



The State Board of Accountancy, along with the Kentucky Society of CPAs, is requesting to enact two changes to KRS 325.240 and one change to 325.280.

KRS 325.240. This statute is the where the State Board of Accountancy's general powers are contained.

1. Page 1 Line 26. Add new language that would authorize the Board to adopt a regulation to issue scholarships for students enrolled in KY based colleges or universities. The students receiving the scholarships would be on the CPA track with an accounting major. The KY Board of Nursing operates a similar program as well as a number of other State Boards of Accountancy, including Ohio.

The purpose is to boost enrollment in accounting programs as the number of CPAs who are retiring are outpacing those coming into the profession.

2. Page 2 Line 4. Grant immunity to State Board members, employees and agents to be immune from lawsuits while acting in good faith in performing their normal duties. A number of other KY professional licensing boards have similar language including the Medical Licensure Board, Board of Pharmacy, Board of Dentistry, Board of Psychology, and the Board of Physical Therapy.

Although the Board already has a layer of protection in case law, we believe this statute should be updated to bring the Board in line with other licensing boards in the state. We have discussed and agreed upon the appropriate language with all stakeholders.

If adopted, the current authority to purchase insurance would be deleted.

KRS 325.280. This statute authorizes the Board to grant a license to a CPA located outside of KY who wants to relocate to KY without having to retake the CPA Exam.

1. Page 2 Line 24. Eliminate a requirement that CPAs seeking a license via reciprocity must have obtained a CPA license within 5 years after passing the CPA Exam in their home state. This requirement is currently in the licensing statute for KY based CPAs but was not intended to affect those seeking a license via reciprocity.

We believe that if a CPA has a current and valid license in their current state, they should be able to get a KY license via reciprocity. The way it is written now puts an unintended burden on CPAs trying to relocate to KY.

During the 2020 session, this legislation passed out of the House with an 85-1 vote. Due to the unique circumstances during session, we ran out of time in the Senate.