

Senate File 1660 Interested Party Written Testimony  
Senate State and Local Government and Veterans Committee  
March 7, 2024

Chair Dzedic and members of the State and Local Government and Veterans Committee, thank you for the opportunity to share details on three longstanding pathways to licensure for Ohio Certified Public Accountants (CPAs). As you know, Senate File 1660 seeks to create additional licensure pathways for future Minnesota CPAs beyond the current national standard of 150 semester hours of college education to be able to better address the significant shortfall of CPAs being experienced nationwide. The Minnesota Society of CPAs felt it would be helpful to your committee to learn more about Ohio's varying CPA licensure pathways as you consider expanding pathways in your own state.

To the best of our knowledge, Ohio and New York are the only U.S. states with longstanding educational and experiential pathways leading to CPA licensure. In Ohio, there are three pathways.

All three Ohio pathways require passing the national Uniform CPA Examination and completing at least 30 accounting and 24 business hours. For simplicity's sake, I will refer to each as Paths 1, 2 and 3:

- **Path 1 is the traditional 150-hour education mandate.** It requires one year of experience, and is essentially the same as the current Minnesota CPA licensing requirement and by far the path most often used by CPA licensees across the country.

The variations in our two additional pathways are as follows:

- **Path 2: Bachelor's degree with less than 150 hours of college credit.** This path allows for licensure with a baccalaureate degree but does not require completing 150 hours of college credit. It does require passing a "special examination" determined by Ohio's Accountancy Board (currently the GMAT with a 670+ score) prior to taking the national Uniform CPA Examination, plus completion of four years of experience before licensure. Path 2 was created when Ohio's 150-hour law was passed in the mid-1990s (enacted in 2000).
- **Path 3: Associate degree.** As with Path 2, Path 3 does not require completing 150 hours of college credit. Path 3 requires passing the Ohio Accountancy Board's "special examination" (currently the GMAT with a 670+ score) prior to taking the CPA Exam, plus earning four years of experience before licensure. This associate degree path has existed in Ohio law since 1959.

These additional pathways, used infrequently, resulted decades ago from the advocacy efforts of colleges and universities that saw the value in providing additional opportunities for students who could succeed in the accounting profession but, for various reasons, could not take on two to three additional years of higher education.

While Ohio is considered substantially equivalent to other states in terms of licensing standards and interstate mobility purposes, the [National Association of State Boards of Accountancy](#) website says that any CPAs licensed through Ohio's additional two "legacy pathways" do not automatically qualify as being substantially equivalent. A majority of states use NASBA guidance to determine matters of substantial equivalency and interstate mobility. Of note, we are not aware of any Ohio CPAs who licensed under Paths 2 or 3 who were denied reciprocal licenses by other states or were denied interstate mobility.

Paths 2 and 3 have been used infrequently but have helped 21 Ohioans become licensed in just the past five years, per data from the Accountancy Board of Ohio. This low number represents less than 2% of CPAs licensed during those five years; data from prior to 2019 is not available. Our research found a primary reason for so few CPA candidates pursuing Paths 2 or 3 is a lack of awareness. Throughout 2023, OSCPAs polled its members in multiple forums and discovered that more than 90% were not aware that Ohioans could become a licensed CPA with less than 150 hours of education.

Our informal polling showed that university accounting program leaders were among those who were not aware of Paths 2 and 3. Multiple Ohio community colleges and universities now have, or are developing, programs specifically designed to complete the 30 accounting and 24 business hour requirements for CPA licensure in either a two-year or four-year degree program.

The Ohio Society of CPAs believes these two alternative pathways can remove the barriers to entry and put the attainment of the CPA credential within reach for non-traditional candidates who are changing careers or for individuals who are struggling to complete the traditional 150-hour pathway. The alternative pathways are becoming more accepted by employers. In a 2023 OSCPAs quarterly briefing of Ohio's major CPA firm leaders, 92% indicated that the pathway candidates selected to achieve licensure would not be a factor in the firm's decision to employ these individuals for roles requiring the CPA credential.

I appreciate the opportunity to share Ohio's licensure laws. If you have questions or would like additional information, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott D. Wiley". The signature is fluid and cursive, with a large initial "S" and "W".

Scott D. Wiley, CAE, President & CEO  
The Ohio Society of CPAs