



**SB 54 - Occupational Licensing and Certification – Criminal History –
Prohibited Disclosures and Predetermination Review Process
Senate Finance Committee
February 6, 2024
Legislative Position: Favorable with Amendments**

Dear Chair Beidle and Members of the Committee:

Founded in 1901, the Maryland Association of CPAs is the only state-wide organization dedicated solely to advancing the CPA profession and advocating for the more than 14,000 licensed CPAs in Maryland. Our members serve thousands of individual and business clients throughout the state.

We are concerned SB 54, as currently drafted, could have unintended consequences for the Maryland Board of Public Accountancy and jeopardize public safety and trust. While recognizing that individuals deserve opportunities for rehabilitation, the nature of certain convictions, especially those involving financial crimes and fraud, directly impacts the trustworthiness and competence required for a CPA license.

The handling of confidential financial information is a key part of the CPA-client relationship. As proposed, SB 54 lacks adequate considerations for evaluating the nature of past criminal convictions for CPA license applicants. The Board of Public Accountancy would not be allowed to consider certain crimes if older than three years from the date the individual applied for licensure. For a CPA license, assessing the nature of the crime, its relevance to the authorized activities, and the length of time since the conviction are essential for the Board to make informed decisions about an individual's fitness and qualifications to practice as a CPA.

We urge the committee to carefully consider the complexities of evaluating individuals with a criminal history directly related to the duties and responsibilities of a specific licensed occupation. Maryland CPA license requirements are currently deemed "substantially equivalent" by all 55 accountancy jurisdictions, allowing Maryland CPAs to practice across jurisdictions. Changes to how the Maryland Board of Public Accountancy assesses criminal history could have potential ramifications on the mobility of a Maryland CPA license, which would mean that Maryland CPAs could not practice in the other 54 accountancy jurisdictions without obtaining a separate license in each of those states.

We request the Board of Public Accountancy be excluded from the three-year look-back limitation in SB 54. CPAs are entrusted with financial responsibilities that require a thorough evaluation of an applicant's history before, during, and after any term of imprisonment. Excluding the Board from the strict three-year timeframe allows for a more comprehensive assessment of an individual's qualifications and recognizes the importance of a CPA's role in safeguarding financial integrity.

For these reasons, we respectfully request a **favorable with amendments** report for **SB 54**.

For more information about this position, please contact marybeth@macpa.org or Nick Manis nmanis@maniscanning.com.