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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/28/08  
LAST UPDATED 2/13/08

SPONSOR Jennings HB \_\_\_\_\_

SHORT TITLE Allow Certain Accountants to Practice in NM SB 353/aHBIC/aHJC

ANALYST Cox/Moser

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Regulations and Licensing Department (RLD)

### SUMMARY

#### Synopsis of HJC Amendment

The Amendment is ‘clean-up’ language only and doesn’t affect the intent of this Bill

#### Synopsis of HBIC Amendment

House Business and Industry Committee Amendment to Senate Bill 353 clarifies that the educational requirement of at least one hundred fifty semester hours of college education, including a baccalaureate or higher degree conferred by a college or university be from a college or university which is “acceptable to the board.”

#### Synopsis of Bill

Senate Bill 353 addresses Certified Public Accountants who practice in New Mexico. Certain portions of NMSA, Section 61-28 are requested to be amended. The following are pertinent aspects of this Bill:

- Education requirements for taking the CPA exam have been updated as of July 1, 2008. A baccalaureate degree with at least 30 hours of accounting is required.
- Out of State CPA firms or licensed CPA individuals may perform accounting services in New Mexico, and use the designation CPA, with similar privileges that this ‘title’ implies.

- Educational requirements and other standards for out-of State CPA's must be substantially equivalent to those enforced in New Mexico, for out-of State CPA's who wish to practice in New Mexico with a CPA designation.
- Similarly tested and educated out- of –State CPA's may practice in New Mexico without the need of again taking a uniform CPA test in New Mexico.
- Practicing CPA's from other States are contemplated to abide by New Mexico standards and rules.

'Clean-up' language is also inserted in this Bill.

The responsibility for enforcement and other provisions of this Bill shall rest with the Regulations and Licensing Department RLD and the Public Accountancy Board.

### **SIGNIFICANT ISSUES**

This Bill contemplates a furthering and formalizing of 'reciprocal relationships' between CPA's who practice and reside in New Mexico and CPA's who reside in other States but practice in New Mexico. It request equivalent standards for both groups, with New Mexico standards as the minimal benchmark.

PRC/bb