

October 2, 2023

Mr. Jerry Hill  
General Counsel  
Texas State Board of Public Accountancy  
505 E. Huntland Drive, Suite 380  
Austin, TX 78752-3757

**via email: [JHill@tsbpa.texas.gov](mailto:JHill@tsbpa.texas.gov)**

Dear Mr. Hill,

On behalf of the Texas Society of Certified Public Accountants, we are submitting the following comments on the proposed rules (Rule 511.80 and 511.87) relating to the adoption of the Applicant Reassessment Program (ARP). The TXCPA commends the state board's commitment to addressing the CPA pipeline issue and to giving candidates who may have been affected by the pandemic or other hardships and testing impediments every reasonable opportunity to pass the CPA Exam and continue their journey to CPA licensure.

NASBA has proposed that state boards of accountancy extend lapsed examination credits to candidates that have been impacted by the pandemic. To that end, the TSBPA Qualification Committee approved amendments to Rules 511.80 and 511.87 which will provide candidates an opportunity to apply for an extension of examination credit for up to 18 months after the Board receives and approves an application based on a hardship.

The NASBA initiative is titled the Credit Relief Initiative (CRI) and many state boards are currently considering it, and a number have already adopted this name of the program. To achieve greater awareness and a better understanding by CPA candidates of similar programs across states, more uniformity among state boards and programs, easier research and analysis by NASBA and others to study the effectiveness of the program, and finally, a better description of what the program does, TXCPA recommends utilizing the Credit Relief Initiative (CRI) title.

As established in the proposed rules and has been discussed by the Qualifications Committee, the program is set up on an individualized basis rather than a generalized credit extension/relief for all 1,900+ CPA candidates affected. TXCPA believes that the better approach would be to establish a program that automatically benefits the affected students rather than requiring them to submit applications to receive the credit extension. One of NASBA's stated goals of this initiative is to address the challenges related to the CPA pipeline as a result of the pandemic. Allowing 1,900+ students automatically back into the testing regime could have a significant impact on the CPA pipeline in Texas.

We understand that the Board will be developing an outreach initiative directed to the 1,900+

CPA candidates informing them of the right to apply for a credit initiative. That outreach program could likewise be directed to those students after the automatic relief is granted – informing those candidates that exam credit has been extended and directing those candidates on how to restart the examination process.

TXCPA understands that the state board regularly approves hardship extensions for a variety of reasonable exceptions. The number of CPA candidates affected by the pandemic exceeds the usual number of hardship applications by a large amount. Having a generalized credit extension would benefit both the TSBPA and applicants by streamlining the process for all parties involved. TSBPA could still maintain the authority to ask for additional documentation to verify hardship should the need arise.

Lastly, this will likely be a significant lift for candidates to change course and make the decision to continue with CPA Exam testing. We realize that candidates may need support in the form of test preparation, scholarships to pay for testing expenses or exam prep and a community of their peers to share best practices and strategies they have found useful. TXCPA is ready and willing to provide these support services to candidates and would like to work with the board to determine the best way to make candidates aware that these support services are being offered to support their journey through the exam and to CPA licensure.

Thank you for your consideration of these comments on the rules and a further rules revision. Please contact any Jodi Ann Ray or Kenneth Besserman if you need additional information or would like to discuss these issues.

Sincerely,



Jodi Ann Ray  
President & CEO  
TXCPA



Kenneth Besserman  
Director of Government Affairs & Special Counsel  
TXPCA