



August 20, 2025

FLOOR ALERT

To: Members of the California State Senate

From: Jason Fox, Vice President of Advocacy and Public Affairs, CalCPA

RE: AB 1175 (Irwin): Accountancy – Support

Dear Members of the California State Senate,

On behalf of the members of the California Society of CPAs (CalCPA),¹ which represents Certified Public Accountants and related professionals in public accounting firms and businesses across California, we urge your support for Assembly Bill 1175, authored by Assemblymember Jacqui Irwin and sponsored by the California Board of Accountancy (CBA).

AB 1175 seeks to enhance and modernize CPA licensure requirements by creating more inclusive, flexible and affordable pathways for aspiring CPAs to demonstrate the necessary competency for licensure. These changes better align with market needs and consumer demands and will help ensure the profession remains a trusted voice and provider of consumer services. Importantly, this is achieved while maintaining essential consumer protection provisions.

Addressing Workforce Challenges & Consumer Risks

The CPA profession offers a rewarding career with countless opportunities to serve the public trust and make a difference in the lives of individuals, businesses and communities. However, while demand for CPA services continues to grow, it is outpacing the number of new CPAs entering the profession—resulting in a shortage of qualified professionals. This shortage puts pressure on existing CPAs, affects client service and ultimately puts the public at risk. These challenges are further complicated by shifts within the profession, evolving consumer needs and changing expectations of aspiring professionals, all of which have made it more challenging to attract and retain the talent needed to meet the growing demand.

If this trend continues, it could make it more challenging and costly for businesses, nonprofits, government agencies and others to access essential CPA services like tax, audit and financial consulting. This poses real risks to consumers, investors and the public that rely on the integrity, reliability and consistency of financial reporting. Without

¹ As a leading voice, CalCPA collaborates with policymakers, government agencies, regulatory bodies and other key stakeholders to shape policies that advance the public interest and help CPAs meet the needs of their clients and employers. We also provide our members with up-to-date information and practical guidance to support their personal and professional growth as trusted advisers to individuals and businesses, governments and nonprofits of all sizes.

these essential services, organizations may face operational challenges and financial instability, which could contribute to broader economic uncertainty and, over time, erode public trust in financial systems and institutions.

Modernizing Licensure & Creating Opportunities

To address workforce challenges, regulatory and profession stakeholders nationwide have been working to attract and retain CPA candidates to help ensure there is a sufficient number of qualified professionals to support the needs of businesses, governments, capital markets and individuals who rely on CPA services. While workforce and pipeline challenges are complex and require multi-faceted solutions, a critical component is addressing time and financial burdens associated with meeting requirements for licensure.

In California, CPAs are licensed by the CBA after completing extensive education, passing a rigorous exam and gaining supervised experience. With respect to the education requirements, the current framework mandates an additional year of coursework beyond a bachelor's degree. This adds costs and time to the licensure process. Over time, this approach to the education framework has been shown to discourage many aspiring CPAs, especially those from minority and socioeconomically disadvantaged backgrounds, from pursuing the profession.

AB 1175 addresses this by making key licensure enhancements to modernize the CPA licensure framework. The concepts in the bill are the result of a multi-year effort led by the CBA to evaluate and consider updates to licensure requirements that may better reflect the current needs of consumers and the profession. Their work focused on concepts that support inclusive, flexible and affordable paths to licensure while preserving necessary consumer protection provisions.

Under AB 1175, CPA candidates must earn a bachelor's degree with an accounting concentration, pass the Uniform CPA Exam and complete two years of general accounting experience. To provide flexibility, candidates may substitute a specified master's degree or accounting certificate program for up to one year of the required experience. This allows candidates to pursue a path to licensure that works best for their individual situation and better aligns with their personal and professional aspirations. Importantly, the added flexibility and clarity is achieved while retaining core consumer protection provisions embedded throughout the licensure framework.

California Leading & Supporting Economic Activity

To support these changes and minimize disruptions for consumers and those working in the profession, AB 1175 also updates and strengthens CPA interstate practice privileges that support CPA mobility across state borders. These enhancements are essential for enabling CPAs to serve clients and meet consumer needs effectively and efficiently across state lines. Importantly, these mobility enhancements not only facilitate licensure enhancements in California, but also similar modernization efforts in other states.

Lastly, the modernization approach in AB 1175 has become a model for similar CPA modernization efforts in several other states and its concepts are proposed for inclusion in the Uniform Accountancy Act, a key national guideline that helps inform and support consistent regulation of the CPA profession across states. This positions California as a leader in modernizing CPA licensure—helping shape a new national model, expanding career opportunities for future professionals, and ensuring the state remains competitive in attracting CPA talent while meeting consumer needs.

Thank you for considering our comments. We welcome the opportunity to work with you and the Legislature on this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Fox', with a stylized flourish at the end.

Jason Fox – Vice President, Advocacy & Public Affairs California
Society of Certified Public Accountants

cc. Evan Rhoderick, Office of Assemblymember Irwin
Kayla Williams, Senate Republican Caucus
Dominic Franzella, California Board of Accountancy