

**ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026**  
**COMMITTEE STATEMENT (UPDATED)**  
**LB718**

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**Hearing Date:** Tuesday January 20, 2026  
**Committee On:** Banking, Commerce and Insurance  
**Introducer:** Jacobson  
**One Liner:** Change provisions relating to examination, permit issuance, and disciplinary actions regarding certified public accountants

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**Roll Call Vote - Final Committee Action:**

Advanced to General File

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**Vote Results:**

**Aye:** 8 Senators Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Testimony:**

**Proponents:**

Senator Mike Jacobson  
Jodi Eckhout

Luke Wenz

Andrew Blossom

**Representing:**

Opening Presenter

Nebraska Society of CPA's / Woods & Durham  
Chartered

Platte Institute

Nebraska State Board of Accountancy

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

\* ADA Accommodation Written Testimony

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**Summary of purpose and/or changes:**

LB 718 primarily aims to modernize the path to becoming a Certified Public Accountant (CPA) in Nebraska by lowering the barrier to entry for the examination. The most significant change is the reduction of the credit hour requirement to sit for the CPA exam from 150 credit hours to a standard four-year bachelor's degree (including demonstration that accounting, auditing, business, and other subjects at the appropriate level as required by the board are included within the required hours of postsecondary academic credit).

While the bill eases the entry point for testing, it maintains high professional standards by clarifying that a formal CPA title and permit are only granted after a candidate completes their full experience and educational requirements. Additionally, the legislation refines interstate mobility rules, empowers the Nebraska State Board of Public Accountancy (Board) to define specific subject requirements, and creates a fairer disciplinary framework that



distinguishes between administrative lapses (like a late renewal) and actual ethical violations.

#### Section-by-Section Summary:

Section 1: Amends Neb. Rev. Stat. § 1-114 to remove obsolete provisions relating to the general requirements for receiving a CPA certificate. It maintains residency and employment requirements while ensuring that the certification process remains consistent with new examination standards.

Section 2: Amends Neb. Rev. Stat. § 1-116. This is the most significant change in the bill, and does the following:

- Credit Reduction: Changes the eligibility to sit for the CPA exam from 150 semester hours to a standard bachelor's degree w/ specific subjects included.
- Timing: Clarifies that candidates must complete these hours and earn their degree before taking any portion of the examination.
- Subject Requirements: Empowers the Board to define the specific subjects (accounting, auditing, business) required within those 120 hours.

Section 3: Amends Neb. Rev. Stat. § 1-117 to clarify that simply passing the exam does not grant an individual the title of CPA. A person has no official status as a CPA until they have met both the experience requirements and the educational requirements, and have been issued a formal permit.

Section 4: Amends Neb. Rev. Stat. § 1-124 to update how Nebraska handles CPAs moving from other states or foreign countries. It allows the Board to waive examination requirements for those who hold a valid, comparable certificate from another jurisdiction, provided they meet Nebraska's qualification requirements and professional standards.

Section 5: Amends Neb. Rev. Stat. § 1-125.01 to refine the the rules granting practice privileges to CPAs licensed in other states. It allows CPAs from other states to practice in Nebraska without a local permit, provided their principal place of business is outside Nebraska and their home state's requirements are substantially equivalent to Nebraska's requirements.

Section 6: Amends Neb. Rev. Stat. § 1-136.02 to detail the requirements for the actual permit to practice. It outlines the transition for those who may have qualified under the previous 150-hour rule versus the new 120-hour rule, ensuring that education and work experience are properly completed and documented.

Section 7: Amends Neb. Rev. Stat. § 1-137 to revise the language used for Board actions. It distinguishes between disciplinary actions (for fraud or dishonesty) and nondisciplinary actions (such as revoking a permit simply because the holder failed to renew it). This protects the professional reputation of accountants who may have administrative lapses rather than ethical ones.

Section 8: Amends Neb. Rev. Stat. § 1-148 by adding language stating that a revocation order is considered nondisciplinary if it was issued for a failure under subdivision (9) of Neb. Rev. Stat. § 1-137.

Section 9: Repealer.

Section 10: Outright repeals Neb. Rev. Stat. § 1-136.04, a statute that relates to permit issuance on the basis of prior accounting or auditing experience.



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Mike Jacobson, Chairperson

