

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 26-0389.01 Eden Rolland x2373

SENATE BILL 26-076

SENATE SPONSORSHIP

Lindstedt and Frizell, Snyder

HOUSE SPONSORSHIP

Richardson and Stewart R.,

Senate Committees
Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE PRACTICE OF CERTIFIED PUBLIC ACCOUNTANTS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill expands the ways in which individuals may become eligible for certification as a certified public accountant (CPA) in Colorado.

Currently, to be eligible for certification as a CPA in Colorado, an individual must complete a certain combination of education, work experience, and testing requirements. The existing combination prescribed by statute requires applicants for certification to meet each of the following criteria:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

- Obtain a baccalaureate or higher degree;
- Complete at least 150 semester hours of college education approved by the Colorado state board of accountancy (board);
- Complete a board-approved course in professional ethics;
- Obtain one year of relevant experience, as determined by the board by rule; and
- Pass a written exam.

The bill changes these requirements with the overall effect of expanding the ways in which individuals may become eligible for CPA licensure.

Section 1 of the bill creates new combinations of education and experience that may satisfy the requirements for CPA certification. The bill creates 3 pathways to certification that will be available for applicants beginning on January 1, 2027. The 3 pathways created by the bill are:

- Obtaining a baccalaureate degree, completing 2 years of work experience, completing a professional ethics course, and passing the CPA exam;
- Obtaining a baccalaureate degree, completing 30 additional semester hours, completing one year of work experience, completing a professional ethics course, and passing the CPA exam; and
- Obtaining a post-baccalaureate degree, completing one year of work experience, completing a professional ethics course, and passing the CPA exam.

The work experience required for each pathway must continue to meet the requirements set by the board by rule. The bill also preserves the requirement for an actively certified CPA who meets board requirements to verify an applicant's work experience. In addition, **section 1** clarifies that work experience, in order to count toward satisfying an applicant's work experience requirements, must include any type of service or advice representing certain accounting-related skills needed to serve the public at the time of initial certification.

Section 2 clarifies an applicant's eligibility to sit for a CPA examination and conforms those eligibility requirements with the pathways to certification created by the bill. **Section 2** also reinforces that, regardless of an applicant's eligibility to sit for an exam, the applicant must complete one of the specified pathways to obtain a CPA certificate.

Section 3 contains a conforming amendment.

Section 4 establishes that interstate practice privileges for individual CPAs are no longer determined according to board rules. Rather, **section 4** codifies that an individual CPA who is licensed or certified in good standing in another state or jurisdiction of the United States has all the same practice privileges of Colorado certificate holders

without needing to obtain a Colorado certificate if the individual was required, at their initial licensure or certification in the other state or jurisdiction of the United States, to pass the uniform CPA examination and obtain a baccalaureate degree from an accredited college or university. The bill also continues the practice privileges of individual CPAs licensed or certified in good standing in another state or jurisdiction of the United States who held practice privileges in Colorado as of December 31, 2024. Finally, **section 4** specifies that the board may not require a notice, fee, or other submission as a condition of exercising such practice privileges.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 12-100-108, **amend** (1) introductory portion, (1)(a), and (1)(c) as follows:

12-100-108. Educational and experience requirements - rules.

(1) On and after ~~July 1, 2015, a person~~ JANUARY 1, 2027, AN INDIVIDUAL meets the educational and experience requirements necessary to be issued a certificate of certified public accountant if the applicant:

(a) HAS SUCCESSFULLY COMPLETED ANY OF THE FOLLOWING EDUCATIONAL PATHWAYS:

(I) ~~Has~~ A baccalaureate ~~or higher~~ degree conferred by an accredited college or university with an accounting program approved by the board or ~~has a baccalaureate~~ with a nonaccounting concentration supplemented by what the board determines to be the equivalent of an accounting concentration, including related courses in other areas of business administration; ~~and~~

(II) ~~Has completed at least one hundred fifty semester hours of college education approved by the board~~ A BACCALAUREATE DEGREE PLUS AN ADDITIONAL THIRTY SEMESTER HOURS CONFERRED BY AN ACCREDITED COLLEGE OR UNIVERSITY WITH AN ACCOUNTING PROGRAM APPROVED BY THE BOARD OR WITH A NONACCOUNTING CONCENTRATION

1 SUPPLEMENTED BY WHAT THE BOARD DETERMINES TO BE THE EQUIVALENT
2 OF AN ACCOUNTING CONCENTRATION, INCLUDING RELATED COURSES IN
3 OTHER AREAS OF BUSINESS ADMINISTRATION; OR

4 (III) A POST-BACCALAUREATE DEGREE CONFERRED BY AN
5 ACCREDITED COLLEGE OR UNIVERSITY WITH AN ACCOUNTING PROGRAM
6 APPROVED BY THE BOARD OR WITH A NONACCOUNTING CONCENTRATION
7 SUPPLEMENTED BY WHAT THE BOARD DETERMINES TO BE THE EQUIVALENT
8 OF AN ACCOUNTING CONCENTRATION, INCLUDING RELATED COURSES IN
9 OTHER AREAS OF BUSINESS ADMINISTRATION;

10 (c) (I) ~~Has one year's experience that~~ SUCCESSFULLY COMPLETED
11 THE FOLLOWING AMOUNT OF ACCOUNTING-RELATED WORK EXPERIENCE:

12 (A) IF THE APPLICANT IS APPLYING FOR A CERTIFICATE PURSUANT
13 TO THE EDUCATIONAL PATHWAY DESCRIBED IN SUBSECTION (1)(a)(I) OF
14 THIS SECTION, AT LEAST TWO YEARS OF ACCOUNTING-RELATED WORK
15 EXPERIENCE; OR

16 (B) IF THE APPLICANT IS APPLYING FOR A CERTIFICATE PURSUANT
17 TO THE EDUCATIONAL PATHWAY DESCRIBED IN SUBSECTION (1)(a)(II) OR
18 (1)(a)(III) OF THIS SECTION, AT LEAST ONE YEAR OF
19 ACCOUNTING-RELATED WORK EXPERIENCE.

20 (II) THE ACCOUNTING-RELATED WORK EXPERIENCE DESCRIBED IN
21 SUBSECTION (1)(c)(I) OF THIS SECTION MUST:

22 ~~(H)~~ (A) ~~Meets~~ MEET the requirements set by the board by rule;

23 ~~(H)~~ (B) ~~Is in~~ INCLUDE any type of service or advice ~~involving~~
24 REPRESENTING THE SKILLS NEEDED TO SERVE THE PUBLIC AT THE TIME OF
25 INITIAL CERTIFICATION THAT INVOLVE the use of accounting, attest,
26 compilation, management advisory SKILLS, financial advisory SKILLS, tax,
27 or consulting, ~~skills~~, which may be gained through employment in

1 government, industry, academia, or public practice; and
2 (HH) (C) Is BE verified by an actively licensed certified public
3 accountant who meets the requirements set by the board by rule.

4 **SECTION 2.** In Colorado Revised Statutes, 12-100-109, **amend**
5 (4); and **add** (4.5) as follows:

6 **12-100-109. Examinations - reexaminations - rules.**

7 (4) A candidate for a certificate of certified public accountant ~~who~~
8 ~~meets the educational requirements set by the board by rule~~ is entitled to
9 take an examination IF THE CANDIDATE:

10 (a) HAS OBTAINED A BACCALAUREATE OR HIGHER DEGREE
11 CONFERRED BY AN ACCREDITED COLLEGE OR UNIVERSITY AND COMPLETED
12 AN ACCOUNTING PROGRAM OR A NONACCOUNTING CONCENTRATION
13 SUPPLEMENTED BY WHAT THE BOARD DETERMINES TO BE THE EQUIVALENT
14 OF AN ACCOUNTING CONCENTRATION, INCLUDING RELATED COURSES IN
15 OTHER AREAS OF BUSINESS ADMINISTRATION; OR

16 (b) DEMONSTRATES THAT THEY ARE CURRENTLY ENROLLED IN A
17 DEGREE PROGRAM AT A COLLEGE OR UNIVERSITY THAT CONFERS A
18 BACCALAUREATE DEGREE AND MASTER'S OR HIGHER DEGREE UPON
19 COMPLETION OF A COMBINED DEGREE PROGRAM AND THAT THEY HAVE
20 COMPLETED THE BACCALAUREATE DEGREE REQUIREMENTS AND
21 ACCOUNTING CONCENTRATION.

22 (4.5) A CANDIDATE FOR A CERTIFICATE OF CERTIFIED PUBLIC
23 ACCOUNTANT WHO IS ENTITLED TO TAKE AN EXAMINATION PURSUANT TO
24 SUBSECTION (4) OF THIS SECTION SHALL, REGARDLESS OF SUCH
25 ENTITLEMENT, COMPLETE ONE OF THE THREE EDUCATIONAL PATHWAYS
26 DESCRIBED IN SECTION 12-100-108 (1)(a) TO BE ELIGIBLE FOR A
27 CERTIFICATE OF CERTIFIED PUBLIC ACCOUNTANT.

1 **SECTION 3.** In Colorado Revised Statutes, 12-100-114, **amend**
2 (1) introductory portion as follows:

3 **12-100-114. Partnerships, professional corporations, and**
4 **limited liability companies composed of certified public accountants**
5 **- registration - rules - definitions.**

6 (1) Except as provided in ~~section 12-100-117 (2)~~ SECTION
7 12-100-117 (2)(a)(II), a partnership, professional corporation, or limited
8 liability company engaged in this state in the practice of public
9 accounting as certified public accountants shall register with the board as
10 a partnership, professional corporation, or limited liability company of
11 certified public accountants and must meet the following requirements;
12 and, as used in this article 100, "partnership" includes a registered limited
13 partnership, limited liability partnership, limited liability limited
14 partnership, foreign limited partnership, foreign limited liability
15 partnership, and foreign limited liability limited partnership:

16 **SECTION 4.** In Colorado Revised Statutes, 12-100-117, **amend**
17 (2)(a)(I) as follows:

18 **12-100-117. Exceptions - acts not prohibited - rules.**

19 (2) (a) (I) (A) ~~Nothing in this article 100 prohibits~~ A certified
20 public accountant WHO IS LICENSED OR CERTIFIED IN GOOD STANDING IN
21 ANOTHER STATE OR JURISDICTION OF THE UNITED STATES AND whose
22 principal place of business is located in another state or jurisdiction of the
23 United States ~~from practicing in this state on professional business, as~~
24 ~~defined by rules promulgated by the board. The practice shall be~~
25 ~~conducted in conformity with rules promulgated by the board~~ HAS ALL
26 THE SAME PRACTICE PRIVILEGES AS CERTIFICATE HOLDERS IN THIS STATE,
27 AND MAY OFFER OR RENDER PROFESSIONAL SERVICES, WHETHER IN

1 PERSON OR BY MAIL, TELEPHONE, OR ELECTRONIC MEANS, WITHOUT THE
2 NEED TO OBTAIN A CERTIFICATE PURSUANT TO SECTION 12-100-107 IF THE
3 INDIVIDUAL WAS REQUIRED AT THE TIME OF INITIAL LICENSURE OR
4 CERTIFICATION IN ANOTHER STATE OR JURISDICTION OF THE UNITED
5 STATES TO HAVE PASSED THE UNIFORM CERTIFIED PUBLIC ACCOUNTANT
6 EXAMINATION AND TO HAVE OBTAINED A BACCALAUREATE DEGREE
7 CONFERRED BY AN ACCREDITED COLLEGE OR UNIVERSITY.

8 (B) A CERTIFIED PUBLIC ACCOUNTANT WHO IS LICENSED OR
9 CERTIFIED IN GOOD STANDING IN ANOTHER STATE OR JURISDICTION OF THE
10 UNITED STATES, WHOSE PRINCIPAL PLACE OF BUSINESS IS LOCATED IN
11 ANOTHER STATE OR JURISDICTION OF THE UNITED STATES, AND WHO, AS
12 OF DECEMBER 31, 2024, HAS PRACTICE PRIVILEGES IN THIS STATE UNDER
13 THE RULES ADOPTED BY THE BOARD CONTINUES TO HAVE ALL THE SAME
14 PRACTICE PRIVILEGES OF CERTIFICATE HOLDERS IN THIS STATE WITHOUT
15 THE NEED TO OBTAIN A CERTIFICATE PURSUANT TO SECTION 12-100-107.

16 (C) THE CONFERRAL OF THE PRACTICE PRIVILEGES DESCRIBED IN
17 THIS SUBSECTION (2)(a)(I) MUST BE CONDUCTED IN CONFORMITY WITH
18 RULES ADOPTED BY THE BOARD; EXCEPT THAT THE BOARD SHALL NOT
19 REQUIRE A CERTIFIED PUBLIC ACCOUNTANT WHO IS LICENSED OR
20 CERTIFIED IN GOOD STANDING IN ANOTHER STATE OR JURISDICTION OF THE
21 UNITED STATES AND WHO HAS PRACTICE PRIVILEGES IN THIS STATE
22 PURSUANT TO THIS SUBSECTION (2)(a)(I) TO PROVIDE A NOTICE, FEE, OR
23 OTHER SUBMISSION AS A CONDITION OF EXERCISING PRACTICE PRIVILEGES
24 IN THIS STATE.

25 **SECTION 5. Act subject to petition - effective date.** Section
26 12-100-108, Colorado Revised Statutes, as amended in section 1 of this
27 act, takes effect January 1, 2027, and the remainder of this act takes effect

1 at 12:01 a.m. on the day following the expiration of the ninety-day period
2 after final adjournment of the general assembly; except that, if a
3 referendum petition is filed pursuant to section 1 (3) of article V of the
4 state constitution against this act or an item, section, or part of this act
5 within such period, then the act, item, section, or part will not take effect
6 unless approved by the people at the general election to be held in
7 November 2026 and, in such case, will take effect on the date of the
8 official declaration of the vote thereon by the governor; except that
9 section 12-100-108, Colorado Revised Statutes, as amended in section 1
10 of this act, takes effect January 1, 2027, or on the date of the official
11 declaration of the vote thereon by the governor, whichever is later.