

## Mobility for CPAs Frequently Asked Questions

### What is mobility?

- Practice mobility for CPAs is the ability of a licensee to gain a practice privilege outside of their home state without getting an additional license in another state where they will be serving a client.

### Why is mobility important to CPAs and businesses in your state?

- Because the electronic age makes conducting business across state borders an everyday occurrence, there is a critical need for states to adopt a uniform mobility system that will allow licensed CPAs to provide services across state lines without unnecessary burdens that do not protect the public interest.

### What is wrong with the current system?

- Currently, each state has its own rules, regulations and requirements to allow out-of-state CPAs to provide services in that state, resulting in a patchwork system that is inefficient and increasingly difficult to navigate.
- The American Institute of Certified Public Accountants (AICPA) and the National Association of State Boards of Accountancy (NASBA) have analyzed the current system for gaining practice privileges across state lines and have concluded it simply does not work.

### Why is a uniform mobility provision important in your state and to other states across the country?

- Compliance and enforcement of the existing system is almost impossible, with multiple, cumbersome processes and disparities in requirements and fees. Business realities, including an increase in interstate commerce and virtual technologies require a uniform system that allows fluid practice across state lines.
- Implementation of a uniform provision would allow consumers to receive timely services from the CPA best suited to the job, regardless of location, without the hindrances of unnecessary filings, forms and increased costs that do not protect the public interest.
- Businesses today are often located in multiple states and have compliance responsibilities in multiple jurisdictions and a uniform process will give CPAs the flexibility to better serve these clients.

### What is the solution?

- Uniform adoption of the substantial equivalency provision included in the *Uniform Accountancy Act* (the model bill for CPA regulation written and endorsed jointly by AICPA and NASBA) will create a system similar to the nation's driver license that will provide CPAs with mobility while retaining and strengthening state boards' ability to protect the public interest.

### **How will State Boards of Accountancy regulate CPAs operating in their state if mobility provisions are adopted?**

- State Boards of Accountancy will gain automatic jurisdiction over all CPAs practicing in their state, enabling states to discipline out-of-state licenses, whether they are registered or licensed in the state.
- The substantial equivalency provision of the Uniform Accountancy Act was written jointly by NASBA and AICPA, and is strongly supported by both organizations as the best path to a uniform mobility system with enhanced public protection.

### **Are states taking action to implement mobility legislation?**

- Prior to 2007, four states had mobility laws in place for CPAs – Missouri, Ohio, Wisconsin and Virginia.
- There has been significant activity in 2007 with six state legislatures passing legislation with nearly unanimous support, and four others with bills pending.
- **2007 Legislative Activity:** In 2007, six additional states have enacted mobility legislation - **Illinois, Indiana, Maine, Rhode Island, Tennessee and Texas.**
- Mobility legislation is also pending in **Delaware, Hawaii, Oklahoma and Massachusetts.**