

The Rules, Licensing, and Continuing Professional Education (CPE) Committees of the Texas State Board of Public Accountancy are holding a meeting by online video conference call pursuant to §551.127 of the Open Meetings Act. The public may attend the meeting in-person at the office of the Board which is located at 505 E. Huntland Drive, Suite 370, Austin, Texas 78752. The Chairs of the Rules, Licensing, and CPE Committees will be present at the 505 E. Huntland Drive location for the entirety of the meeting. In the alternative, the public may attend the meeting virtually using the following link.

Topic: Joint Rules, Licensing, and CPE Committee

Time: Sep 17, 2025 01:30 PM Central Time (US and Canada)

<https://www.zoomgov.com/j/1600757316?pwd=nVND1O9lXj1FvVXyNyjFLpAiBoT2o.1>

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**Agenda Item V**  
**Joint Rules, Licensing and CPE Committee Agenda**  
**September 17, 2025**  
**1:30 p.m.**

- A. Discussion, consideration, and possible action concerning revisions to *Chapter 516* of the Board's *Rules* in response to HB 5629 passed during this year's regular session of the Texas Legislature providing licensing accommodations to military service members, spouses and veterans seeking licensure as CPAs in Texas and the Rule Review of *Chapter 516* – pursuant to *Section 2001.039* of the *Texas Government Code*.
- B. Report on responses from Ethics Course instructors regarding common rule violations.
- C. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 514 – Certification as a CPA* of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.
- D. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 521 – Fee Schedule* of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.
- E. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 525 – Criminal Background Investigations* of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.
- F. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 526 – Board Opinions* of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.

**Agenda Item V**  
**Joint Rules, Licensing and CPE Committee Agenda**  
**September 17, 2025**  
**1:30 p.m.**

- A. Discussion, consideration, and possible action concerning revisions to *Chapter 516* of the Board's *Rules* in response to HB 5629 passed during this year's regular session of the Texas Legislature providing licensing accommodations to military service members, their spouses and veterans seeking licensure as CPAs in Texas and the Rule Review of *Chapter 516* – pursuant to *Section 2001.039* of the *Texas Government Code*.

**DISCUSSION:** During this year's regular session of the Texas legislature, HB 5629 was passed to minimize the licensing requirement process for military service members and their spouses and military veterans wishing to practice in Texas. The legislation requires this agency to issue a license within 10 days of a properly completed license application when the qualifying individual has a license in good standing in another state or held a license in this state within five years preceding the license application date in this state. The active duty applicants must provide a copy of the military orders showing relocation to Texas, a marriage license for a spouse of a military service member and proof of identification by each of the applicants.

Staff is also recommending no revisions to the *Chapter 516 rules*, pursuant to the Rule Review of *Chapter 516* and *Section 2001.039* of the *Texas Government Code*.

**RECOMMENDATION:** The staff recommends that the Rules Committee recommend that the Board authorize the executive director to publish the proposed rules and any revisions the committee may propose in the *Texas Register* for public comment and readopt those rules that do not require revision. There is no proposal to repeal any part of these rules.

**SUGGESTED MOTION:** That the Rules Committee recommend to the Board that it authorize the executive director to publish the proposed revisions to the rules as proposed in the *Texas Register* for public comment and readopt those rules requiring no revision.

1 CHAPTER 516 MILITARY SERVICE MEMBERS, SPOUSES AND VETERANS  
2 RULE §516.1 Definitions  
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4 The following words and terms, when used in Title 22, Part 22 of the Texas  
5 Administrative Code relating to the Texas State Board of Public Accountancy, shall  
6 have the following meanings:

7 (1) "Active duty" means current full-time military service in the armed forces of the  
8 United States or active duty military service as a member of the Texas military forces,  
9 as defined by §437.001 of the Texas Government Code (relating to Definitions), or  
10 similar military service of another state.

11 (2) "Armed forces of the United States" means the army, navy, air force, space force,  
12 coast guard, or marine corps of the United States or a reserve unit of one of those  
13 branches of the armed forces.

14 (3) "Military service member" means a person who is on active duty.

15 (4) "Military spouse" means a person who is married to a military service member.

16 (5) "Military veteran" means a person who has served on active duty and who was  
17 discharged or released from active duty.

18 **(6) "Scope of practice" means a licensed Certified Public Accountant.**

19 ~~(6) "Restrictive license" includes the following or its equivalent:~~

20 ~~(A) an individual license that does not permit the attest service practice;~~

21 ~~(B) an individual's retired or disabled license that limits an individual's authority to~~  
22 ~~practice public accountancy;~~

23 ~~(C) an individual's non-public industry license or authorization to practice; or~~

24 ~~(D) a license that limits the scope of the individual's right to practice public accountancy.~~

CHAPTER 516 MILITARY SERVICE MEMBERS, SPOUSES AND VETERANS  
RULE §516.2 Licensing for Military Service Members, Military Veteran and Military  
Spouses

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(a) The board will issue a license to a A military service member, military veteran or military spouse who: ~~may obtain a license if the applicant for licensure:~~

~~(1) through the fingerprinting process, has been deemed to have an acceptable criminal history according to Chapter 53 of the Texas Occupations Code (relating to Consequences of Criminal Conviction); and~~

~~(1) (2)~~ holds a current license as a Certified Public Accountant ~~with no restrictions issued by a licensing authority of another state and is in good standing in that state and any other state the applicant may hold a license as a Certified Public Accountant, or;~~ ~~another jurisdiction that has licensing requirements that are substantially equivalent to the licensing requirements in this state; or~~

~~(2) (3)~~ held a license in this state within the five years preceding the application date ~~held a license in this state.~~

(b) The executive director may:

(1) waive any prerequisite to obtaining a license for an applicant described in subsection

(a) of this section after reviewing the applicant's credentials; or

(2) consider, other methods that demonstrate the applicant is qualified to be licensed.

(c) The board will:

(1) process a military service member, military veteran or military spouse's license application, as soon as practical but no more than 10 30 days from the date of receipt of the application, and ~~issue a non-provisional license when the board determines the applicant is qualified in accordance with board rules;~~

(A) issue a license;

(B) notify the applicant that the application is incomplete; or

(C) notify the applicant that the board does not recognize the out-of-state license because the board does not issue a license similar in scope of practice to the applicant's license.

(2) consider ~~waive the license application and examination for~~ a military service member, military veteran or military spouse applicant to be in good standing if the person:

1 (A) holds a license as a certified public accountant that is current, has not been  
2 suspended or revoked, and has not been voluntarily surrendered during an  
3 investigation for unprofessional conduct by the licensing authority of another  
4 state;

5 (B) has not been disciplined by the licensing authority of another state with  
6 respect to the license or person's practice as a certified public accountant for  
7 which the license was issued; and

8 (C) is not currently under investigation by the licensing authority of another state  
9 for unprofessional conduct related to the person's license as a certified public  
10 accountant.

11 ~~(A) whose military service, training or education substantially meets all the requirements~~  
12 ~~for a license; or~~

13 ~~(B) who holds a current license issued by another jurisdiction that has licensing~~  
14 ~~requirements that are substantially equivalent to this agency's requirements; and~~

15 (3) notify the license holder of the requirements for renewing the license in writing or by  
16 electronic means and the term of the license.

17 (d) A member of the military, a military veteran and a spouse of a military member  
18 who receive a license under this chapter are exempt from any increased fee or  
19 other penalty imposed by the board for failing to renew the license in a timely  
20 manner if the licensee establishes to the satisfaction of the board that the  
21 licensee failed to renew the license in a timely manner because the licensee was  
22 serving as a military service member.

23 (e) A military service member who holds a license is entitled to two years of  
24 additional time to complete:

25 (1) any continuing education requirements; and

26 (2) any other requirement related to the renewal of the military service member's  
27 license.

28 (f) The board will credit verified military service, training, or education toward the  
29 licensing requirements, other than an examination requirement, for a license  
30 issued by the board.

31 (g) Credit may not be awarded to an applicant who:

32 (1) holds a license not in good standing with another Certified Public Accountant  
33 state licensing agency; or

- 1 (2) has an unacceptable criminal history according to the law applicable to the
- 2 state agency.

1 CHAPTER 516 MILITARY SERVICE MEMBERS, SPOUSES AND VETERANS  
2 RULE §516.3 Licensing for Military Veterans  
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4 (a) A military veteran may obtain a license if the applicant for licensure:

5 (1) through the fingerprinting process, has been deemed to have an acceptable criminal  
6 history according to Chapter 53 of the Texas Occupations Code (relating to  
7 Consequences of Criminal Conviction); and

8 (2) holds a current license with no restrictions issued by another jurisdiction that has  
9 licensing requirements that are substantially equivalent to the licensing requirements in  
10 this state; or

11 (3) within the five years preceding the application date held a license in this state.

12 (b) The executive director may:

13 (1) waive any prerequisite to obtaining a license for an applicant described in subsection

14 (a) of this section after reviewing the applicant's credentials; or

15 (2) consider other methods that demonstrate the applicant is qualified to be licensed.

16 (c) The board will:

17 (1) process a military veteran's license application, as soon as practical but no more  
18 than 30 days from the date of receipt of the application, and issue a non-provisional  
19 license when the board determines the applicant is qualified in accordance with board  
20 rules;

21 (2) waive the license application and examination for a military veteran applicant:

22 (A) whose military service, training or education substantially meets all the requirements  
23 for a license; or

24 (B) who holds a current license issued by another jurisdiction that has licensing  
25 requirements that are substantially equivalent to this agency's requirements; and

26 (3) notify the license holder of the requirements for renewing the license in writing or by  
27 electronic means and the term of the license.

CHAPTER 516 MILITARY SERVICE MEMBERS, SPOUSES AND VETERANS  
RULE §516.4 Accounting Practice **Notification** by Military Service Members and  
**Military** Spouses

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(a) This section applies to all board regulated public accountancy practice requirements, other than the examination requirement, by a military service member or military spouse **not requiring a license.**

(b) A military service member or military spouse **who holds a license as a Certified Public Accountant from another state in good standing may practice accounting in Texas during the period the military service member or military spouse is stationed at a military installation in Texas if the military service member or military spouse:**

**(1) submits an application, on a form provided by the board, to practice accounting in Texas;**

**(2) submits a copy of their military orders showing relocation to this state or identification card;**

**(3) provides a copy of a military spouse's marriage license when the person is a military spouse;**

**(4) provides a notarized affidavit affirming under penalty of perjury that:**

**(A) the applicant is the person described and identified in the application;**

**(B) all statements in the application are true, correct and complete;**

**(C) the applicant understands the scope of the practice for the license and will not perform outside that scope; and**

**(D) the applicant is in good standing in each state in which the applicant holds or has held a license as a Certified Public Accountant.**

**(5) receives from the board confirmation that the board has verified the license has been issued in another state and is in good standing; and**

**(6) receives confirmation of authorization to practice public accountancy in Texas.**

~~(1) may practice accounting in Texas during the period the military service member or military spouse is stationed at a military installation in Texas for a period not to exceed the third anniversary of the date the military service member or military spouse receives confirmation of authorization to practice by the board, if the military service member or military spouse:~~

1 (A) notifies the board of an intent to practice public accountancy in this state;  
2 (B) submits proof of residency in this state along with a copy of their military  
3 identification card;  
4 (C) receives from the board confirmation that the board has verified the license in the  
5 other jurisdiction and that the other jurisdiction has licensing requirements that are  
6 substantially equivalent to the board's licensing requirements; and  
7 (D) receives confirmation of authorization to practice public accountancy in Texas from  
8 the board;  
9 (2) may not practice in Texas with a restricted license issued by another jurisdiction nor  
10 practice with an unacceptable criminal history according to Chapter 53 of the Texas  
11 Occupations Code (relating to Consequences of Criminal Conviction); and  
12 (3) shall comply with all other laws and regulations applicable to the practice of public  
13 accountancy in this state including, but not limited to, providing attest services through a  
14 licensed accounting firm.  
15 (c) The board, in no less than 30 days following the receipt of notice of intent, will  
16 provide confirmation of authorization to practice to a military service member or military  
17 spouse, who has satisfied the board's rules.  
18 (d) In the event of a divorce or similar event that affects a person's status as a military  
19 spouse, the spouse may continue to engage in the business or occupation under the  
20 authority of this section until the third anniversary of the date the spouse received the  
21 confirmation described by subsection (b)(1)(D) of this section.

1 CHAPTER 516 MILITARY SERVICE MEMBERS, SPOUSES AND VETERANS  
2 **RULE §516.5** **Complaints**  
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4 **(a) The board shall maintain a record of each complaint made against a military**  
5 **service member, military veteran, or military spouse to whom the board issues a**  
6 **license.**

7 **(b) The board shall publish at least quarterly on the agency's Internet website the**  
8 **information maintained under subsection (a), including a general description of**  
9 **the disposition of each complaint.**

**Agenda Item V**  
**Joint Rules, Licensing and CPE Committee Agenda**  
**September 17, 2025**  
**1:30 p.m.**

- B. Report on responses from Ethics Course instructors regarding common rule violations.

**DISCUSSION:** At their joint meeting on June 2, 2025 the CPE and Licensing Committees determined that it would be appropriate for Board-approved ethics courses to cover common Rule violations. Before considering changes to the ethics course components outlined in Board *Rule 523.131*, the Committees advised inviting feedback from Board-approved ethics course providers. On June 10, 2025, Board staff sent the following questions to the 15 instructors who were then authorized by the Board:

**Question 1:** Do you think the current ethics course component percentages in Board *Rule 523.131* are appropriate? (The current percentages were provided for reference: 25% on ethical principles and values; 25% on ethical reasoning and dilemmas; 15% on the Board's *Rules of Professional Conduct*, with special focus on recent changes in those rules and including information on the peer assistance available to Texas CPAs, and 35% on case studies that require application of ethical principles, values, and ethical reasoning within the context of the Board's *Rules of Professional Conduct*).

**Question 2:** What, if any, changes to the component percentages would you suggest and why?

**Question 3:** How might you plan to incorporate common Rule violations into your ethics course content?

Staff received feedback from eight instructors. The overall consensus from instructors was that changes to the component percentages are not needed. The following are highlights from the instructor's responses.

- Six instructors felt that no changes were needed to the current percentages.
- Two instructors proposed changes to the components: one instructor suggested increasing the percentage to 25 percent for the Board's *Rules of Professional Conduct*, and one instructor recommended adding a 15% percentage just for common Rule violations.
- Three instructors mentioned they already incorporate common Rule violations into their course content.
- One instructor noted that the most common Rule violations would be a great item to update every few years and make available to ethics course providers.
- The instructors also shared many ideas on how they might incorporate most common Rule violations into their course content, including: using common Rule violations as examples throughout the course and emphasize them in

context, using games and interactive content that include common Rule violations, using an analytics dashboard to display common Rule violation information, and incorporating most common Rule violations into case studies.

**RECOMMENDATION:** None by staff.

**MOTION:** None by staff.

**Agenda Item V**  
**Joint Rules, Licensing and CPE Committee Agenda**  
**September 17, 2025**  
**1:30 p.m.**

- C. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 514 – Certification as a CPA* of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.

**DISCUSSION:** Staff is not proposing any revisions or repeal to the *Chapter 514 Rules*. The review has been conducted pursuant to Rule Review.

**RECOMMENDATION:** The staff recommends that the Rules Committee recommend that the Board readopt those rules that do not require revision. There is no proposal to repeal these rules.

**SUGGESTED MOTION:** That the Rules Committee recommend to the Board that it readopt those rules requiring no revision in accordance with Rule Review.

1 CHAPTER 514 CERTIFICATION AS A CPA  
2 RULE §514.1 Names on Certificate  
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4 (a) The certificate of a CPA shall be issued under the legal name of the applicant as it  
5 appears on the birth certificate, current passport or alien registration card or as changed  
6 by court order, marriage license, or divorce decree.

7 (b) The license of a CPA may be issued in the name of the licensee as it appears on the  
8 birth certificate or other appropriate legal document in accordance with §511.22 of this  
9 title (relating to Initial Filing of the Application of Intent) or as changed by court order,  
10 marriage license, or divorce decree.

11 (c) At the applicant's option, words or abbreviations such as "Jr." or "III" do not have to  
12 appear on the certificate, license, or the board's records even though such words or  
13 abbreviations are part of the applicant's legal name.

1 CHAPTER 514 CERTIFICATION AS A CPA  
2 RULE §514.2 Certificate

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4 All certificates shall be issued in the name of the board with the signatures of all board  
5 members and the seal of the Texas State Board of Public Accountancy.

1 CHAPTER 514 CERTIFICATION AS A CPA  
2 RULE §514.3 Replacement Certificate  
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- 4 (a) Replacement certificates may be issued by the board in appropriate cases and upon  
5 payment by the CPA of the fee as determined by the board in §521.11 of this title  
6 (relating to Fee for a Replacement Certificate). A certificate holder is specifically  
7 prohibited from possessing more than one Texas certificate as a CPA.
- 8 (b) When a replacement certificate is requested, the certificate holder must submit an  
9 affidavit describing the occurrence that necessitated the replacement certificate.

**Agenda Item V**  
**Joint Rules, Licensing and CPE Committee Agenda**  
**September 17, 2025**  
**1:30 p.m.**

- D. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 521 – Fee Schedule*, of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.

**DISCUSSION:** Staff is not proposing any revisions or repeal to the *Chapter 521 Rules*.

**RECOMMENDATION:** The staff recommends that the Rules Committee recommend readopt those rules that do not require revision. There is no proposal for repeal of a rule.

**SUGGESTED MOTION:** That the Rules Committee recommend to the Board that it readopt those rules requiring no revision.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.1 Annual Individual License Fees  
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4 (a) The annual fee for a license issued to an individual not in retired or disabled status  
5 shall be established by the board on an annual basis. The initial license fee will be  
6 prorated for those months during which the license is valid.

7 (b) The legislature has directed the board to collect from each licensee who is neither  
8 retired nor disabled a \$10.00 annual fee for the benefit of the Scholarship Trust Fund for  
9 fifth-year accounting students.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.3 Fee for Certification by Reciprocity  
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- 4 (a) The fee for processing the issuance of a certificate as a CPA by reciprocity will be  
5 established by the board.
- 6 (b) If the application is not approved, the processing fee paid will not be refunded.
- 7 (c) A military service member, military veteran, or military spouse who holds a current  
8 license by a substantially equivalent jurisdiction is exempt from the reciprocity fee.
- 9 (d) The exemption from the reciprocity filing fee must be evidenced by an active ID,  
10 dependent ID, state-issued driver's license with a veteran designation or DD214.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.6 Duplication and Other Charges and Refund of Board Fees  
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4 (a) The board's charges for its costs of the reproduction of requested board records will  
5 be in accordance with §552.261 of the Texas Government Code (Public Information  
6 Act) and calculated pursuant to the rules of the Office of the Attorney General (Title 1,  
7 Part 3, Chapter 70 of the Texas Administrative Code).

8 (b) The board may waive these charges if there is a public benefit. The executive  
9 director is authorized to determine whether a public benefit exists on a case by case  
10 basis.

11 (c) Sales tax, if required, will be charged on publications including, but not limited to,  
12 publications containing information on the UCPAE and requirements for certification and  
13 licensure.

14 (d) Payment will be made by cash, check, or money order. No refund of any charges or  
15 fees paid to the board will be made for less than \$5.00 of monies paid by mistake in  
16 excess of the correct fee, unless specifically requested in writing.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.7 Fee for Transfer of Credits  
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4 (a) The processing fee for the transfer of credits earned in another licensing jurisdiction  
5 to this board will be established by the board. This is a non-refundable fee. This fee will  
6 be waived for a military service member or military veteran.

7 (b) The processing fee for credits earned in this state and transferred to another  
8 licensing jurisdiction will be established by the board.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.8 Retired or Disabled Status  
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4 The annual license fee for an individual in retired or disabled status will be established  
5 by the board.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.9 Certificate Fee  
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- 4 (a) The fee for the initial issuance of a CPA certificate pursuant to the Act will be  
5 established by the board. The fee is nonrefundable.  
6 (b) A military service member or military veteran who is eligible for the issuance of the  
7 CPA certificate is exempt from this fee.  
8 (c) The exemption from the certificate fee must be evidenced by an active ID, state-  
9 issued driver's license with a veteran designation or DD214.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.11 Fee for a Replacement Certificate  
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4 The fee for the replacement of a certificate will be established by the board.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.12 Filing Fee  
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- 4 (a) The filing fee for the initial filing of the application of intent to take the UCPAE will be  
5 established by the board. This is a non-refundable fee.
- 6 (b) A military service member or military veteran, who qualifies to take the UCPAE, is  
7 exempt from the initial filing of the application of intent fee.
- 8 (c) A military service member, military veteran, or military spouse who holds a current  
9 license by a substantially equivalent jurisdiction is exempt from the initial filing fee.
- 10 (d) The exemption from the initial filing fee must be evidenced by an active ID,  
11 dependent ID, state-issued driver's license with a veteran designation or DD214.

1 CHAPTER 521 FEE SCHEDULE  
2 RULE §521.13 Firm License Fees  
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4 (a) The fee for a firm license shall be established by the board on an annual basis for  
5 each office of the firm registered in Texas plus the fee required by subsection (b) of this  
6 section.

7 (b) A firm will pay an additional fee, established by the board on an annual basis, based  
8 on the number of CPAs employed at the firm office registered in Texas plus the number  
9 of non-CPA owners of the firm office registered in Texas.

10 (c) The firm license fees provided for in subsections (a) and (b) of this section will be  
11 prescribed in the board's firm registration and renewal form.

12 (d) A firm "employs" a CPA within the meaning of this rule when:

13 (1) a CPA is a partner, owner, member, shareholder, or employee of the firm;

14 (2) a CPA works at the firm, either temporarily or long term, under a lease agreement or  
15 contract with any other entity, including but not limited to personnel staffing agencies or  
16 service companies affiliated with the firm;

17 (3) a CPA works at the firm on anything less than a full time basis;

18 (4) a CPA has any of the relationships described in paragraphs (1) - (3) of this  
19 subsection with an entity that is a partner, owner, member, or shareholder of the firm; or

20 (5) a CPA has any of the relationships described in paragraphs (1) - (3) of this  
21 subsection with an entity affiliated with the firm and that CPA participates in performing  
22 professional services for clients of the firm.

23 (e) Each firm shall certify to the board the highest number of CPAs it employs within the  
24 meaning of this section during the 30 days prior to filing its application. Each CPA  
25 should be counted only once, even if he or she has more than one relationship as  
26 described in subsection (d)(1) - (5) of this section.

27 (f) Firm license fees will not be prorated or refunded.

28 (g) A firm whose license has been expired for 90 days or less may renew the license by  
29 paying the board a late fee established by the board on an annual basis in addition to  
30 the license fee required to be paid under subsections (a) and (b) of this section.

31 (h) A firm whose license has been expired for more than 90 days may renew the license  
32 by paying the board a late fee established by the board on an annual basis in addition to  
33 the license fee required to be paid under subsections (a) and (b) of this section.

CHAPTER 521 FEE SCHEDULE  
RULE §521.14 Eligibility Fee

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(a) The board shall determine the UCPAE eligibility fee for each section for which an applicant is eligible and applies.

(1) Auditing and Attestation

(2) Financial Accounting and Reporting

(3) Regulation

(4) Business Environment and Concepts

(b) Effective January 1, 2024, the board shall utilize the UCPAE available from the AICPA covering the following sections:

(1) auditing and attestation (AUD);

(2) business analysis and reporting (BAR);

(3) financial accounting and reporting (FAR);

(4) information systems and controls (ISC);

(5) taxation and regulation (REG); and

(6) tax compliance and planning (TCP).

(c) The eligibility fee shall be paid to the Texas State Board of Public Accountancy. This is a non-refundable fee.

(d) An applicant taking a section of the UCPAE shall pay an examination fee to NASBA, when required by NASBA.

(e) The eligibility fee may be paid electronically through the Texas Online system and applicable processing fees for the use of this service will be added to the total fee paid.

(f) Upon receipt by the board of an incomplete application, an applicant has 180 days to complete the application. If the application is not completed within that time, the application is terminated, the eligibility fee is forfeited and the applicant must file a new application and pay a new eligibility fee to continue with the examination process.

(g) The fee paid shall be valid for 180 days after the board determines that an applicant is eligible for a section of the UCPAE. The board may extend the 180-day eligibility to accommodate the psychometric evaluation and performance of test questions by the test provider.

(h) A military service member or military veteran who is eligible to take the UCPAE is exempt from the eligibility fee.

- 1 (i) The exemption from the eligibility fee must be evidenced by an active ID, state-issued
- 2 driver's license with a veteran designation or DD214.

**Agenda Item V**  
**Joint Rules, Licensing and CPE Committee Agenda**  
**September 17, 2025**  
**1:30 p.m.**

- E. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 525 – Criminal Background Investigations*, of the Board's Rules pursuant to *Section 2001.039* of the *Texas Government Code*.

**DISCUSSION:** Staff is not proposing any revisions or repeal to the *Chapter 525 Rules*.

**RECOMMENDATION:** The staff recommends that the Rules Committee recommend that the Board readopt those rules that do not require revision. There is no proposal for repeal of a rule.

**SUGGESTED MOTION:** That the Rules Committee recommend to the Board that it readopt those rules requiring no revision in accordance with Rule Review.

1 CHAPTER 525

CRIMINAL BACKGROUND INVESTIGATIONS

2 RULE §525.1

Applications for the UCPAE, Issuance of the CPA Certificate, or Initial  
License

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5 (a) The board may prohibit an individual from taking the UCPAE, and may not issue the  
6 CPA certificate, or an initial license, for up to five years from the date of the application,  
7 if the board finds that the applicant has been convicted of an offense listed in Article  
8 42A.054 of the Texas Code of Criminal Procedure, a sexually violent offense as defined  
9 by Article 62.001 of the Texas Code of Criminal Procedure, or a criminal offense which  
10 directly relates to the duties and responsibilities of the practice of public accountancy.

11 The board may consider an individual to have been convicted of a criminal offense  
12 regardless of having received deferred adjudication and having the charges dismissed if  
13 the individual has not completed the period of supervision or the individual completed  
14 the supervision less than five years before the individual applied for the license. In  
15 determining whether the felony or misdemeanor conviction directly relates to the duties  
16 and responsibilities of the practice of public accountancy, the board shall consider:

- 17 (1) the nature and seriousness of the crime;  
18 (2) the relationship of the crime to the purposes for requiring a license to engage in the  
19 practice of public accountancy;  
20 (3) the extent to which a license to practice public accountancy might offer an  
21 opportunity to engage in further criminal activity of the same type as that in which the  
22 applicant was previously involved;  
23 (4) the relationship of the crime to the ability, capacity, or fitness required to perform the  
24 duties and discharge the responsibilities of a CPA or public accountant; and  
25 (5) any correlation between the elements of the crime and the duties and responsibilities  
26 of the practice of public accountancy.

27 (b) In addition to the factors stated in subsection (a) of this section, the board shall  
28 consider:

- 29 (1) the extent and nature of the applicant's past criminal activity;  
30 (2) the age of the applicant when the crime was committed;  
31 (3) the amount of time that has elapsed since the applicant's last criminal activity;  
32 (4) the conduct and work activity of the applicant before and after the criminal activity;  
33 (5) evidence of the applicant's rehabilitation or rehabilitative effort while incarcerated or  
34 after release;

(6) evidence of the applicant's compliance with any conditions of community supervision, parole, or mandatory supervision; and

(7) other evidence of the applicant's fitness, including letters of recommendation from:

- (A) prosecutors and law enforcement and correctional officers who prosecuted, arrested, or had custodial responsibility for the applicant;
- (B) the sheriff or chief of police in the community where the applicant resides; and
- (C) any other person in contact with the convicted applicant.

(c) It is the applicant's responsibility to obtain and provide to the board evidence regarding the factors listed in subsection (b) of this section.

(d) In addition to fulfilling the requirements of subsection (c) of this section, the applicant shall furnish proof in the form required by the board that the applicant has:

- (1) maintained a record of steady employment;
- (2) supported the applicant's dependents;
- (3) maintained a record of good conduct; and
- (4) paid all outstanding court costs, supervision fees, fines and restitution ordered in any criminal case in which the applicant has been convicted.

(e) As provided in §901.005(c) and (e)(3) of the Act (relating to Findings; Public Policy; Purpose), the public including the business community relies on the integrity of licensees and certificate holders in providing professional accounting services or professional accounting work. The board considers a conviction or placement on deferred adjudication for a felony or conviction or placement on deferred adjudication for the misdemeanor offenses listed in §519.7 of this title (relating to Criminal Offenses that May Subject a Licensee or Certificate Holder to Discipline or Disqualify a Person from Receiving a License) to be evidence of an individual lacking the integrity necessary to be trusted with confidential client information, client funds and assets which directly relates to the duties and responsibilities of a licensee in the practice of public accountancy. An applicant who is convicted of a felony or repeatedly violates the law may lack the integrity to enjoy the public's trust and the privilege of being a CPA.

(f) The board will not deny an applicant a license or the opportunity to be examined for a license because of the applicant's prior conviction of an offense until the board has:

- (1) provided written notice to the applicant of the reason for the intended denial; and
- (2) allowed the applicant 30 days to submit any relevant information to the board for its consideration.

(g) The notice required under subsection (f) of this section will contain as applicable:

- (1) a statement that the applicant is disqualified from receiving the license or being examined for the license because of the applicant's prior conviction of the offense specified in the notice; and
- (2) a statement that:
  - (A) the final decision of the board to deny the applicant a license or the opportunity to be examined for the license will be based on the factors listed in subsection (b) of this section; and
  - (B) it is the applicant's responsibility to obtain and provide to the board evidence regarding the factors listed in subsection (b) of this section.

(h) The following procedures shall apply in the processing of an application to take the UCPAE.

- (1) The applicant will be asked to affirm, under penalty of perjury, to the question of whether or not the applicant has ever been convicted, as provided in subsection (a) of this section, of a felony or misdemeanor.
- (2) The board shall require the applicant to arrange to provide to the Texas Department of Public Safety a complete and legible set of fingerprints from a vendor approved by the Texas Department of Public Safety for the purpose of obtaining the applicant's criminal history record information unless fingerprints have been previously submitted for licensure on or after September 1, 2014.
- (3) The board will review the criminal history record information and will approve or disapprove applications as the evidence warrants. If the requested information is not provided at least 10 days prior to the examination, an applicant may be permitted to take the UCPAE, with his or her scores subject to being voided.
- (4) The examination eligibility fee of an applicant whose application to take the UCPAE has been denied under this section or §511.70 of this title (relating to Grounds for Disciplinary Action of Applicants) and who has not taken any portion of the examination shall be refunded.

(i) Unless an applicant has been convicted of an offense as described in subsection (a) of this section, the board will issue the license for which the applicant applied or a provisional license described in subsection (j) of this section.

(j) The board may issue a provisional license for a term of six months to an applicant who has been convicted of an offense described in subsection (a) of this section.

- 1 (k) The board shall revoke a provisional license if the provisional license holder:
- 2 (1) commits a new offense;
- 3 (2) commits an act or omission that causes the applicant's community supervision,
- 4 mandatory supervision, or parole to be revoked, if applicable; or
- 5 (3) violates the law or rules governing the practice of public accountancy.

4 (a) The following shall apply when renewing a license annually.

5 (1) Each licensee shall be asked in their license renewal application to affirm, under  
6 penalty of perjury, whether or not the licensee has ever been convicted of a felony or  
7 misdemeanor of which the board has not previously been informed.

8 (2) The board may consider an individual to have been convicted of an offense  
9 regardless of having received deferred adjudication and having the charges dismissed if  
10 the individual has not completed the period of supervision or the individual completed  
11 the supervision less than five years before the individual applied for license renewal.

12 (3) If the licensee has been convicted, as provided in paragraph (2) of this subsection,  
13 of an offense listed in Article 42A.054 of the Texas Code of Criminal Procedure, a  
14 sexually violent offense as defined by Article 62.001 of the Texas Code of Criminal  
15 Procedure, or a criminal offense which directly relates to the duties and responsibilities  
16 of the practice of public accountancy, the licensee may be subject to disciplinary action.

17 (4) In determining whether the felony or misdemeanor conviction directly relates to the  
18 duties and responsibilities of the practice of public accountancy, the board shall  
19 consider:

20 (A) the nature and seriousness of the crime;

21 (B) the relationship of the crime to the purposes for requiring a licensee to engage in the  
22 practice of public accountancy;

23 (C) the extent to which a license to practice public accountancy might offer an  
24 opportunity to engage in further criminal activity of the same type as that in which the  
25 licensee was previously involved;

26 (D) the relationship of the crime to the ability, capacity, or fitness required to perform the  
27 duties and discharge the responsibilities of a CPA or public accountant; and

28 (E) any correlation between the elements of the crime and the duties and  
29 responsibilities of the practice of public accountancy.

30 (b) In determining the fitness to perform the duties and discharge the responsibilities of  
31 the licensed occupation of a licensee who has been convicted of a crime, the board  
32 shall consider, in addition to the factors listed in subsection (a)(4) of this section:

33 (1) the extent and nature of the licensee's past criminal activity;

34 (2) the age of the licensee when the crime was committed;

(3) the amount of time that has elapsed since the licensee's last criminal activity;

(4) the conduct and work activity of the licensee before and after the criminal activity;

(5) evidence of the licensee's rehabilitation or rehabilitative effort while incarcerated or after release;

(6) evidence of the licensee's compliance with any conditions of community supervision, parole, or mandatory supervision; and

(7) other evidence of the licensee's fitness, including letters of recommendation from:

(A) prosecutors and law enforcement and correctional officers who prosecuted, arrested, or had custodial responsibility for the licensee;

(B) the sheriff or chief of police in the community where the licensee resides; and

(C) any other person in contact with the convicted licensee.

(c) It is the applicant's responsibility to obtain and provide to the board evidence regarding the factors listed in subsection (b) of this section.

(d) In addition to fulfilling the requirements of subsection (c) of this section, the licensee shall furnish proof in the form required by the board that the licensee has:

(1) maintained a record of steady employment;

(2) supported the licensee's dependents;

(3) maintained a record of good conduct; and

(4) paid all outstanding court costs, supervision fees, fines and restitution ordered in any criminal case in which the licensee has been convicted.

(e) As provided in §901.005(c) and (e)(3) of the Act (relating to Findings; Public Policy; Purpose), the public including the business community relies on the integrity of licensees and certificate holders in providing professional accounting services or professional accounting work. The board considers a conviction or placement on deferred adjudication for a felony or conviction or placement on deferred adjudication for the misdemeanor offenses listed in §519.7 of this title (relating to Criminal Offenses that May Subject a Licensee or Certificate Holder to Discipline or Disqualify a Person from Receiving a License) to be evidence of an individual lacking the integrity necessary to be trusted with confidential client information, client funds and assets which directly relates to the duties and responsibilities of a licensee in the practice of public accountancy. A licensee who is convicted of a felony or repeatedly violates the law may lack the integrity to enjoy the public's trust and the privilege of being a CPA.

1 (f) The board shall require each licensee on a one-time basis seeking renewal of their  
2 license to arrange to provide to the Texas Department of Public Safety a complete and  
3 legible set of fingerprints from a vendor approved by the Texas Department of Public  
4 Safety for the purpose of obtaining the licensee's criminal history record information  
5 unless fingerprints have been previously submitted for licensure on or after September  
6 1, 2014 by the licensee.

1 CHAPTER 525 CRIMINAL BACKGROUND INVESTIGATIONS  
2 RULE §525.3 Criminal Background Checks  
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4 (a) Applicants to take the UCPAE and licensees applying for license renewal shall  
5 arrange to provide to the Texas Department of Public Safety a complete and legible set  
6 of fingerprints from a vendor approved by the Texas Department of Public Safety for the  
7 purpose of obtaining the applicant's or licensee's criminal history record information  
8 unless the fingerprints have been previously submitted after September 1, 2014. Once  
9 fingerprints have been provided, additional fingerprints will not be required so long as  
10 the fingerprints provided were complete and legible.

11 (b) Criminal history record information obtained from the Texas Department of Public  
12 Safety and the Federal Bureau of Investigation will be maintained pursuant to §411.084  
13 of the Texas Government Code in order to protect the confidentiality of the information.

**Agenda Item V**  
**Joint Rules, Licensing and CPE Committee Agenda**  
**September 17, 2025**  
**1:30 p.m.**

- F. Discussion, consideration, and possible action concerning the Rule Review of *Chapter 526 – Board Opinions*, of the Board's *Rules* pursuant to *Section 2001.039* of the *Texas Government Code*.

**DISCUSSION:** Staff is not proposing any revisions or repeal to the *Chapter 526 Rules*.

**RECOMMENDATION:** The staff recommends that the Rules Committee recommend that the Board readopt those rules that do not require revision. There is no proposal for repeal of a rule.

**SUGGESTED MOTION:** That the Rules Committee recommend to the Board that it readopt those rules requiring no revision in accordance with Rule Review.

1 CHAPTER 526 BOARD OPINIONS  
2 RULE §526.1 Issuance of Opinions  
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4 The board may issue opinions upon the written request of any person. These opinions  
5 shall be based on actual facts specific to the situation and submitted in accordance with  
6 board instructions and shall be limited to areas within the board's jurisdiction. The board  
7 may determine not to issue an opinion.

- 4 (a) The appropriate board committee will review requests for opinions and determine if  
5 the opinion request is appropriate for board consideration and if so submit a  
6 recommended action to the board. The board may decline to consider requests for  
7 opinions on interpretations of the Act or board rules. All recommendations will be  
8 submitted for consideration by the board at a regularly scheduled meeting.
- 9 (b) The board will consider the recommendation of the committee and will:
- 10 (1) decline to ratify the recommendation of the committee;  
11 (2) approve or amend the recommendation of the committee and issue an opinion; or  
12 (3) take such other action as the board may deem appropriate.

1 CHAPTER 526 BOARD OPINIONS  
2 RULE §526.3 Advisory Opinions  
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4 The board's staff or board members may issue an opinion to any person with a cover  
5 letter clearly identifying that the opinion is advisory in nature, and is restricted to the  
6 specific fact situation identified in the opinion, and is not binding on the board. Board  
7 staff may respond to routine questions without the need for issuing formal staff opinions.