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State of Kansas

Secretary of State

Certification of New State Laws

I, Scott Schwab, Secretary of State of the State of Kansas, do hereby certify that the following bill is a correct copy of the original enrolled bill now on file in my office.

Scott Schwab
Secretary of State

(Published in the Kansas Register April 23, 2026.)

House Bill No. 2573

AN ACT concerning the Kansas board of accountancy; relating to licensure requirements for certified public accountants; amending K.S.A. 1-202, 1-301, 1-302a, 1-302b, 1-307, 1-310, 1-321 and 1-322 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 1-202 is hereby amended to read as follows: 1-202. (a) Each year the board shall meet and organize by electing a chairperson and a ~~vice chairperson~~ *vice chairperson* from its membership. The board shall appoint a secretary, who need not be a member of the board. The board ~~shall have a seal and shall meet at the call of the chairperson but~~ *shall meet at the call of the chairperson but* not less than twice each year ~~and shall have a seal~~. The chairperson and the secretary of the board shall have the power to administer oaths.

(b) The board shall keep records of all proceedings and actions by and before it. In any proceedings in court, civil or criminal, arising out of or founded upon any provisions of this act, copies of such records ~~which~~ *that* are certified as correct by the secretary of the board under the seal of the board shall be admissible in evidence and shall be prima facie evidence of the correctness of the contents thereof.

(c) The board may:

- (1) Provide for certification, notification and registration and issue permits to practice in accordance with the provisions of this act;
- (2) adopt, amend and revoke rules and regulations governing its administration and enforcement of this act, including, but not limited to: (A) Educational qualifications required under K.S.A. 1-302a, and amendments thereto; (B) experience qualifications required under K.S.A. 1-302b, and amendments thereto; (C) continuing professional education qualifications required under K.S.A. 1-310, and

amendments thereto; (D) professional conduct directed to controlling the quality of services by licensees; and dealing among other things with independence, integrity and objectivity, competence and technical standards, responsibilities to the public and clients, commissions and referral fees, contingent fees, advertising, firm names, discreditable acts and communication with the board; (E) professional standards applicable to licensees; (F) the manner and circumstances of use of the titles "certified public accountant" and "C.P.A."; (G) peer reviews required in K.S.A. 1-501, and amendments thereto; ~~and (H) the definition of substantial equivalency for purposes of K.S.A. 1-322, and amendments thereto; and (I)~~ such other rules and regulations as the board may deem necessary to regulate the practice of certified public accountancy.

(d) The board shall:

- (1) Keep accounts of its receipts and disbursements;
 - (2) keep a register of Kansas certificates issued by the board;
 - (3) deny, revoke, suspend and reinstate certificates, notifications, firm registrations and permits; and
 - (4) initiate proceedings, hold hearings and do all things necessary to regulate the practice of certified public accountancy.
- (e) Any statements on standards and guides imposed by the board shall meet the standards or guides developed for general application either by the American institute of certified public accountants or the division of accounts and reports ~~which~~ *that* are in effect on July 1, 2001, or any later version as adopted by the board in rules and regulations.
- (f) A majority of the board shall constitute a quorum for the transaction of any business at any meeting of the board.

Sec. 2. K.S.A. 1-301 is hereby amended to read as follows: 1-301. (a) The board shall charge and collect a fee from each applicant for a Kansas certificate or notification and shall charge and collect a fee for a Kansas permit to practice as a certified public accountant in this state; ~~and shall charge and collect a fee~~ for firm registrations in this state. The board or the board's designated examination service may charge an examination application processing fee. Each fee payable to the board or the examination service shall accompany the appropriate application.

(b) The board shall adopt rules and regulations fixing the fees provided to be charged and collected under this section, which shall be as follows:

- (1) For issuance of a certificate (initial or duplicate), an amount not to exceed \$50;
- (2) for issuance of a reciprocal certificate, an amount not to exceed \$350;
- (3) for issuance or renewal of a permit to practice for the holder of a Kansas certificate, an amount not to exceed \$350, subject to paragraphs (4) and (6);
- (4) for issuance or renewal of a permit to practice for the holder of a Kansas certificate whose permit is issued or renewed for a period of 12 months or less, an amount equal to $\frac{1}{2}$ the amount of the fee fixed under paragraph (3), subject to paragraph (6);
- (5) for issuance of a duplicate permit to practice for the holder of a Kansas certificate, an amount not to exceed \$50;
- (6) for reinstatement of a permit to practice in the case of the holder of a Kansas certificate who had in some prior year held a permit to practice but ~~who~~ did not hold such a permit for the year immediately preceding the period for which a permit to practice is requested, or who, if holding a permit to practice for such period immediately preceding applies for renewal subsequent to the

expiration date of such permit, an amount equal to $1\frac{1}{2}$ times the amount of the fee then fixed under paragraph (3) or paragraph (4), whichever is applicable; *and*

~~(7) for notification or renewal of notification required pursuant to K.S.A. 1-322, and amendments thereto, an amount not to exceed \$150; and~~

~~(8)~~ for an initial or an annual firm registration, an amount not to exceed \$300;

~~(9)~~(8) for renewing a firm registration after the expiration, an amount equal to $1\frac{1}{2}$ times the amount of the fee then fixed under paragraph (8);

~~(10)~~(9) for examination application processing by the board, an amount not to exceed \$150.

(c) On or before May 30 each year, the board shall determine the amount of funds that will be required during the ensuing year to carry out and enforce the provisions of law administered by the board and may adopt rules and regulations to change any fees fixed under this section as may be necessary, subject to the limitations prescribed by this section. Upon changing any renewal fees as provided by this section, the board shall immediately notify all holders of permits to practice and of firm registrations of the amount of such fees. The fees fixed by the board and in effect under this section immediately prior to the effective date of this act shall continue in effect until such fees are fixed by the board by rules and regulations as provided by this section.

Sec. 3. K.S.A. 1-302a is hereby amended to read as follows: 1-302a. (a) The education requirement prescribed by K.S.A. 1-302, and amendments thereto, is satisfied if the applicant meets ~~all~~ one of the following requirements:

(1) Is the holder of a baccalaureate or higher academic degree from a college or university approved by the board, *the total education program to include a concentration in accounting or equivalent as determined by the board;*

~~(2) has been awarded credit by a college or university approved by the board for at least 150 semester hours, with a concentration in accounting;~~ *is the holder of a baccalaureate or higher academic degree from a college or university approved by the board and has been awarded credit for an additional 30 semester hours by a college or university approved by the board, the total educational program to include a concentration in accounting or equivalent as determined to be appropriate by the board; and or*

~~(3) the credit for the concentration in accounting is accepted by the board;~~ *is the holder of a post-baccalaureate academic degree from a college or university approved by the board, the total educational program to include a concentration in accounting or equivalent as determined to be appropriate by the board.*

(b) An applicant for admission to take the initial examination in this state as required in K.S.A. 1-302, and amendments thereto, must submit evidence satisfactory to the board or to the examination service that the applicant either:

(1) Meets *any of* the requirements of subsection (a); or

(2) reasonably expects to meet the requirements of subsection (a) within 60 days from the date the applicant takes the first section of such examination. The applicant shall submit final official transcripts and any documents verifying completion of the education requirements of subsection (a) to the board or the examination service within 120 days after the applicant has taken the first section of the examination. If final official transcripts and any documents verifying completion of such education requirements are not received by the board or the examination service within 120 days after the applicant has taken the first section of the examination, the applicant's grades for all

sections of the examination may be voided, subject to notice and an opportunity for the applicant to be heard pursuant to the Kansas administrative procedures act.

(c) The board may define, by rules and regulations, the term "concentration in accounting." The board may also prescribe, by rules and regulations, the type and amount of credit submitted pursuant to subsection (a).

Sec. 4. K.S.A. 1-302b is hereby amended to read as follows: 1-302b. (a) No applicant who holds a Kansas certificate issued by the board shall receive a permit to practice in this state as a certified public accountant until the applicant submits evidence, satisfactory to the board, of having completed *either one year of accounting experience for applicants applying on the basis of K.S.A. 1-302a(a)(2) or (a)(3), and amendments thereto, or two years of accounting experience for applicants applying on the basis of K.S.A. 1-302(a)(1), and amendments thereto.* This experience shall include providing any type of service or advice involving the use of attest or nonattest skills all of which was verified by a certified public accountant holding an active license to practice, meeting requirements prescribed by the board by rule. This experience would be acceptable if it was gained through employment in government, industry, academia or public practice.

(b) Any individual permit holder who is responsible for supervising attest or compilation services and signs or authorizes someone to sign the accountant's report on any attest or compilation service on behalf of the firm; shall meet the experience or competency requirements; as adopted by the board through rules and regulations.

(c) Any individual permit holder who signs or authorizes someone to sign the accountant's report on any attest or compilation service on behalf of the firm; shall meet the experience or competency requirement of subsection (b).

(d) As an alternative to the requirements of subsection (a), an individual with an active license issued by another state who establishes such individual's principal place of business in this state shall request the issuance of both a certificate and a permit to practice from the board prior to establishing such principal place of business. The board may issue both a certificate and a permit to such individual who ~~is eligible under the substantial equivalency standard set out in either paragraph (1) or paragraph (2) of subsection (a) of K.S.A. 1-322~~ *meets the qualifications and requirements in either K.S.A. 1-322(a)(1) or (2), and amendments thereto.* An application under this section may be made through an appraisal service or similar organization approved by the board. Any individual meeting the requirements set forth in this subsection who is denied a certificate and a permit to practice shall have the opportunity to be heard pursuant to the Kansas administrative procedures act.

Sec. 5. K.S.A. 1-307 is hereby amended to read as follows: 1-307. (a) The board, in its discretion, may waive the examination of and may issue a certificate to a holder of a certificate as a "certified public accountant" issued under the laws of any state upon a showing that:

(1) The applicant passed the examination required for issuance of the applicant's certificate with grades that would have been passing grades at the time in this state; and the applicant: (A) Meets all current requirements in this state for the issuance of a certificate at the time application is made; (B) at the time of the issuance of the applicant's certificate in the other state, met all such requirements then applicable in this state; or (C) had four years of experience of the type described in K.S.A. 1-302b(a), and amendments thereto, after passing the examination upon which the applicant's certificate was based and within the 10 years immediately preceding the application; or

(2) the applicant meets the ~~substantial equivalency standard~~ *qualifications and requirements* set out in either K.S.A. 1-322(a)(1) or (2), and amendments thereto.

(b) The board shall issue a certificate to a holder of a foreign designation, granted in a foreign country entitling the holder thereof to engage in the practice of certified public accountancy, provided that:

(1) The foreign authority ~~which~~ *that* granted the designation makes similar provision to allow a person who holds a valid certificate issued by this state to obtain such foreign authority's comparable designation;

(2) the foreign designation: (A) Was duly issued by a foreign authority that regulates the practice of certified public accountancy and the foreign designation has not expired or been revoked or suspended; (B) entitles the holder to issue reports upon financial statements; and (C) was issued upon the basis of educational, examination and experience requirements established by the foreign authority or by law;

(3) the applicant: (A) Received the designation, based on educational and examination standards ~~substantially equivalent~~ *similar* to those in effect in this state at the time the foreign designation was granted; (B) completed an experience requirement, ~~substantially equivalent~~ *similar* to the requirement set out in K.S.A. 1-302b, and amendments thereto, in the jurisdiction ~~which~~ *that* granted the foreign designation; and (C) passed a uniform qualifying examination in national standards and an examination on the laws, regulations and code of ethical conduct in effect in this state acceptable to the board; and

(4) the applicant shall in the application list all jurisdictions, foreign and domestic, in which the applicant has applied for or holds a designation to practice public accountancy.

Each holder of a certificate issued under this subsection shall notify the board in writing, within 30 days after its occurrence, of any issuance, denial, revocation or suspension of a designation or commencement of a disciplinary or enforcement action by any jurisdiction. The board has the sole authority to interpret the application of the provisions of this subsection.

Sec. 6. K.S.A. 1-310 is hereby amended to read as follows: 1-310. (a) Permits to engage in the practice of certified public accountancy in this state shall be issued by the board to persons who have met the requirements under K.S.A. 1-302b, and amendments thereto.

(b) Each holder of a Kansas certificate, ~~which is~~ numbered with an odd number, who is qualified under K.S.A. 1-302b, and amendments thereto, shall have a permit to practice issued or renewed on a biennial basis, which shall expire on the next July ~~1~~ *which that* occurs after the date *that* the permit was issued or renewed ~~and which occurs~~ in an odd-numbered year.

(c) Each holder of a Kansas certificate, ~~which is~~ numbered with an even number, who is qualified under K.S.A. 1-302b, and amendments thereto, shall have a permit to practice issued or renewed on a biennial basis, which shall expire on the next July ~~1~~ *which that* occurs after the date *that* the permit was issued or renewed ~~and which occurs~~ in an even-numbered year.

(d) A person may renew a permit within 12 months of its expiration date if such person submits a complete and sufficient renewal application together with the fee prescribed by K.S.A. 1-301, and amendments thereto.

(e) As a condition for renewal of a permit to practice, the board may require all permit holders to furnish with such applicant's renewal application; evidence of participation in continuing education in accounting, auditing; or related areas of at least 80 hours during the two-year period for renewal unless the board waives all or a portion of the continuing education requirements.

(f) The board may exempt from the continuing education requirements an individual who holds a permit from another state if:

- (1) The permit holder has a principal place of business located outside the state of Kansas;
- (2) the permit holder verifies to the board's satisfaction that such person has met the continuing education requirements of the state in which the principal place of business is located; and
- (3) the board considers the continuing education requirements of the state in which the principal place of business is located to be ~~substantially equivalent~~ *similar* to those of Kansas.

(g) A person who fails to renew a permit within 12 months after its expiration may apply for reinstatement by making application on a form provided by the board, submitting a reinstatement fee as prescribed by K.S.A. 1-301, and amendments thereto, and ~~submitting~~ proof that such person has obtained 40 hours of qualifying continuing education within the preceding 12 months prior to applying for reinstatement.

Sec. 7. K.S.A. 1-321 is hereby amended to read as follows: 1-321. When used in chapter 1 of the Kansas Statutes Annotated, and amendments thereto, ~~the following terms shall have the meanings indicated:~~

- (a) "Actively participate" means participation that is continuous as one's primary occupation.
- (b) "Affiliated entity" means one that provides services to the CPA firm or provides services to the public that are complementary to those provided by the CPA firm.
- (c) "AICPA" means the American institute of certified public accountants.
- (d) "Attest" means providing the following services:
 - (1) Any audit or other engagement to be performed in accordance with the statements on auditing standards (SAS);
 - (2) any audit to be performed in accordance with the Kansas municipal audit guide;
 - (3) any review of a financial statement to be performed in accordance with the statements on standards for accounting and review services (SSARS);
 - (4) any engagement, except a compilation, to be performed in accordance with the statements on standards for attestation engagements (SSAE); and
 - (5) any engagement to be performed in accordance with the standards of the PCAOB.
- (e) "Board" means the Kansas board of accountancy established under K.S.A. 1-201, and amendments thereto.
- (f) "Certificate" means a certificate as a certified public accountant issued under K.S.A. 1-302, and amendments thereto, or a certificate as a certified public accountant issued after examination under the law of any other state.
- (g) "Client" means a person or entity that agrees with a permit holder or firm to receive any professional service.
- (h) "Compilation" means providing a service to be performed in accordance with the statements on standards for accounting and review services (SSARS) or the statements on standards for attestation engagements (SSAE) the objective of which is to present in the form of financial statements, information that is the representation of management or owners, or both, without undertaking to express any assurance on the statements.

- (i) "Directed" means the location to which the engagement letter is sent.
- (j) "Equity capital" means: (1) Capital stock, capital accounts, capital contributions or undistributed earnings of a registered firm as referred to in K.S.A. 1-308, and amendments thereto; and (2) loans and advances to a registered firm made or held by its owners. "Equity capital" does not include an interest in bonuses, profit sharing plans, defined benefit plans or loans to a registered firm from banks, financial institutions or other third parties that do not actively participate in such registered firm.
- (k) "Firm" means:
- (1) An individual who operates as a sole practitioner and ~~who~~ issues reports subject to peer review; or
- (2) any business organization, including, but not limited to, a general partnership, limited liability partnership, general corporation, professional corporation or limited liability company.
- (l) "Good moral character" means lack of a history of dishonesty or a felonious act.
- (m) "Active license" means a certificate or a permit to practice issued by another state that is currently in force and authorizes the holder to practice certified public accountancy.
- (n) "Licensee" means the holder of a certificate or a permit to practice issued by this state or another state.
- (o) "Manager" means a manager of a limited liability company.
- (p) "Member" means a member of a limited liability company.
- (q) "NASBA" means the national association of state boards of accountancy.
- (r) "Nonattest" means providing the following services:
- (1) The preparation of tax returns and providing advice on tax matters;
- (2) the preparation of any compilation;
- (3) management advisory, consulting, litigation support and assurance services, except for attest services;
- (4) financial planning;
- (5) valuation services; and
- (6) any other financial service not included in the statements on auditing standards, the statements on standards for accounting and review services, the standards for attestation engagements as developed by the American institute of certified public accountants or as defined by the board.
- (s) "PCAOB" means the public company accounting oversight board created by the Sarbanes-Oxley act of 2002.
- (t) "Practice of certified public accountancy" means performing or offering to perform attest or nonattest services for the public while using the designation "certified public accountant" or CPA in conjunction with such services.
- (u) "Practice of public accountancy" means performing or offering to perform attest or nonattest services for the public by a person not required to have a permit to practice or a firm not required to register with the board.
- (v) "Principal place of business" means the *primary* office location ~~designated by the licensee for purposes of substantial equivalency and reciprocity~~ from which the licensee or applicant engages in the practice of certified public accountancy. Each licensee or applicant shall designate a principal

place of business that shall be accepted by the board unless the board determines that a different location is the licensee's or applicant's primary office location.

(w) "Professional" means arising out of or related to the specialized knowledge or skills associated with CPAs.

(x) "Report," when used with reference to any attest or compilation service, means an opinion, report or other form of language that states or implies assurance as to the reliability of the attested information or compiled financial statements and that also includes or is accompanied by any statement or implication that the person or firm issuing it has special knowledge or competence in accounting or auditing. Such a statement or implication of special knowledge or competence may arise from use, by the issuer of the report, of names or titles indicating that the person or firm is an accountant or auditor or from the language of the report itself. The term report includes any form of language ~~which~~ *that* disclaims an opinion when such form of language is conventionally understood to imply any positive assurance as to the reliability of the attested information or compiled financial statements referred to or special competence on the part of the person or firm issuing such language; ~~and it.~~ "Report" also includes any other form of language that is conventionally understood to imply such assurance or such special knowledge or competence.

(y) "Rule" means any rule or regulation adopted by the board.

(z) "State" means any state of the United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam; except that "this state" means the state of Kansas.

~~(aa) "Substantial equivalency" is a determination by the board of accountancy or its designee that the education, examination and experience requirements contained in the statutes and administrative rules of another jurisdiction are comparable to, or exceed the education, examination and experience requirements contained in the uniform accountancy act or that an individual CPA's education, examination and experience qualifications are comparable to or exceed the education, examination and experience requirements contained in the uniform accountancy act. In ascertaining substantial equivalency as used in this act, the board shall take into account the qualifications without regard to the sequence in which experience, education or examination requirements were attained.~~

~~(bb)~~ "Uniform accountancy act" means model legislation issued by the AICPA and NASBA in existence on July 1, 2007.

Sec. 8. K.S.A. 1-322 is hereby amended to read as follows: 1-322. (a) (1) An individual whose principal place of business is not in this state having an active license *in good standing* to practice certified public accountancy from any state ~~which the board or its designee has verified to be in substantial equivalence with the CPA licensure requirements of the uniform accountancy act shall be presumed to have qualifications substantially equivalent to this state's requirements and may~~ *shall* be granted all the privileges of permit holders of this state without the need to obtain a permit issued under K.S.A. 1-310, and amendments thereto; ~~or otherwise register with the board or pay any fee provided that at the time of initial licensure, the individual was required to show evidence of having passed the uniform CPA examination and having met one of the following three requirements:~~

(A) A baccalaureate or higher academic degree from a college or university approved by the board, the total educational program to include a concentration in accounting or equivalent as determined to be appropriate by the board, and not less than two years of accounting experience, as defined by board rule;

(B) a baccalaureate or higher academic degree from a college or university approved by the board and an additional 30 semester hours from a college or university approved by the board, the total

educational program to include a concentration in accounting or equivalent as determined to be appropriate by the board, and not less than one year of accounting experience, as defined by board rule; or

(C) a post-baccalaureate or higher academic degree from a college or university approved by the board, the total educational program to include a concentration in accounting or equivalent as determined to be appropriate by the board, and not less than one year of accounting experience, as defined by board rule.

(2) An individual whose principal place of business is not in this state having an active license *in good standing* to practice certified public accountancy from any state ~~which the board or its designee has not verified to be in substantial equivalency with the CPA licensure requirements of the uniform accountancy act shall be presumed to have qualifications substantially equivalent to this state's requirements and may be granted~~ *and who, as of December 31, 2025, had practice privileges in this state under this section shall continue to have all the privileges of permit holders of this state without the need to obtain a permit to practice issued under K.S.A. 1-310, and amendments thereto, if such individuals' certified public accountancy qualifications are substantially equivalent to the following requirements:*

~~(A) Have at least 150 semester hours of college education, including a baccalaureate or higher academic degree, with a concentration in accounting as defined by the home licensing jurisdiction, from a college or university;~~

~~(B) obtains credit for passing each of the four test sections of the uniform certified public accountant examination; and~~

~~(C) possess at least one year of experience including service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which were verified by a certified public accountant holding an active license to practice.~~

~~Any individual who has passed the uniform certified public accountant examination and holds a valid license to practice certified public accountancy issued by another state prior to January 1, 2012, may be exempt from the education requirement in subsection (a)(2)(A) for the purposes of this section or to otherwise register with the board or pay any fee.~~

(b) Any licensee of another state exercising the privilege afforded under ~~subsection (a)~~ *this section* and the firm ~~which that~~ *employs that* such licensee hereby simultaneously consent, as a condition of the grant of this privilege:

(1) To the personal and subject matter jurisdiction of this board;

(2) to the appointment of the state regulatory body ~~which that~~ *issued their licenses as the agent upon whom process may be served in any action or proceeding by the Kansas board against the licensee;*

(3) to cease offering or rendering professional services in this state individually and on behalf of the firm in the event that the license from the state of the individual's principal place of business is no longer valid; and

(4) to comply with this act and the board's rules and regulations.

(c) An individual who has been granted practice privileges under this section who, for any client in this state, performs any of the following services: (1) Any audit or other engagement to be performed in accordance with the statements on auditing standards (SAS); (2) any audit to be performed in accordance with the Kansas municipal audit guide; (3) any review of a financial statement to be performed in accordance with the statements on standards for accounting and review services

(SSARS); (4) any engagement, except a compilation, to be performed in accordance with the statements on standards for attestation engagements (SSAE); and (5) any engagement to be performed in accordance with the standards of the PCAOB; may only do so through a firm ~~which~~ *that* has registered pursuant to K.S.A. 1-308, and amendments thereto.

(d) Any individual prohibited from practicing certified public accountancy in this state, as a result of having a permit, certificate or practice privilege revoked or suspended by the board, shall not be granted practice privileges under this section without first obtaining the approval of the board.

(e) A holder of a permit to practice issued by this state offering or rendering services or using a CPA title in another state may be subject to disciplinary action in this state for an act committed in another state for which the permit holder would be subject to discipline for an act committed in the other state. The board shall investigate any complaint made by the board of accountancy of another state.

Sec. 9. K.S.A. 1-202, 1-301, 1-302a, 1-302b, 1-307, 1-310, 1-321 and 1-322 are hereby repealed.

Sec. 10. This act shall take effect and be in force from and after its publication in the Kansas register.

Doc. No. 054099