

Senate Bill 103

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act modifies the experience and education required to take the CPA exam and to be a CPA. (Flesch Readability Score: 61.6).

Modifies experience and education requirements to take the certified public accountant examination and qualify for a certificate of certified public accountant.

A BILL FOR AN ACT

1
2 Relating to requirements to become a certified public accountant; creating new provisions; and
3 amending ORS 673.010, 673.040 and 673.050.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 673.040 is amended to read:

6 673.040. *[(1) A certificate of certified public accountant shall be issued to any applicant who meets*
7 *the requirements of this section and ORS 673.060 and who passes an examination on the code of pro-*
8 *fessional ethics adopted by the Oregon Board of Accountancy.]*

9 *[(2) An applicant for a certificate shall show that after meeting the eligibility requirements for the*
10 *examination required by ORS 673.050, the applicant has had at least one year of experience, meeting*
11 *requirements prescribed by the board by rule, that is verified by a public accountant, certified public*
12 *accountant or chartered accountant who:]*

13 *[(a) Is licensed and in good standing in this state or another jurisdiction; and]*

14 *[(b) Has been licensed for a minimum period of time set by the board by rule.]*

15 *[(3) The board may issue a certificate to a holder in good standing of a license of certified public*
16 *accountant issued by another state or of a chartered accountant certificate issued by a foreign country*
17 *recognized by the board upon a showing that the holder meets requirements that are substantially*
18 *equivalent to the education, experience and other requirements that must be satisfied for the issuance*
19 *of a certificate of certified public accountant under ORS 673.010 to 673.465.]*

20 *[(4) The board shall charge a fee for each application for issuance of a certificate under this section*
21 *in an amount prescribed by the board by rule.]*

22 *[(5) An applicant for a certificate shall have completed 150 semester hours or 225 quarter hours*
23 *of college education as prescribed by the board by rule.]*

24 **(1) The Oregon Board of Accountancy may issue a certificate of certified public ac-**
25 **countant to a person who:**

26 **(a) Submits an application in a form prescribed by the board;**

27 **(b) Provides evidence satisfactory to the board of graduation from a college or university**
28 **that is accredited by a regional accrediting association or by another accrediting body that**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 is recognized by the board;

2 (c) Provides evidence satisfactory to the board of experience, as follows:

3 (A) If the applicant has obtained a baccalaureate degree, two years or more of experience
4 that meets requirements prescribed by the board by rule;

5 (B) If the applicant has obtained a master's degree, one year or more of experience that
6 meets requirements prescribed by the board by rule; or

7 (C) If the applicant has obtained a baccalaureate degree or higher and has completed at
8 least 150 semester hours or 225 quarter hours of college education, one year or more of ex-
9 perience that meets requirements prescribed by the board by rule; and

10 (d) Pays the application fee required by the board by rule.

11 (2) All experience obtained by an applicant as described in subsection (1) of this section
12 must be verified by a certified public accountant, public accountant or chartered accountant
13 who:

14 (a) Is licensed and in good standing with the professional licensing board that issued the
15 person's license; and

16 (b) Has been licensed for a minimum period of time set by the board by rule.

17 (3) In addition to the requirements provided in subsections (1) and (2) of this section, the
18 applicant shall provide evidence satisfactory to the board of the following:

19 (a) Passing an examination on the code of professional ethics adopted by the board;

20 (b) Meeting the requirements of ORS 673.050 for admission to the certified public ac-
21 countant examination; and

22 (c) Passing all sections of the certified public accountant examination.

23 (4) A certificate issued under this section is valid for two years. To renew, a person shall
24 comply with the requirements described in ORS 673.150.

25 **SECTION 2.** ORS 673.050 is amended to read:

26 673.050. *[(1) Except as provided in subsection (2) of this section, a candidate for admission to the*
27 *examination for a certified public accountant certificate shall present satisfactory evidence of gradu-*
28 *ation with a baccalaureate or higher degree from a college or university that is accredited by one of*
29 *the six regional accrediting associations or by another accrediting body that is recognized by the*
30 *Oregon Board of Accountancy, and shall have completed 120 or more semester hours or 180 or more*
31 *quarter hours or the equivalent thereof, including courses in the study of accounting, business, eco-*
32 *nomics, finance, written and oral communications and other subjects as determined by the board as*
33 *appropriate for the accountancy profession.]*

34 *[(2) A person may apply to take the examination for the certificate of certified public accountant for*
35 *the purpose of obtaining a license as a public accountant under ORS 673.100 if the person presents*
36 *satisfactory evidence of graduation from a high school with a four-year course or of having acquired*
37 *an equivalent education, and has completed two years of public accountancy experience or the equiv-*
38 *alent that meets the experience requirements established by the board by rule.]*

39 (1) A person seeking admission to take the certified public accountant examination to
40 obtain a certificate of certified public accountant under ORS 673.040 or a license as a public
41 accountant under ORS 673.100 shall:

42 (a) Submit an application in a form prescribed by the Oregon Board of Accountancy;

43 (b) Furnish evidence satisfactory to the board of the applicant's good moral character;

44 (c) Pay an examination fee as prescribed by the board; and

45 (d) Provide one of the following:

1 **(A) For a person applying for admission to take the certified public accountant exam-**
 2 **ination to obtain a certificate of certified public accountant, present evidence satisfactory**
 3 **to the board of:**

4 **(i) Graduation with a baccalaureate or higher degree from a college or university that is**
 5 **accredited by a regional accrediting association or by another accrediting body that is re-**
 6 **cognized by the board; and**

7 **(ii) Completed courses in the study of accounting, business, economics, finance, written**
 8 **and oral communications and other subjects as prescribed by the board by rule as appropri-**
 9 **ate for the accountancy profession; or**

10 **(B) For a person applying for admission to take the certified public accountant exam-**
 11 **ination to obtain a license as a public accountant, present evidence satisfactory to the board**
 12 **of:**

13 **(i) Graduation from a high school with a diploma or of having acquired an equivalent**
 14 **education; and**

15 **(ii) Two years of public accountancy experience or the equivalent that meets the experi-**
 16 **ence requirements established by the board by rule.**

17 **(2) The board shall adopt rules to carry out the provisions of this section.**

18 **SECTION 3.** ORS 673.010 is amended to read:

19 673.010. As used in ORS 673.010 to 673.465:

20 (1) "Attestation services" means the following professional services required to be performed
 21 under rules adopted by the Oregon Board of Accountancy:

22 (a) Any audit or other engagement for which performance standards are included in the State-
 23 ments on Auditing Standards (SAS);

24 (b) Any review of a financial statement for which performance standards are included in the
 25 Statements on Standards for Accounting and Review Services (SSARS);

26 (c) Any examination of prospective financial information for which performance standards are
 27 included in the Statements on Standards for Attestation Engagements (SSAE);

28 (d) Any examination, review or agreed upon procedures engagement other than an examination
 29 described in paragraph (c) of this subsection for which performance standards are included in the
 30 Statements on Standards for Attestation Engagements (SSAE); and

31 (e) Any engagement for which performance standards are included in the Auditing Standards
 32 of the Public Company Accounting Oversight Board.

33 (2) "Business organization" means any form of business organization authorized by law, includ-
 34 ing but not limited to a proprietorship, partnership, corporation, limited liability company, limited
 35 liability partnership or professional corporation.

36 (3) "Certificate" means a certificate of certified public accountant issued under ORS 673.040.

37 (4) "Client" means a person who agrees with a licensee or employer of a licensee to receive any
 38 professional service from the licensee or employer of a licensee.

39 (5) "Commission" means money or other consideration recognized by the Oregon Board of
 40 Accountancy as a commission by rule.

41 (6) "Compilation services" means professional services required to be performed in accordance
 42 with the Statements on Standards for Accounting and Review Services (SSARS) under rules adopted
 43 by the board in which the person performing the services presents a financial statement that:

44 (a) Is based on the representation of the owner or management of the company for which the
 45 statement is presented; and

1 (b) Does not include assurances by the person that the representations in the financial statement
2 conform to generally accepted accounting principles.

3 (7) "Contingent fee" means a fee established for the performance of any professional service and
4 directly or indirectly paid to a licensee pursuant to an arrangement in which no fee will be charged
5 unless a specified finding or result is attained, or in which the amount of the fee is otherwise de-
6 pendent upon the finding or result of such service. A fee is not contingent if the fee:

7 (a) Is fixed by courts or other public authorities; or

8 (b) In tax matters, is determined based on the results of judicial proceedings or the findings of
9 governmental agencies.

10 (8) "License" means:

11 (a) A certificate, permit or registration, or a license issued under ORS 673.100, enabling the
12 holder thereof to practice public accountancy in this state; or

13 (b) A certificate, permit, registration or other authorization issued by a jurisdiction outside this
14 state enabling the holder thereof to practice public accountancy in that jurisdiction.

15 (9) "Licensee" means the holder of a license as defined in subsection (8)(a) of this section.

16 (10) "Manager" means a manager of a limited liability company.

17 (11) "Member" means a member of a limited liability company.

18 (12) "Peer review" means a study, appraisal or review of one or more aspects of the public
19 accountancy work of a holder of a permit under ORS 673.150, or of a registered business organiza-
20 tion that performs attestation services or compilation services, that is conducted by:

21 (a) A certified public accountant who holds an active permit issued under ORS 673.150 or an
22 active license issued by the licensing authority for the practice of public accountancy in another
23 state and who is independent of the permit holder or registered business organization being re-
24 viewed; or

25 (b) A public accountant who holds an active permit issued under ORS 673.150 and who is inde-
26 pendent of the permit holder or registered business organization being reviewed.

27 (13) "Permit" means a permit to practice public accountancy issued under ORS 673.150.

28 (14) "Principal place of business" means the office location designated by a person for purposes
29 of substantial equivalency and reciprocity.

30 (15) "Professional" means arising out of or related to the specialized knowledge or skills asso-
31 ciated with certified public accountants and public accountants.

32 (16) "Public accountant" means a public accountant licensed under ORS 673.100.

33 (17) "Referral fee" means a fee recognized by the board as a referral by rule.

34 (18) "Registration" means the authority issued under ORS 673.160 by the board to a business
35 organization to practice public accountancy in this state.

36 (19)(a) "Report," when used with reference to attestation services or compilation services, means
37 an opinion or other form of written language that states or implies assurance as to the reliability
38 of the attested information or the compiled financial statements and that includes or is accompanied
39 by a statement or implication that the person issuing the report has special knowledge or compe-
40 tence in public accountancy. Such a statement or implication of special knowledge or competence
41 may arise from use by the issuer of the report of names or titles indicating that the issuer is a public
42 accountancy professional or organization or may arise from the language of the report itself.

43 (b) "Report" includes any form of written language that:

44 (A) Disclaims an opinion when the form of language implies any positive assurance as to the
45 reliability of the attested information or the compiled financial statements referred to, or of the

1 special knowledge or competence on the part of the person issuing the language;

2 (B) Implies any positive assurance as to the reliability of the attested information or compiled
 3 financial statements referred to, or of the special knowledge or competence on the part of the person
 4 issuing the language; or

5 (C) Relates to the affairs of a person and that is conventionally used by licensees in reports or
 6 financial statements.

7 (c) "Report" does not include:

8 (A) The following statement signed by a person who does not hold a certificate, license or permit
 9 under ORS 673.010 to 673.465 as long as the statement is not accompanied by any wording indicating
 10 the person is an accountant or auditor or any other language prohibited by ORS 673.310 or 673.320:

11
 12
 13 The accompanying balance sheet (or _____) of XYZ Company as of (date), and the related
 14 statements of income (or retained earnings or cash flow) for the year then ended have been prepared
 15 by me (us).

16 The information presented in these financial statements is the representation of management
 17 (owners).

18
 19
 20 (B) Any other financial statements or reports that are not and do not purport to be in compli-
 21 ance with national standards, including but not limited to Statements on Standards for Accounting
 22 and Review Services (SSARS) and Statements on Standards for Attestation Engagements (SSAE)
 23 adopted by the board by rule, when the statements or reports are issued by persons not otherwise
 24 subject to regulation by the board under ORS 673.010 to 673.465.

25 (20) "State" means any state, territory or insular possession of the United States, and the Dis-
 26 trict of Columbia.

27 [(21) "Substantial equivalency" means that:]

28 [(a) An individual holds a valid license as a certified public accountant from another state that
 29 requires an individual, as a condition of licensure as a certified public accountant, to:]

30 [(A) Complete at least 150 semester hours of college education and obtain a baccalaureate or higher
 31 degree conferred by a college or university;]

32 [(B) Achieve a passing grade on the Uniform Certified Public Accountant Examination; and]

33 [(C) Possess at least one year of experience, verified by a licensee, providing any type of service
 34 or advice involving the use of accounting, attestation, compilation, management advisory, financial ad-
 35 visory, tax or related consulting skills, obtained through public practice or government, industry or
 36 academic work; or]

37 [(b) An individual has the qualifications specified in paragraph (a) of this subsection and holds a
 38 valid license as a certified public accountant from another state that does not require an individual to
 39 have the qualifications specified in paragraph (a) of this subsection as a condition of licensure as a
 40 certified public accountant.]

41 **(21) "Substantial equivalency" means an individual holds a license from another state**
 42 **that requires an individual, as a condition of licensure as a certified public accountant, to**
 43 **achieve a passing grade on the Uniform Certified Public Accountant Examination and:**

44 **(a) Complete at least 150 semester hours or 225 quarter hours of college education, obtain**
 45 **a baccalaureate or higher degree conferred by a college or university and possess at least**

1 **one year of experience, verified by a license holder, in providing any type of service involving**
2 **the use of accounting, attestation, compilation, management advisory, financial advisory, tax**
3 **or related consulting skills, obtained through public practice or government, industry or ac-**
4 **ademic work;**

5 **(b) Obtain a baccalaureate degree conferred by a college or university and possess at**
6 **least two years of experience:**

7 **(A) Verified by a license holder; and**

8 **(B) In providing any type of service or advice involving the use of accounting, attestation,**
9 **compilation, management advisory, financial advisory, tax or related consulting skills, ob-**
10 **tained through public practice or government, industry or academic work;**

11 **(c) Obtain a master's degree conferred by a college or university and possess at least one**
12 **year of experience:**

13 **(A) Verified by a license holder; and**

14 **(B) In providing any type of service or advice involving the use of accounting, attestation,**
15 **compilation, management advisory, financial advisory, tax or related consulting skills, ob-**
16 **tained through public practice or government, industry or academic work; or**

17 **(d) Meet requirements otherwise prescribed by the board.**

18 **SECTION 4. The amendments to ORS 673.010, 673.040 and 673.050 by sections 1 to 3 of this**
19 **2025 Act apply to individuals on and after the effective date of this 2025 Act.**

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