

Comments of the Independent Regulatory Review Commission



State Board of Accountancy Regulation #16A-5517 (IRRC #3467)

Licensure by Endorsement

February 19, 2026

We submit for your consideration the following comments on the proposed rulemaking published in the December 20, 2025 *Pennsylvania Bulletin*. Our comments are based on criteria in Section 5.2 of the Regulatory Review Act (RRA) (71 P.S. § 745.5b). Section 5.1(a) of the RRA (71 P.S. § 745.5a(a)) directs the State Board of Accountancy (Board) to respond to all comments received from us or any other source.

Consistency with the statute; Clarity.

This proposed regulation provides for the licensure by endorsement of Certified Public Accountant (CPA) applicants from other states, territories, and countries. Its Preamble and Regulatory Analysis Form (RAF) also recognize the concept of automatic mobility that allows CPAs licensed in other states to practice in Pennsylvania without obtaining a separate license if they meet certain conditions.

The Board states in RAF #10:

There is a growing trend amongst the states to expand CPAs' ability to practice in multiple states even further, commonly referred to as "automatic mobility." Pennsylvania has recently joined that movement, with the enactment of the act of June 30, 2025 (P.L. 85, No. 27) (Act 27 of 2025) [Act] and, as a result, automatic mobility is now available in Pennsylvania. Specifically, section 5.2 of the act was repealed, effectively removing "practice by substantial equivalency" and replacing it with "automatic mobility" under new section 5.5 of the act (63 P.S. § 9.5e). As set forth in section 5.5, automatic mobility allows CPAs licensed in other states to practice in Pennsylvania without obtaining a separate license if they meet certain criteria.

Although the Board acknowledges the statutory adoption of the automatic mobility framework, there is no mention of it in the proposed regulation. We ask the Board to explain why this framework is not included in the proposed regulation.

In addition, the PA Institute of Certified Public Accountants (PICPA) asserts that this proposed regulation emphasizes practice under substantial equivalency even though the Act repealed this practice and established an automatic mobility framework for out-of-state CPAs. We agree with the PICPA's assertion and ask that the Board address in the final-form regulation the inconsistency between the Act and this proposed regulation.

The PICPA also notes that substantial equivalency remains in the statute, possibly causing confusion in light of the Act's changes, and suggests that "[a]dditional explanation or guidance clarifying the limited relevance of substantial equivalency under the new mobility framework would therefore be advisable." We agree with the PICPA and ask that the Board provide clarity in this matter.