

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 854**

Introduced by Jacobson, 42.

Read first time January 03, 2024

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to certified public accountants; to amend  
2 sections 1-116, 1-124, 1-136, and 1-136.02, Reissue Revised Statutes  
3 of Nebraska; to change the examination eligibility, certification,  
4 and permitting requirements relating to certified public  
5 accountants; to harmonize provisions; and to repeal the original  
6 sections.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 1-116, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 1-116 (1)(a) Prior to January 1, 2025, any Any person making  
4 initial application to take the examination described in section 1-114 is  
5 ~~shall be~~ eligible to take the examination if he or she has completed at  
6 least one hundred fifty semester hours or two hundred twenty-five quarter  
7 hours of postsecondary academic credit and has earned a baccalaureate or  
8 higher degree from a college or university accredited by an accrediting  
9 agency recognized by the United States Department of Education or a  
10 similar agency as determined to be acceptable by the board. The person  
11 shall demonstrate that accounting, auditing, business, and other subjects  
12 at the appropriate academic level as required by the board are included  
13 within the required hours of postsecondary academic credit.

14 (b) Prior to January 1, 2025, a A person who expects to complete the  
15 postsecondary academic credit and earn the degree as required by this  
16 subsection ~~section~~ may take test sections of the examination within one  
17 hundred twenty days prior to completing the postsecondary academic credit  
18 and earning the degree, but such person shall not receive any credit for  
19 such test sections unless evidence satisfactory to the board showing that  
20 such person has completed the postsecondary academic credit and earned  
21 the degree as required by this subsection ~~section~~ is received by the  
22 board within one hundred fifty days following when the first test section  
23 of the examination is taken.

24 (2)(a) On or after January 1, 2025, any person making initial  
25 application to take the examination described in section 1-114 is  
26 eligible to take the examination if he or she has completed at least one  
27 hundred twenty semester hours or one hundred eighty quarter hours of  
28 postsecondary academic credit and has earned a baccalaureate or higher  
29 degree from a college or university accredited by an accrediting agency  
30 recognized by the United States Department of Education or a similar  
31 agency as determined to be acceptable by the board. The person shall

1 demonstrate that accounting, auditing, business, and other subjects at  
2 the appropriate academic level as required by the board are included  
3 within the required hours of postsecondary academic credit.

4 (b) On or after January 1, 2025, no person is allowed to take any  
5 portion of the examination prior to completing the academic credit and  
6 earning the degree required by this subsection.

7 (3) The board shall not prescribe the specific curricula of colleges  
8 or universities.

9 (4) If the applicant is an individual, the application shall include  
10 the applicant's social security number.

11 Sec. 2. Section 1-124, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 1-124 (1)(a) The board may, in its discretion, waive the examination  
14 described in section 1-114 and may issue a reciprocal certificate as a  
15 certified public accountant to any person who possesses the  
16 qualifications specified in subdivision (2)(a) of section 1-114 and  
17 section 1-116 and who is the holder of a certificate as a certified  
18 public accountant, then in full force and effect, issued under the laws  
19 of any state or is the holder of a certificate, license, or degree in a  
20 foreign country constituting a recognized qualification for the practice  
21 of public accountancy in such country, comparable to that of a certified  
22 public accountant of this state, which is then in full force and effect.

23 (b) The board shall waive the examination described in section 1-114  
24 and the educational requirements specified in section 1-116 and shall  
25 issue a reciprocal certificate as a certified public accountant to any  
26 person who possesses the qualifications specified in subdivision (2)(a)  
27 of section 1-114, who is the holder of a certificate as a certified  
28 public accountant, then in full force and effect, issued under the laws  
29 of any state, who meets all other current requirements of the board for  
30 issuance of a certificate as a certified public accountant, and who, at  
31 the time of the application for a reciprocal certificate as a certified

1 public accountant, has had, within the ten years immediately preceding  
2 application, at least four years of years<sup>1</sup> experience in the practice of  
3 public accountancy specified in subdivision (1)(b) ~~subsection (1)~~ of  
4 section 1-136.02.

5 (2) The board shall charge each person obtaining a reciprocal  
6 certificate issued under this section a fee as established by the board  
7 not to exceed four hundred dollars.

8 Sec. 3. Section 1-136, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 1-136 (1) Permits to engage in the practice of public accountancy in  
11 this state shall be issued by the board to (a) persons who are holders of  
12 the certificate of certified public accountant issued under sections  
13 1-114 to 1-124 and who have met the education and experience requirements  
14 of section 1-136.02, (b) partnerships and limited liability companies of  
15 certified public accountants registered under section 1-126, and (c)  
16 corporations registered under section 1-134 as long as all offices of  
17 such certificate holders or registrants in this state for the practice of  
18 public accountancy are maintained and registered as required under  
19 section 1-135.

20 (2)(a) Except as provided in the case of permits subject to  
21 subdivision (2)(b) of this section, the board shall charge an annual  
22 permit fee as established by the board not to exceed one hundred fifty  
23 dollars. All permits subject to this subdivision shall expire on June 30  
24 of each year and may be renewed annually for a period of one year by  
25 certificate holders and registrants in good standing upon payment of an  
26 annual renewal fee as established by the board not to exceed one hundred  
27 fifty dollars. The board may prorate the fee for any permit subject to  
28 this subdivision issued for less than one year.

29 (b) The board shall charge a biennial permit fee as established by  
30 the board not to exceed three hundred dollars for permits issued under  
31 subdivision (1)(a) of this section. All permits subject to this

1 subdivision shall expire on June 30 of the first calendar year after the  
2 calendar year of issuance in which the age of the certificate holder or  
3 the registrant becomes divisible by two, and may be renewed biennially  
4 for a period of two years by certificate holders and registrants in good  
5 standing upon payment of a biennial renewal fee as established by the  
6 board not to exceed three hundred dollars. The board may prorate the fee  
7 for any permit subject to this subdivision issued for less than two  
8 years.

9 (3) Failure of a certificate holder or registrant to apply for a  
10 permit within (a) three years from the expiration date of the permit last  
11 obtained or renewed or (b) three years from the date upon which the  
12 certificate holder or registrant was issued a certificate or registration  
13 if no permit was ever issued to such person shall deprive him or her of  
14 the right to issuance or renewal of a permit unless the board, in its  
15 discretion, determines such failure to have been excusable. In such case  
16 the renewal fee or the fee for the issuance of the original permit, as  
17 the case may be, shall be such amount as established by the board not to  
18 exceed three hundred dollars.

19 (4) Any certificate holder or registrant who has not lost his or her  
20 right to issuance or renewal of a permit and who is not actively engaged  
21 in the practice of public accountancy in this state may file a written  
22 application with the board to be classified as inactive. A person so  
23 classified shall not be issued a permit or be deemed the holder of a  
24 permit but shall be carried upon an inactive roll to be maintained by the  
25 board upon the payment of an inactive fee as established by the board not  
26 to exceed fifty percent of the fee charged persons actively engaged in  
27 the practice of public accountancy as provided in this section. A person  
28 so classified shall not be deprived of the right to the issuance or  
29 renewal of a permit and may, upon application to the board and upon  
30 payment of the current permit fee, be issued a current permit.

31 Sec. 4. Section 1-136.02, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 1-136.02 (1) The board shall issue a permit under subdivision (1)(a)  
3 of section 1-136 to a holder of a certificate as a certified public  
4 accountant when such holder has completed ~~had~~:

5 (a) At least one hundred fifty semester hours or two hundred twenty-  
6 five quarter hours of postsecondary academic credit and has earned a  
7 baccalaureate or higher degree from a college or university accredited by  
8 a regional accrediting agency as recognized by the United States  
9 Department of Education or a similar agency as determined to be  
10 acceptable by the board. The person shall demonstrate that accounting,  
11 auditing, business, and other subjects at the appropriate academic level  
12 as required by the board are included within the required hours of  
13 postsecondary academic credit; and

14 (b)(i) ~~(a)~~ Two years of accounting experience satisfactory to the  
15 board, in any state or foreign country, in employment as an accountant in  
16 a firm, proprietorship, partnership, corporation, limited liability  
17 company, or other business entity authorized in any state to engage in  
18 the practice of public accountancy under the supervision of an active  
19 certified public accountant who is the holder of a permit issued under  
20 subdivision (1)(a) of section 1-136 or the equivalent issued by another  
21 state;

22 (ii) ~~(b)~~ Except as provided in subdivision (b)(iii) ~~(e)~~ of this  
23 subsection, three years of accounting experience satisfactory to the  
24 board, in any state or foreign country, in employment as (A) ~~(i)~~ an  
25 accountant in government or business under the supervision of an active  
26 certified public accountant who is the holder of a permit issued under  
27 subdivision (1)(a) of section 1-136 or the equivalent issued by another  
28 state or (B) ~~(ii)~~ faculty at a college or university of recognized  
29 standing under the supervision of an active certified public accountant  
30 who is the holder of a permit issued under subdivision (1)(a) of section  
31 1-136 or the equivalent issued by another state; or

1            (iii) ~~(c)~~ Two years of accounting experience satisfactory to the  
2 board in employment as an accountant in the office of the Auditor of  
3 Public Accounts or the Department of Revenue under the supervision of an  
4 active certified public accountant who is the holder of a permit issued  
5 under subdivision (1)(a) of section 1-136 or the equivalent issued by  
6 another state.

7            (2) The board shall issue a permit under subdivision (1)(a) of  
8 section 1-136 to a holder of a reciprocal certificate issued under  
9 section 1-124 upon a showing that:

10           (a) He or she meets all current requirements in this state for  
11 issuance of a permit at the time the application is made; and

12           (b) At the time of the application for a permit the applicant,  
13 within the ten years immediately preceding application, meets an ~~the~~  
14 experience requirement in subdivision (1)(b) ~~(1)(a), (b), or (c)~~ of this  
15 section.

16           Sec. 5.    Original sections 1-116, 1-124, 1-136, and 1-136.02,  
17 Reissue Revised Statutes of Nebraska, are repealed.