

Senate Executive Departments and Administration Committee

Kevin Condict 271-7875

HB 236-FN, relative to the granting of retired status to certified public accountants.

Hearing Date: March 26, 2025

Time Opened: 10:23 a.m.

Time Closed: 10:56 a.m.

Members of the Committee Present: Senators Pearl, McGough, Gannon, Altschiller and Reardon

Members of the Committee Absent : None

Bill Analysis: This bill permits the office of professional licensure and certification to grant an individual who has retired and previously held a certificate as a certified public accountant (CPA) the honorific title of "CPA (retired)".

This bill is a request of the board of accountancy.

Sponsors:

Rep. Muns

Sen. Altschiller

Who supports the bill: Rep. Chris Muns (Rock. 29), Robin Houston (NHSCPA), Frederick Briggs (NHBOA), and Sen. Debra Altschiller (SD 24).

Who opposes the bill:None.

Who is neutral on the bill: Richard Silverman (NHBOA), and Dir. Deanna Jurius (OPLC).

Summary of testimony presented:

Representative Chris Muns, Rockingham 29

- Rep. Muns introduced House Bill 236-FN.
- Rep. Muns explained that he has the utmost respect for anyone who invested the time and effort to become a Certified Public Accountant (CPA).
- Rep. Muns explained the qualifications to become a CPA in New Hampshire. To become a CPA in the state, a person must earn a bachelor's degree with one hundred and fifty semester hours from an accredited college or university, complete thirty semester hours of accounting courses, including financial

accounting, management accounting, auditing, and taxation, complete twenty four semester hours of business courses, pass the Uniform CPA Exam, have no felony record, gain at least one year of full-time experience in accounting, and apply for and obtain a license to practice.

- Rep. Muns explained that the license must be renewed every two years, and to do so a CPA must complete forty hours of approved Continuing Professional Education (CPE) courses per year. A minimum of four hours of ethics training is also required for each renewal period.
- Rep. Muns said someone who is currently a CPA has put in a great deal of time, effort, and money to pursue that career path. He said they should be proud of their accomplishment and the fact that they can include the title “CPA” after their name.
- Rep. Muns explained that once a person retires and their license lapses, they are no longer allowed to include the title after their name.
- Rep. Muns explained that this bill allows the Office of Professional Licensure and Certification (OPLC) to grant an individual who has retired and previously held a certificate as a CPA the honorific title of “CPA (Retired)”. This would allow any individual who is granted the title the ability to use the title on business cards, letterhead, or any other document but they may not use it to represent themselves or allow themselves to be represented as a current practicing CPA. They may not perform or offer to perform services for which a license may be required under state law.
- Rep. Muns said this is a relatively simple way to recognize a lifetime’s worth of work by these dedicated professionals.
- Rep. Muns said this allows individuals to let organizations they may want to volunteer at know they have a particular skill set that might be of significant benefit to those organizations. He clarified that someone with the title “CPA (Retired)” will not be able to complete and sign off on the audited financials, but they could certainly help nonprofits organize and report their financial results.
- Rep. Muns said that knowing that a “CPA (Retired)” is helping to oversee their finances could help nonprofit organizations in their fundraising efforts.
- Rep. Muns explained that this bill was requested by the Board of Accountancy (BOA), and it was reviewed by the OPLC before the House Committee on Executive Departments and Administration recommended the bill as “Ought to Pass’ by a 11-1 vote. He said the bill passed the House on the consent calendar. He could not say whether the OPLC supported the bill, but they did not raise any issues with the way it is worded.
- Sen. McGough said this concept was interesting. He was uncertain if there were similar designations. He asked if there are other retiree designations. He asked if there is a certain threshold required to achieve the status.
 - o Rep. Muns said he is unfamiliar with any other situation like this. He said it never crossed his mind until a CPA constituent asked him to explore this. He said that an individual must be fifty-five years or older and either currently hold or previously held a CPA certificate.
- Sen. McGough asked if a twenty-two- or twenty-five-year-old could let their certificate lapse for thirty years and then use this designation.

- Rep. Muns said he is unsure.
- Sen. McGough asked about pre-career options. He asked if there is a CPA trainee license, and if the Committee should consider one.
 - Rep. Muns said he is unsure if he would be in favor of that.

Richard Silverman, New Hampshire Board of Accountancy

- Mr. Silverman explained the background on why the BOA has proposed this bill. The CPA license allows the licensee to provide auditing or test services and opine and sign financial statements.
- Mr. Silverman explained that there are two options when a CPA no longer wishes to practice there are two options: apply for inactive status or let their license expire.
- Mr. Silverman stated that CPA (Retired) status was adopted by the Uniform Accountancy Act (UAA) in 2018. The UAA is a model act designed to achieve several objectives. The UAA advances the goal of uniformity and provides provisions that protect the public interest and promote high professional standards. He explained the UAA is a collaboration of the National Association of State Board of Accountancy (NASBA) and the American Institute of Certified Public Accountants (AICPA).
- Mr. Silverman explained that twenty-two states have adopted the retired status, with it under consideration in other states, He said the states that have adopted the status have seen many CPAs apply for, and have been granted, the status. The status appears in Section 6(d) of the UAA and acknowledges that a CPA who is fifty-five years-old or older may change their status to retired and not continue with the CPE requirements.
- Mr. Silverman stated that this provision offers an exception for those CPAs at the end of their careers to ensure that they can continue to offer a limited number of uncompensated volunteer services to the public.
- Mr. Silverman said that nothing in the statute should preclude a CPA(Retired) from providing volunteer or uncompensated services.
- Mr. Silverman said that because fees are handled under the current law in rules, there is no mention of fees in the bill. He said that because the administrative time required to support the request would be minimal, the BOA would recommend a nominal one-time fee.
- Sen. Gannon noted that lawyers do not have something like this. He asked what passing the bill would mean.
 - Mr. Silverman said that it would allow CPA(Retire) status to be included on business cards or letterhead. He said it would bring credibility to individuals and the boards they want to serve on.

Robin Houston, New Hampshire Society of Certified Public Accountants

- Ms. Houston said she supports this bill.

- Ms. Houston said most of her time is spent going to high schools and colleges to garner interest in the profession. She said there is a shortage of CPA, and that new CPAs need support and mentoring. She said this bill addresses the critical challenges to the CPA pipeline.
- Ms. Houston explained that currently a CPA can choose to not renew their license or apply for active status.
- Ms. Houston stated that the shortage of CPAs is being felt in the tax and public finance sectors.
- Ms. Houston said that retired CPAs can offer critical guidance, reducing burnout and supporting smaller firms and underserved communities.
- Ms. Houston said this bill would provide flexibility for CPAs who may wish to contribute their expertise in a non-competitive capacity. Many retired professionals are eager to volunteer with nonprofit organizations, offer pro bono financial services, or assist in educational initiatives. She said recognizing their retired status while allowing them to contribute responsibly ensures continued public benefit.
- Ms. Houston said she is consistently asked about CPAs to help nonprofits. She noted there are around seven thousand nonprofit organizations in New Hampshire.
- Ms. Houston said that for the public, access to seasoned financial advisors enhances confidence in tax preparation, financial planning, and small business support. She said this is particularly important in rural and economically disadvantaged areas, where retired CPAs can fill gaps where specialized knowledge may otherwise be inaccessible.
- Ms. Houston said this legislation is a practical and beneficial step to address workforce challenges, support taxpayers, and sustain the integrity of the accounting profession.
- Sen. McGough asked about inserting a specific time into the bill. He suggested requiring someone to have served five or ten years in the profession before they could request this status.
 - o Ms. Houston said she does not believe that it is necessary. She said the rigors of testing and licensing are extensive. She could not see a young person go to retired status. She stated her opinion that putting limitations in the bill would make it more confusing.
- Sen. McGough questioned the fifty-five-year-old restriction. He asked if someone who changed their career could decide to become a CPA(Retired).
 - o Ms. Houston said they have no issues with the fifty-five-year-old benchmark, and that it gives some consideration for retired status. She noted that fifty-five years old is still young to retire. She said she does not like restrictions.
- Sen. Gannon asked who insures individuals with CPA(Retired) status.
 - o Ms. Houston said the guidelines are within the UAA. She said the BOA and the OPLC oversee them.
- Sen. Gannon asked if the knowledge these retired CPAs have would be out of date.

- Ms. Houston said these people are still giving advice, and their experience in the field makes their education even more valuable.
- Sen. Pearl asked if the retired status would still be a license in good standing.
 - Ms. Houston said that it would be for volunteer work, advice, and mentoring.

Frederick Briggs, New Hampshire Board of Accountancy

- Mr. Briggs said he is in support of this bill.
- Mr. Briggs said this designation is granted at the state level. He said this will enable CPAs to serve communities by volunteering their services to nonprofits and assist with training new CPAs. He noted that many CPAs offer their services to organizations such as SCORE, which is sponsored by the Small Business Administration (SBA).
- Mr. Briggs stated that the CPA industry has been experiencing severe shortages of recent college accounting graduates coming into the profession. He said this has made it more important for retired CPAs to fill the needs of the volunteer services.
- Mr. Briggs explained that to use the CPA designation in New Hampshire, you need to complete eighty hours of CPE every two years.
- Mr. Briggs reiterated that the retired CPAs would not be able to issue and sign financial statements.
- Mr. Briggs noted that twenty-two states already have a retired CPA status. He said that retirement status was added to the UAA in January 2018.
- Sen. Gannon asked about CPE to stay sharp at the craft.
 - Mr. Briggs said that as a professional you continue your education, even if it is reading periodicals. He said that asking a retired CPA to put in eighty hours of CPE and take exams is a stretch.

Deanna Jurius, Executive Director of the Office of Professional Licensure and Certification

- Dir. Jurius addressed questions regarding CPE. She said the BOA has an inactive status. She said that this bill, as drafted, contemplates a retired to active or inactive status. She pointed to VII on line 26. She said the OPLC and BOA would require individuals to meet the requirements.
- Dir. Jurius said the OPLC has no concern in operationalizing this bill. She said the OPLC does not see this bill as having a direct public health and safety aspect.
- Sen. McGough asked what prevents an inactive CPA from using the designation and just not signing off on auditing books. He asked if those people could represent themselves as a CPA.
 - Dir. Jurius said that would be an additional designation.

- Dir. Jurius noted that the Board of Engineers, the Board of Architects, and the Board of Land Surveyors have a retired status that requires a two-year renewal. She said this bill exempts from that current practice.
- Sen. McGough asked if those boards have CPE requirements.
 - o Dir. Jurius said she does not know.

Richard Silverman, New Hampshire Board of Accountancy

- Mr. Silverman said that a CPA who has gone inactive cannot use their status. He said individuals cannot use the CPA designation if they are not currently licensed.
- Sen. McGough asked where that is listed. He asked if it was in statute.
 - o Mr. Silverman said that it is in rules.

KC
Date Hearing Report completed: March 31, 2025