

SB 159 (SEN. PERRY) AND HB 797 (REP. BUTTON)

120 HOURS TO TEST LEGISLATION

SB 159/HB 797 will amend the Public Accountancy Act to allow CPA candidates and students to begin taking the CPA Exam after completing 120 credit hours, to include 21 hours of upper level accounting.

Addressing the CPA pipeline and the need for more Texas CPAs is paramount to TXCPA and will help grow the Texas economy. As Texas grows exponentially, the need for CPAs in industry, government and private practice is ever-growing. There is a need for more CPAs in Texas due to large population increases and the substantial number of businesses moving to Texas.

TXCPA has been working for many years to address the CPA pipeline, encourage more students to enter the accounting education path, and ultimately to get more individual licensed as CPAs. One way to get there is to have more candidates/students enter the testing and licensure pathway before they move to other professions or occupations.



Allowing testing to begin at 120 hours will give students more flexibility in the path to 150 hours for certification.



Certification/licensure will still require 150 semester hours.



SB 159/HB 797 is one tool to help address the CPA pipeline issue and encourage more people to enter the CPA profession.



Students are taking the CPA Exam in other states which allow testing at 120 hours and then not returning to Texas.



The 150 hours-to-test requirement is a barrier to entry into the CPA profession. There are students ready to take the CPA Exam before completing 150 hours of education. Requiring testing after 150 hours creates obstacles for CPA candidates - student debt, families begin, the need to begin work increases, and financial burdens increase between 120 and 150 hours.



Texas is one of only seven jurisdictions that mandate that a student complete 150 semester hours before taking the CPA Exam. (48 of 55 jurisdictions in the US allow testing to begin after completion of 120 semester hours. TX, OK, OR have active legislation being considered.)



SB 159 is supported by large national accounting firms (The Accounting Coalition), mid-size Texas and regional accounting firms, small sized firms and individual practitioners.

TXCPA is the preeminent voice and advocate at the Texas Capitol protecting the CPA license and advancing the interests of the accounting profession. TXCPA is also the largest, most influential association of accounting and finance professionals in Texas, representing 28,000 members in 20 chapters across the state.