

Alaska House of Representatives

Representative Calvin Schrage

Co-Chair: House Finance Committee

Session:

Alaska State Capitol

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House Bill 121

Sponsor Statement

" An Act relating to the practice of accounting; and providing for an effective date."

The accounting profession is essential to Alaska's economy, ensuring financial transparency for businesses, organizations, and government entities. However, outdated regulatory barriers are limiting the number of qualified professionals entering the field. The demand for accountants is growing nationwide, with employment in the field expected to increase by 6% over the next decade. However, the number of CPA's practicing in Alaska is shrinking. Between fiscal years 2019 and 2024, CPA licensure in the state grew by only 3%. If this trend continues, Alaska will face a worsening shortage of accounting professionals, limiting access to essential financial services.

HB 121 addresses these issues by:

- Making technical and housekeeping changes to practice privilege for out-of-state firms to allow them greater flexibility.
- Removing the outdated and onerous requirement that students complete an extra year of college, beyond the 120-credit hour bachelor's degree with a concentration in accounting.

These changes align Alaska with national trends toward greater flexibility in CPA licensure while maintaining professional integrity. Candidates will still be required to pass the Uniform CPA Exam and meet professional experience requirements. This ensures competency without imposing unnecessary costs. I encourage my colleagues to support this important legislation.

March 31, 2025