

ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024
COMMITTEE STATEMENT
LB854

Hearing Date: Monday January 22, 2024
Committee On: Banking, Commerce and Insurance
Introducer: Jacobson
One Liner: Change examination eligibility, certification, and permitting requirements relating to certified public accountants

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 8 Senators Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents:

Senator Mike Jacobson
Kelly Martinson
Melissa Ruff
Philip Olsen

Representing:

Opening Presenter
Nebraska Society of CPA's
Nebraska State Board of Public Accountancy
Nebraska Department of Administrative Services

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 854 is a bill that was introduced by Senator Jacobson. It would amend Neb. Rev. Stat. §§ 1-116, 1-124, 1-136, and 1-136.02, statutes that relate to certified public accountants and which fall under the Public Accountancy Act ("Act") found at Neb. Rev. Stat. §§ 1-105 to 1-171.

Currently, under the Act, those individuals seeking to take the exam to become a Certified Public Accountant ("CPA") in Nebraska must have 150 hours of educational credit and be within 120 days of completing 150 hours of academic credit and receiving his/her degree prior to sitting for the exam. LB 854 will, among other things, change the 150 hour requirement to 120 hours. A majority of states throughout the U.S. currently allow individuals to sit for a CPA exam (these tests are uniform national exams) at 120 hours. LB 854 is designed to bring Nebraska into conformity with the majority of states, which will make Nebraska more competitive in regards to maintaining CPA talent within the state.



The bill would provide, section by section, as follows:

Section 1 (Sitting for CPA Exam): Section 1 amends 1-116 to add a phase-in provision for the new education credit and degree requirements required to sit for the CPA exam.

Prior to January 1, 2025: an individual must have 150 educational hours, but he/she can apply and take portions of the CPA exam within 120 days prior to completing the 150 hours of postsecondary academic credit and earning a degree.

On or after January 1, 2025: an individual must have 120 educational hours prior to applying and sitting for the CPA exam, and have a baccalaureate or higher degree prior to taking the CPA exam.

Section 2: Section 2 amends 1-124. It is a technical amendment that renumbers statute citations to reflect the changes made in Section 4 below.

Section 3: Section 3 amends 1-136. It is a minor amendment that adds language to recognize that sections 1-114 to 1-124 place both an experience and education requirement upon CPAs.

Section 4 (Issuance of CPA Permit): Section 4 amends 1-136.02 by adding clarifying information related to what requirements must be met before the Board of Public Accountancy (“Board”) will issue a CPA permit to an applicant. The requirements are that an applicant must:

Complete at least 150 semester hours or 225 quarter hours of postsecondary academic credit (which must include courses that demonstrate proficiency in the field of accounting, such as accounting, auditing, business, and other courses as determined by the Board);

Earn a baccalaureate or higher degree from a college or university accredited by a regional accrediting agency as recognized by the United States Department of Education or a similar agency as determined to be acceptable by the Board, and;

Demonstrate accounting experience in one of three ways outlined respectively in subsections (b)(i), (b)(ii), or (b)(iii).

Section 5: Section 5 would repeal original sections 1-116, 1-124, 1-136, and 1-136.02.

Julie Slama, Chairperson

