

House Bill 148 (AS PASSED HOUSE AND SENATE)

By: Representatives Carson of the 46th, Wilkerson of the 38th, Williamson of the 112th,
Powell of the 33rd, Blackmon of the 146th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 3 of Title 43 of the Official Code of Georgia Annotated, relating to
2 accountants, so as to revise provisions relating to the education and experience requirements
3 of certified public accountants; to revise provisions relating to licensure of firms practicing
4 public accountancy; to revise provisions relating to reciprocity; to conform terminology; to
5 amend Article 1 of Chapter 81 of Title 36 of the Official Code of Georgia Annotated, relating
6 to local government budget and audits, so as to conform a cross-reference; to provide for
7 related matters; to provide an effective date; to repeal conflicting laws; and for other
8 purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **PART I**
11 **SECTION 1-1.**

12 Chapter 3 of Title 43 of the Official Code of Georgia Annotated, relating to accountants, is
13 amended by revising Code Section 43-3-1, relating to short title, as follows:

"43-3-1.

This chapter shall be known and may be cited as the 'Public Accountancy Act of 2014
2025."

SECTION 1-2.

Said chapter is further amended in Code Section 43-3-9, relating to requirements for
certificate of certified public accountant and disclosure of commissions from sale of
insurance or financial products, by revising subsection (b) as follows:

"(b) The certificate of certified public accountant shall be granted by the board to any
individual:

(1) Who has attained the age of 18;

(2) Who is, in the opinion of the board, of good moral character;

(3) Who meets the following requirements of education and experience described in any
one of the following subparagraphs:

(A)(i) Presentation to the board of such evidence as it may require that the applicant
has received a baccalaureate degree or completed the requirements therefor, conferred
by a college or university accredited by a national or regional accrediting organization
recognized by the board, by successfully completing at such college or university a
program of study that consists of not fewer than 150 semester hours, or equivalent
quarter credit hours, with a concentration in accounting or what the board determines
to be ~~the substantial equivalent of comparable to~~ an accounting concentration, or with
a nonaccounting concentration supplemented by what the board determines to be ~~the
substantial equivalent of comparable to~~ an accounting concentration, including related
courses in other areas of business administration:

~~(ii) After January 1, 1998, any individual who has not previously sat for the uniform
written examination for the certificate of certified public accountant must have
completed a total of 150 semester hours or 225 quarter hours of college education,~~

including a baccalaureate degree awarded by a college or university accredited by either a national or regional accrediting organization recognized by the board. The total educational program shall include an undergraduate accounting concentration as defined by the board or what the board determines to be the substantial equivalent of an undergraduate accounting concentration; and

(B)(ii) One year of continuous experience in the accounting field relevant to the practice of public accountancy immediately preceding the date of application for the certificate or within a reasonable time prior to the date of such application as provided by the board by rule or regulation; provided, however, that the board may promulgate rules or regulations stating certain circumstances which shall constitute acceptable breaks in the continuity of such experience; provided, further, that the board may accept, in lieu of such year of experience in public accounting, evidence satisfactory to it of one year of continuous employment in the accounting field in industry, business, government, or college teaching; any combination of employment in such fields; or any combination of employment in such fields and the practice of public accountancy immediately preceding the date of application for the certificate or what the board determines to be the equivalent thereof; ~~and provided, further, that any individual certificated as a certified public accountant under the laws of this state on July 1, 1977, shall be deemed to have the experience in the practice of public accountancy required by this subparagraph; and~~

(B)(i) Presentation to the board of such evidence as it may require that the applicant has received a master's degree or completed the requirements therefor, conferred by a college or university accredited by a national or regional accrediting organization recognized by the board, with a concentration in accounting or taxation or what the board determines to be comparable to an accounting or taxation concentration, or with a nonaccounting concentration supplemented by what the board determines to be

66 comparable to an accounting or taxation concentration, including related courses in
67 other areas of business administration; and

68 (ii) One year of continuous experience in the accounting field relevant to the practice
69 of public accountancy immediately preceding the date of application for the certificate
70 or within a reasonable time prior to the date of such application as provided by the
71 board by rule or regulation; provided, however, that the board may promulgate rules
72 or regulations stating certain circumstances which shall constitute acceptable breaks
73 in the continuity of such experience; provided, further, that the board may accept, in
74 lieu of such year of experience in public accounting, evidence satisfactory to it of one
75 year of continuous employment in the accounting field in industry, business,
76 government, or college teaching; any combination of employment in such fields; or
77 any combination of employment in such fields and the practice of public accountancy
78 immediately preceding the date of application for the certificate or what the board
79 determines to be the equivalent thereof; or

80 (C)(i) Presentation to the board of such evidence as it may require that the applicant
81 has received a baccalaureate degree or completed the requirements therefor, conferred
82 by a college or university accredited by a national or regional accrediting organization
83 recognized by the board, with a concentration in accounting or what the board
84 determines to be comparable to an accounting concentration, or with a nonaccounting
85 concentration supplemented by what the board determines to be comparable to an
86 accounting concentration, including related courses in other areas of business
87 administration; and

88 (ii) Two years of continuous experience in the accounting field relevant to the
89 practice of public accountancy immediately preceding the date of application for the
90 certificate or within a reasonable time prior to the date of such application as provided
91 by the board by rule or regulation; provided, however, that the board may promulgate
92 rules or regulations stating certain circumstances which shall constitute acceptable

breaks in the continuity of such experience; provided, further, that the board may accept, in lieu of such two years of experience in public accounting, evidence satisfactory to it of two years of continuous employment in the accounting field in industry, business, government, or college teaching; any combination of employment in such fields; or any combination of employment in such fields and the practice of public accountancy immediately preceding the date of application for the certificate or what the board determines to be the equivalent thereof; and

(4) Who shall have passed an examination approved by the board in such related subjects as the board deems appropriate."

SECTION 1-3.

Said chapter is further amended in Code Section 43-3-10, relating to examinations for certified public accountants, by revising subsection (b) as follows:

"(b) ~~As~~ Unless otherwise provided by rule or regulation of the board, as a prerequisite to sit for the examination, applicants shall meet the education requirements provided in division ~~(b)(3)(A)(ii)~~ (b)(3)(A)(i), (b)(3)(B)(i), or (b)(3)(C)(i) of Code Section 43-3-9."

SECTION 1-4.

Said chapter is further amended by revising Code Section 43-3-12, relating to reciprocity for certified public accountants, as follows:

"43-3-12.

The board, in its discretion, may waive the examination provided for in paragraph (4) of subsection (b) of Code Section 43-3-9 and may issue a certificate as a certified public accountant to any individual who possesses the qualifications specified in paragraphs (1) and (2) of subsection (b) of Code Section 43-3-9 and what the board determines to be ~~the substantial equivalent of~~ comparable to the qualifications under paragraph (3) of subsection (b) of Code Section 43-3-9 and who is a holder of a certificate as a certified

public accountant, then in full force and effect, issued under the laws of any other state; provided, however, that the certificate held by such individual was issued by any other state after an examination which, in the judgment of the board, is the equivalent of the standard established by the board for examinations administered pursuant to paragraph (4) of subsection (b) of Code Section 43-3-9; and provided, further, that such privileges are extended to citizens of this state by any other state that originally granted the certificate. Notwithstanding the foregoing, the examination provided for in paragraph (4) of subsection (b) of Code Section 43-3-9 ~~shall~~ may be waived by the board in the case of an applicant who has been engaged in public practice for a period of ten years in any other state pursuant to the authority of such state."

SECTION 1-5.

Said chapter is further amended by revising Code Section 43-3-16, relating to licensure requirements for firms practicing public accountancy, as follows:

"43-3-16.

(a) The board shall grant or renew the license of a firm practicing public accountancy to firms that meet the following requirements:

(1)(A) Partners, members, or shareholders owning at least a simple majority of the financial interest and voting rights of the firm shall be certified public accountants of this state or any other state in good standing, except that such partners, members, or shareholders who are certified public accountants and whose office location designated by such partners, members, or shareholders who are certified public accountants for purposes of ~~substantial equivalency~~ mobility practice privileges and reciprocity is in this state and who perform accounting services in this state shall be required to hold a license from this state.

(B) An individual who has ~~substantial equivalency~~ mobility practice privileges under subsection (b) of Code Section 43-3-18 who performs services for which a firm

licensure is required under paragraph (4) of subsection (b) of Code Section 43-3-18 shall not be required to obtain a certificate or license under this chapter;

(2) The firm shall be in compliance with all requirements and provisions of law governing the organizational form of the firm in any other state that is the firm's office location designation for purposes of ~~substantial equivalency~~ mobility practice privileges and reciprocity;

(3) The firm shall comply with all rules or regulations pertaining to firms licensed by the board;

(4) The resident manager, as such term is defined in the board's rules or regulations, of each office of the firm within this state in the practice of public accountancy shall be a certified public accountant of this state in good standing;

(5) Any firm that includes nonlicensee owners shall comply with the following rules:

(A) The firm shall designate the holder of a license in this state, or in the case of a firm which is required to be licensed pursuant to subparagraph (b)(1)(C) of this Code section, a licensee of any other state who meets the ~~substantial equivalency~~ mobility practice privileges requirements set forth in subsection (b) of Code Section 43-3-18, who shall be responsible for the proper licensure of the firm and shall identify that individual to the board;

(B) All nonlicensee owners shall provide services or perform functions in the firm or the firm's affiliated entities; and

(C) The firm shall comply with such other requirements as the board may impose by rule or regulation;

(6) Any holder of a license in this state and any individual who qualifies for ~~substantial equivalency~~ mobility practice privileges under subsection (b) of Code Section 43-3-18 who is responsible for supervising attest or compilation services and signs or authorizes someone to sign the accountant's report on behalf of the firm shall meet the competency requirements set by the board for such services; and

(7) Any holder of a license in this state and any individual who qualifies for ~~substantial equivalency~~ mobility practice privileges under subsection (b) of Code Section 43-3-18 who signs or authorizes someone to sign the accountant's report on behalf of the firm shall meet the competency requirements set by the board.

(b)(1) The following firms shall be required to be licensed under this Code section:

(A) Any firm with a physical office in this state practicing public accountancy;

(B) Any firm with a physical office in this state that uses the title 'CPA' or 'CPA firm';
and

(C) Any firm that does not have a physical office in this state but performs any service described in ~~subparagraph (A), (C), or (D) of paragraph (2) or paragraph (4) of Code~~ Section 43-3-2 for a client that specifies a location in this state to which such service is directed, unless such firm meets the requirements of paragraph (2) of this subsection.

(2) A firm that does not have a physical office in this state may perform services described in ~~subparagraphs (B) and (E) of paragraph (2) or paragraph (4) of Code~~ Section 43-3-2 for a client that specifies a location in this state to which ~~any service described in subparagraph (A), (C), or (D) of paragraph (2) of Code Section 43-3-2 is~~ such services are directed and may use the title 'CPA' or 'CPA firm' without being licensed as provided in this Code section only if:

(A) It meets the qualifications described in paragraph (1) of subsection (a) of this Code section;

(B) It complies with the board's rules or regulations regarding peer review; and

(C) It performs such services through an individual ~~with substantial equivalency who~~ is licensed in this state under Code Section 43-3-9 or who has mobility practice privileges under subsection (b) of Code Section 43-3-18.

~~(3) A firm that does not have a physical office in this state and that is not subject to the requirements of subparagraph (C) of paragraph (1) or paragraph (2) of this subsection may perform other professional services, as such services are defined in the board's rules~~

198 ~~or regulations, included in the practice of public accountancy while using the title 'CPA'~~
199 ~~or 'CPA firm' in this state without being licensed under this Code section only if:~~

200 ~~(A) It performs such services through an individual with substantial equivalency~~
201 ~~practice privileges under subsection (b) of Code Section 43-3-18; and~~

202 ~~(B) It can lawfully perform such services in any other state where such individuals with~~
203 ~~substantial equivalency practice privileges have their office location designated by such~~
204 ~~individuals for purposes of substantial equivalency and reciprocity.~~

205 (c) Each firm required to be licensed under paragraph (1) of subsection (b) of this Code
206 section shall be licensed biennially under this chapter with the board, provided that any
207 firm for which such requirement becomes effective between biennial reporting periods
208 shall become licensed with the board within 60 days. Such a firm shall be required to show
209 that all attest and compilation services rendered in this state are under the supervision of
210 an individual holding a license issued by the board or an individual with ~~substantial~~
211 ~~equivalency~~ mobility practice privileges under subsection (b) of Code Section 43-3-18.
212 The board, by rule or regulation, shall prescribe the procedure to be followed in effecting
213 such licensure and the information which shall be required to be provided regarding the
214 firm and its practice.

215 (d) A licensed firm shall file written notice to the board, within 60 days after the
216 occurrence of the opening of a new office or the closing or change of address of any of its
217 offices in this state. Each such office shall be under the supervision of a resident manager
218 who may be a partner, principal, shareholder, member, or a staff employee holding a
219 license in this state.

220 (e) Neither the denial of a firm license under this Code section nor the denial of the
221 renewal of a firm license under Code Section 43-3-17 shall be considered to be a contested
222 case within the meaning of Chapter 13 of Title 50, the 'Georgia Administrative Procedure
223 Act.' Notice and hearing within the meaning of Chapter 13 of Title 50 shall not be

224 required, but the applicant shall be allowed to appear before the board if he or she
225 requests."

226 **SECTION 1-6.**

227 Said chapter is further amended by revising Code Section 43-3-18, relating to issuance of
228 license to practice accountancy and substantial equivalency practice privilege for
229 nonresidents, as follows:

230 "43-3-18.

231 (a) A license to engage in the practice of public accountancy in this state shall be issued
232 by the executive director, at the direction of the board, to each individual who is
233 certificated as a certified public accountant under Code Section 43-3-9 or 43-3-12 or who
234 shall have furnished evidence, satisfactory to the board, of compliance with the continuing
235 professional education requirements of Code Section 43-3-19, and to firms licensed under
236 Code Section 43-3-16, provided that such firms are maintained and licensed as required
237 under Code Sections 43-3-16 and 43-3-17. There shall be a biennial license fee in an
238 amount to be determined by the board.

239 (b) Individuals may practice under ~~substantial equivalency~~ mobility practice privileges as
240 follows:

241 (1) An individual whose office location designation by such individual for purposes of
242 ~~substantial equivalency~~ mobility practice privileges and reciprocity is in any other state
243 ~~shall be presumed to have qualifications substantially equivalent to this state's~~
244 ~~requirements~~, shall have all the privileges of license holders of this state, and may
245 practice public accountancy in this state without the requirement to obtain a license under
246 this chapter or to otherwise notify the board or pay any license fee if the individual:

247 (A) ~~Holds~~ holds a current license in good standing as a certified public accountant from
248 any other state ~~which requires, as a condition of licensure, that an individual and~~

continues to be so licensed during the pendency of the individual's practice in this state,
and:

~~(i)(A) Has at least 150 semester hours of college education including a baccalaureate~~
~~or higher degree conferred by a college or university;~~ attained such education and
experience as the board by rule or regulation may establish as necessary to practice
under mobility practice privileges; and

~~(ii)(B) Achieves~~ Has achieved a passing grade on the Uniform Certified Public
Accountant Examination; ~~and~~

~~(iii) 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~~

~~(B) Holds a current license as a certified public accountant from any other state which~~
~~does not meet the requirements of subparagraph (A) of this paragraph but such~~
~~individual's certified public accountant qualifications are substantially equivalent to~~
~~those requirements. Any individual who passed the Uniform Certified Public~~
~~Accountant Examination and holds a current license issued by any other state prior to~~
~~January 1, 2012, may be exempt from the education requirement in division (1)(A)(i)~~
~~of this subsection for purposes of this subparagraph;~~

(2) Notwithstanding any other provision of law, an individual who offers or renders
professional services, as such services are defined in the board's rules or regulations,
whether in person or by mail, telephone, or electronic means, under this Code section
shall be granted ~~substantial equivalency~~ mobility practice privileges in this state and no
notice, license, fee, or other submission shall be provided by any such individual. Such
an individual shall be subject to the requirements of paragraph (3) of this subsection;

(3) An individual licensee of any other state exercising the privilege afforded under this subsection, and any firm that employs such individual, shall simultaneously consent, as a condition of exercising this privilege:

(A) To the personal and subject matter jurisdiction and disciplinary authority of the board;

(B) To comply with the provisions of this chapter and the board's rules or regulations;

(C) That in the event the individual's license issued by any other state designated by such individual for purposes of ~~substantial equivalency~~ mobility practice privileges and reciprocity is not current, the individual shall cease practicing public accountancy in this state individually and on behalf of a firm; and

(D) To the appointment of the board that issued the individual's license as the individual's agent upon whom process may be served in any action or proceeding by this state's board against the individual;

(4) An individual who qualifies for the ~~substantial equivalency~~ mobility practice privileges under this Code section who, for a client who specifies a location in this state to which any service under subparagraph (A), (C), or (D) of paragraph (2) of Code Section 43-3-2 is directed, may only perform such services through a firm that ~~is licensed with the board under~~ meets the requirements of Code Section 43-3-16; and

(5) An individual qualifying for the ~~substantial equivalency~~ mobility practice privileges under paragraph (1) of this subsection may provide expert witness services in this state and shall be deemed to be in compliance with Code Section 24-7-702 for purposes of such services.

(c) Subsection (b) of this Code section shall not be applied or construed to allow an individual to engage in the practice of public accountancy in this state based on ~~substantial equivalency~~ mobility practice privileges unless such individual holds a current license as a certified public accountant in any other state which grants similar reciprocity to license holders in this state."

SECTION 1-7.

Said chapter is further amended in Code Section 43-3-21, relating to revocation or refusal to grant or renew license and immunity, by revising the introductory language of subsection (a) as follows:

"(a) The board may refuse to grant a license to an applicant, revoke any license issued by the board, discipline a licensee, or forbid an individual from exercising the ~~substantial equivalency~~ mobility practice privileges for any one or any combination of the following causes:"

SECTION 1-8.

Said chapter is further amended in Code Section 43-3-23, relating to adjudicative hearings before board, by revising subsection (c) as follows:

"(c) Before the board shall revoke or suspend a license, a certificate, or ~~substantial equivalency~~ mobility practice privileges, it shall provide for a hearing for the holder of such license, certificate, or practice privileges in accordance with Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.' Any person who has exhausted all administrative remedies available within this chapter and who is aggrieved by a final decision in a contested case shall be entitled to judicial review in accordance with Chapter 13 of Title 50."

SECTION 1-9.

Said chapter is further amended in Code Section 43-3-27, relating to notification of conviction, time limit, and suspension, by revising subsection (a) as follows:

"(a) Any individual issued a license or certification under this chapter or providing services under ~~substantial equivalency~~ mobility practice privileges and convicted under the laws of this state, the United States, any other state, or any other country of a felony as defined in paragraph (3) of subsection (a) of Code Section 43-1-19 shall be required to notify the

327 board of such conviction within 30 days of such conviction. The failure of such individual
328 to notify the board of a conviction shall be considered grounds for revocation of his or her
329 license or other authorization issued pursuant to this chapter."

330 **SECTION 1-10.**

331 Said chapter is further amended by revising Code Section 43-3-28, relating to reinstatement
332 or modification of a revoked or suspended license, as follows:

333 "43-3-28.

334 Upon written application after a hearing pursuant to Chapter 13 of Title 50, the 'Georgia
335 Administrative Procedure Act,' the board may recertificate a certified public accountant
336 whose certification has been revoked or may reissue or modify the suspension of a license
337 or ~~substantial equivalency~~ mobility practice privileges which have been revoked or
338 suspended."

339 **SECTION 1-11.**

340 Said chapter is further amended in Code Section 43-3-30, relating to injunctions and
341 enforcement, by revising subsection (c) as follows:

342 "(c) The electronic, printed, engraved, or written display or uttering by a person of a card,
343 sign, advertisement, instrument, or other device bearing an individual's name in
344 conjunction with the words 'certified public accountant' or any abbreviation thereof shall
345 be prima-facie evidence in any action brought under this Code section or Code
346 Section 43-3-34 that the individual whose name is so displayed caused or procured the
347 electronic, printed, engraved, or written display or uttering of such card, sign,
348 advertisement, instrument, or other device and that such individual is holding himself or
349 herself out to be a certified public accountant holding a license or otherwise claims to be
350 qualified to use such title by virtue of the ~~substantial equivalency~~ mobility practice
351 privileges under subsection (b) of Code Section 43-3-18 or of the firm practice provisions

352 of subsection (b) of Code Section 43-3-16. In any such action, evidence of the commission
353 of a single act prohibited by this chapter shall be sufficient to justify an injunction or a
354 conviction without evidence of a general course of conduct."

355 **SECTION 1-12.**

356 Said chapter is further amended in Code Section 43-3-31, relating to prohibited use of title
357 or designation and false or deceptive practices, by revising subsection (h) as follows:

358 "(h) It shall not be a violation of this Code section or chapter for an individual who does
359 not hold a license under this chapter but who qualifies for the ~~substantial equivalency~~
360 mobility practice privileges under subsection (b) of Code Section 43-3-18 to use the title
361 or designation 'certified public accountant' or 'CPA' or other titles to indicate that the
362 individual is a certified public accountant, and such individual may engage in the practice
363 of public accountancy in this state with the same privileges as a license holder so long as
364 the individual complies with paragraph (4) of subsection (b) of Code Section 43-3-18."

365 **PART II**

366 **SECTION 2-1.**

367 Article 1 of Chapter 81 of Title 36 of Official Code of Georgia Annotated, relating to local
368 government budget and audits, is amended in subsection (b) of Code Section 36-81-8.1,
369 relating to definitions, grant certification forms, filing with state auditor, forfeiture of funds
370 for noncompliance, and no exemption from liability, by replacing "subparagraph (b)(3)(A)
371 of Code Section 43-3-9" with "paragraph (3) of subsection (b) of Code Section 43-3-9".

372

PART III

373

SECTION 3-1.

374 This Act shall become effective on January 1, 2026.

375

SECTION 3-2.

376 All laws and parts of laws in conflict with this Act are repealed.