

## **AB 298 Implementation**

Assembly Bill 298, which took effect on January 1, 2022, made adjustments to the existing CPA licensure process to provide increased flexibility and efficiency for applicants as they work toward their license and entry into the profession.

Specifically, the bill allows candidates to apply for early entry into the Uniform CPA Exam as long as they are within 180 days of completing the minimum required education necessary for sitting for the exam. Additionally, AB 298 updates the ethics education requirements for licensure to allow additional flexibility in how candidates can meet the ethics education requirements for licensure.

As a result of the new legislation, the CBA has updated guidance for candidates applying for licensure in 2022:

### **Early entry to sit for the CPA Exam**

The CBA has an updated FAQ that outlines a new “Option C” that is contingent upon the applicant providing evidence of the necessary education. Specifically, this option allows an applicant that is currently enrolled in a college/university and is within 180 days of completing their education to apply to sit for the Uniform CPA Exam as long as they provide satisfactory evidence of completion of the education requirements within 240 days of the submission of their Exam application. It is important to note that failure to submit evidence of the education within the timeframe may result in the loss of any credit received for passage of any section of the CPA Exam before the requirements were met.

The updated FAQ is listed below:

#### **[When can I apply for the Uniform CPA Exam?](#)**

Applicants may apply for the Uniform CPA Exam if they qualify under the following categories:

- **A: (Bachelor’s Degree)**
  - Completion of a bachelor’s degree or higher from a nationally or regionally accredited U.S. degree-granting educational institution or the equivalent foreign education.
  - Completion of 24-semester units of accounting.
  - Completion of 24-semester units of business-related courses.
  
- **B: (Dual Degree)**
  - Currently enrolled in a program that results in the conferral of a bachelor’s degree upon completion of a master’s degree from a nationally or regionally accredited U.S. degree-granting educational institution or the equivalent foreign education.
  - Completion of 24-semester units of accounting.
  - Completion of 24-semester units of business-related courses.

- C: (Early Entry)
  - Currently enrolled in a nationally or regionally accredited U.S. degree-granting educational institution or the equivalent foreign education.
  - Will complete the following within 180 days of application submission:
    - Bachelor’s degree.
    - 24-semester units of accounting courses.
    - 24-semester units of business-related courses.
  - Will provide satisfactory evidence of degree conferral, completion of 24-semester units of accounting, and 24-semester units of business-related courses within 240 days of application submission.

***Note: Applicants must submit official transcripts within 240 days to the CBA showing all education requirements have been met. Failure to do so may result in the loss of any credit received for passage of any section of the CPA Exam before the requirements were met.***

For additional information regarding educational requirements for the CPA Exam, please refer to the [CPA Exam Quick Tips](#).

### **Updates to the Ethics Education Requirements for Licensure**

AB 298 also updated the ethics education requirements for licensure. It would add courses in “auditing” and “fraud” as part of the existing 3 semester (or 4 quarter unit) accounting ethics, accountants’ professional responsibilities requirement. The addition of these courses are outlined in the first bullet point of the “Ethics Study Guidelines” on the CBA’s [Tip Sheet for CPA Licensure Educational Requirements](#)

The updated section with additional courses noted below in underline:

A minimum of three semester or four quarter units in courses devoted to accounting ethics, accountants' professional responsibilities, auditing or fraud.

- The course must be completed at an upper division level or higher, unless it was completed at a community college.

Note that “auditing” and “fraud” courses continue to be eligible for other areas of the education requirements.

Questions about these changes to the exam and licensure process should be referred to the California Board of Accountancy Examination and/or Licensure unit:

<https://www.dca.ca.gov/cba/about-cba/contact-cba.shtml>

Thank you for your valued membership with CalCPA and the work you do to support the future of the CPA profession.