Registration Requirements May Apply

The following services require the out-of-state firm to obtain a Wyoming firm permit.

Any audit or other engagement performed in accordance with the statements on auditing standards;

Any examination of prospective financial information to be performed in accordance with the statement on standards for attestation engagements; or

Any engagement to be performed in accordance with the auditing standards of the public company accountancy oversight board.

Also, firms performing compilations or reviews must be owned by at least 50% certificate holders in Wyoming or another jurisdiction, and must participate in a practice monitoring (peer review) program. If these requirements are not met, then the out-of-state firm must obtain a firm permit from Wyoming.



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MSG Item VII.
September 15, 2016

CBA Item VIII.C.7.
September 15-16, 2016

Discussion Regarding the National Association of State Boards of Accountancy's Activities and CPAVerify

Presented by: Nooshin Movassaghi, Legislative Analyst

Purpose of the Item

The purpose of this agenda item is to allow the Mobility Stakeholder Group (MSG) the opportunity to discuss the National Association of State Boards of Accountancy's (NASBA) recent activities and CPAVerify.

Consumer Protection Objectives

To ensure transparency and allow for input from stakeholders, including consumers.

Action(s) Needed

No specific action is required on this agenda item.

Background

At its November 2014 meeting, the MSG requested that NASBA activities and CPAVerify be added as a standing agenda item to allow for ongoing discussion.

The Accountancy Licensing Database (ALD) is a national database of certified public accountant license information. Only the CBA and other state boards of accountancy have direct access to ALD. CPAVerify is the public website that conveys information contained in the ALD database. If information is not available in ALD, it is not available on CPAVerify. The CBA maintains a link to CPAVerify on its website for the use of consumers and other stakeholders.

Comments

At this time, there are 51 jurisdictions participating in ALD and CPAVerify. At the January 2016 meeting, NASBA announced that Michigan was added to the list of participating jurisdictions. NASBA continues its efforts to bring the remaining four onto the system. These four jurisdictions are Delaware, Hawaii, Utah, and Wisconsin. It is anticipated Wisconsin will begin participating in the ALD by the end of the year.

Fiscal/Economic Impact Considerations

There are no fiscal/economic impact considerations.

**Discussion Regarding the National Association of State Boards of Accountancy's
Activities and CPAverify**

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Recommendation

Staff do not have a recommendation on this agenda item.

Attachment

None.



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MSG Item VIII.
September 15, 2016

CBA Item VIII.C.8.
September 15-16, 2016

Discussion Regarding Proposed Agenda Items for the Next Mobility Stakeholder Group Meeting

Presented by: Nooshin Movassaghi, Legislative Analyst

Purpose of the Item

The purpose of this agenda item is to establish the items that will be included on the next agenda for the Mobility Stakeholder Group (MSG).

Consumer Protection Objective

To ensure transparency and allow for input from stakeholders, including consumers regarding upcoming MSG Agenda Items.

Action(s) Needed

The MSG will be asked to identify topics it wishes to discuss at its next meeting.

Background

As the MSG is intended to be representative of "stakeholders of the accounting profession in this state, including consumers," it may wish to set its future agenda during its meetings in order that all public input may be considered when deciding how best to proceed.

Comments

The following topics are being proposed for consideration when determining the agenda for the next MSG meeting:

- Further review of any additional states identified by NASBA as substantially equivalent
- If needed, revision of the project timeline to include deferred action on phase two of the evaluation of other states' enforcement programs until January 2017
- Review of a draft of the MSG Annual Report

The MSG may wish to accept, alter, or add to staff's suggestion based on the direction in which it wishes to proceed.

Fiscal/Economic Impact Considerations

There are no fiscal/economic impact considerations.

Discussion Regarding Proposed Agenda Items for the Next Mobility Stakeholder Group Meeting

Page 2 of 2

Recommendation

Staff do not have a recommendation on this agenda item.

Attachment

None.