

**TESTIMONY IN OPPOSITION TO HB 442 – TO AMEND SECTIONS 4701.06 AND
4701.17 OF THE REVISED CODE TO MODIFY THE REQUIREMENTS TO OBTAIN A
CERTIFIED PUBLIC ACCOUNTANT CERTIFICATE**

I would like to thank Committee Chair Manning, Vice Chair Dean, Ranking Member Lepore-Hagan and the rest of the Committee members for providing me this opportunity to express my views on HB 442. My name is David Stott and I am a professor and the Director of the School of Accountancy at OHIO University. I have been an accounting professor in Ohio for over 20 years having spent the first 17 of those years at Bowling Green State University and the last four at OHIO. I have also been a licensed CPA for almost 30 years and have maintained an active license to practice in Ohio for the past 20 years.

I would like to state that the opinions and views I express today are my own, and not necessarily those of the School of Accountancy at Ohio University or any other organization.

My colleagues have done an excellent job providing you with the facts and circumstances surrounding our opposition to this bill, so in an effort to be expedient, I would just like to add a few additional comments.

ACCOUNTING EDUCATION IN OHIO

Accounting education in Ohio and the Ohio CPA license have long been considered one of the gold standards in our profession. The State of Ohio was a leader in adopting the profession's 150-hour recommendation over twenty years ago and has invested significantly in accounting programs around the state for many years which can be seen by the fact that of the 190 programs worldwide that have separate AACSB Accounting accreditation, twelve of those programs are right here in Ohio (the AACSB is the premier international accrediting body for business and accounting programs). These successful programs have resulted in many successful accounting graduates across the state who have in turn become successful CPAs under the 150-hour requirement and these CPAs have in turn served the public well. I do not believe that reverting back to the old 120-hour requirement is in the candidate's or public's best interest.

RECENT CHANGES TO EXAM TIME FRAME – PROVISIONAL STATUS

The Accountancy Board recently changed the rules to allow students to take the CPA exam before they have completely finished their 150 hours. The Board instituted a "provisional status" in the Fall of 2019 that allows students to take the exam while they are in their last semester of school. This change was made to accommodate those students that want to get started in the examination process earlier. We have not had a chance to see how well this provision is working here in Ohio yet, but studies elsewhere have shown that those taking the exam in this provisional status have the highest exam pass rate. This change alone may very well alleviate many of the issues this bill is attempting to resolve without fundamentally changing the law.

STUDENTS AREN'T THE ONLY ONES NOT BEING BETTER SERVED

The CPA landscape is constantly evolving in today's world and the skill sets necessary to be successful in our profession are increasing exponentially. In fact, a new CPA licensure model (referred to as CPA Evolution) has been discussed at the national level for more than a year and it is expected that this model will be voted on the very near future. According to the AICPA – “CPA Evolution aims to transform the CPA licensure model to recognize the rapidly changing skills and competencies accountancy requires today and will require in the future.” So why would we want to lessen the education requirements to take the CPA exam right when the requirements for success on the new exam are becoming even more challenging?

Please remember that the P in CPA stands for PUBLIC. We have a responsibility to provide assurances to the Public about the financial health of our economy. Would you trust your physical health to a medical doctor if they only had an undergraduate degree and no additional education? If the answer to that question is no, then why should we be willing to trust our financial health to someone with that level of education? Being a CPA is a profession, not simply an occupation.

CONCLUDING COMMENTS

Again, I want to thank the members of the Committee for their attention and consideration. In the spirit of due process, I would like to close with a comment or perhaps it is a question.

It has been recently brought to my attention that the bill as it was originally introduced may not pass in the House, and in order to achieve passage, an amendment is being proposed.

If such an amendment were forthcoming, it would surely require clear explanation and ample time for those who have expressed concerns to have time to study it.

In addition, it seems likely that such an amendment would disrupt the national consensus and require consultation with NASBA, the National Association of State Board of Accountancy, to ensure compliance with the provisions of the model legislation in the Uniform Accountancy Act.

For there is a risk that an ‘ad hoc’ stepping away from that Model could risk the mobility provisions in current statutes and regulations which benefit registrants and the public as a whole.

In light of this contingent situation and the many other points presented, I believe this bill as submitted should be headed for a dead end in this session.