

NY CPA

Legislative Update



SPECIAL MESSAGE

Dear INSERT_FIRST_NAME,

If there was ever a year that demonstrated the impact collective advocacy can achieve, it has been 2025.

Thanks to the strength of our membership and the strategic focus of our advocacy initiatives, this year has become one of the most successful in the history of mission-driven legislative engagement at the New York State Society of CPAs. From reshaping licensing pathways to protecting practice mobility and expanding opportunities for the next generation of CPAs — we didn't just push for progress; **we delivered it**. These victories stand as proof that when our members raise their voices, elected leaders listen.

This *Legislative Update* offers a front-row seat for those wins. It reflects countless hours of policy analysis, legislative negotiation, member engagement, and grassroots momentum. I invite you to read **every word** — not just to be informed, but to feel the same sense of pride that we do. Because these accomplishments are not ours alone... they belong to **you**.

As we celebrate this remarkable year of advocacy, I'd be remiss not to recognize the leaders who helped steer us through complexity and into impact. A special thank you to Immediate Past President of the Society Kevin O'Leary, whose unwavering support helped us shoulder a monumental agenda. And to current President Kevin Matz, whose leadership ensured we carried momentum through the final stretch and across the finish line.

I also want to acknowledge our advocacy champions in the political engagement ecosystem: current President of the PAC A'Isha Torrence, former President of the PAC David Evangelista, and former Chair of the Legislative Task Force Kevin McCoy. Their contributions represent the very best of service, stewardship, and strategic advocacy.

And to the full Government Relations Team at the Society, along with our talented Legislative Task Force and our dedicated PAC — your work has been the engine behind change. You continue to ensure that the accounting profession remains top-of-mind where it matters most: in the chambers, agencies, and policy conversations shaping New York's future.

Most importantly, thank you to our members. Your engagement is our power. Your trust is our mandate. Your voice is our leverage. None of this happens without you.

Together, we turned advocacy into law. We turned momentum into wins. We turned 2025 into a legacy year. Now, let's explore every detail of what we achieved and where we go

from here.

Ever Upward,



Calvin Harris Jr.
CEO, New York State Society of CPA

ON YOUR BEHALF

NYCPA Legislative Breakfasts:

Assemblymember Jordan J. G. Wright joined the Manhattan/Bronx and Queens/Brooklyn chapter's Legislative Breakfast, while Senator Pat Fahy joined the Northeast chapter for theirs. Assemblymember Wright and Senator Fahy both spoke about their legislative priorities ahead of the new legislative session, which will begin the first week of January. Both legislators took questions from members and addressed various NYCPA-backed legislative and regulatory issues.



Assemblymember Jordan J. G. Wright (D-Harlem) with NYCPA CEO Calvin Harris, Jr. at the NYCPA Headquarters



Senator Pat Fahy (D-Albany) (center) at the Fort Orange Club with members from the NYCPA Northeast Chapter

Teed Off at Citi Field:

Members experienced Citi Field like never before with a nine-hole golf round across the Upper Deck of the iconic stadium! Members were able to test their skills in fun challenges while also supporting NYCPA PAC's mission to amplify the voice of CPAs

across New York.



NYCPA President-elect Michael Durant tees off at Citi to support the PAC

NYCPA at the Annual SOMOS Legislative Conference:

Legislative Task Force Chairman Kevin O’Leary, PAC Secretary Lynne Fuentes, Society President-elect Michael Durant and Government Relations Director Jovan C. Richards attended the 2025 SOMOS Legislative Conference hosted by SOMOS, Inc., which is a nonpartisan, nonprofit organization that unites the Latino and other key vulnerable communities to advocate for and elevate social consciousness on public policy in collaboration with the New York State Assembly/Senate Puerto Rican & Hispanic Task Force.

This conference has been called the unofficial start of the new legislative session. During the event, our team was able to discuss our legislative priorities with Governor Kathy Hochul, Lt. Governor Antonio Delgado, Comptroller Tom DiNapoli, Attorney General Tish James, Senate Majority Leader Andrea Stewart Cousins, Assembly Speaker Carl E. Heastie, New York City Public Advocate Jumaane Williams, New York City Comptroller Brad Lander; Sens. Michael Gianaris (Deputy Senate Majority Leader), James Saunders, Jr., Leroy Comrie, Andrew Gounardes, Cordell Cleare, Robert Jackson, Luis Sepúlveda, Gustavo Rivera, Nathalia Fernandez, Kristen Gonzalaz, Jamaal T. Bailey, Jessica Ramos, Kevin S. Parker, Shelley Mayer, Brad Hoylman-Sigal (incoming Manhattan Borough President), Sean Ryan, Jose Serrano, Jeremy Cooney, and Zellnor Myrie.

Additionally, we also had an opportunity to engage with Assembly members Khaleel M. Anderson, Landon C. Dais, Chris Burdick, Dana Levenberg, Latrice M. Walker, Amy Paulin, Kimberly Jean-Pierre, Harvey Epstein, Michaelle C. Solages, Jessica Gonzalaz-Rojas, Tony Simone, Edward Gibbs, Chantell Jackson, Amanda Septimo, John Zaccaro, Jr., Jo Anne Simon, Alex Bores, Simcha Eichenstein, Brian Cunningham, Catalina Cruz, Clyde Vanal, Grace Lee, Karines Reyes (Puerto Rico & Hispanic Legislators Task Force Chair), Rodneyse Bichotte-Hermelyn, Jenifer Rajkumar, Yudelka Tapia, and Jordan Wright.

Further conversation included Bronx District Attorney Darcel Clark, Brooklyn District Attorney Eric Gonzalaz, various NYC Councilmembers, Mayors Yadira Ramos-Hurbert

and Omayra Andino, Mayor-elect Zohran Mamdani, numerous educational institutions, and the NYS Hispanic Chamber of Commerce. Conversations ranged from financial literacy to how CPAs can work with the local, county, and state governments for the public's best interests.



Legislative Task Force Chair Kevin O'Leary and President-elect Michael Durant with Senator Kristen Gonzalez (D-Manhattan, Brooklyn, Queens)



PAC Secretary Lynne Fuentes and President-elect Michael Durant with Senator Robert Jackson (D-Manhattan, Bronx)

MSF Recognizes State Comptroller Tom DiNapoli:

The Moynihan Scholarship Fund (MSF), during their Downstate Gala, presented NYS Comptroller Tom DiNapoli with an award for his work surrounding financial literacy. Over the last few years, the Comptroller and his office have played a significant role in ensuring students in New York State have the greatest resources for their financial health and education.



State Comptroller Thomas P. DiNapoli accepts recognition for financial literacy achievements at MSF Downstate Gala

NYCPA Joins the AICPA in Opposing Federal Deregulation:

AICPA and state CPA societies, including NYCPA, [oppose federal proposals that exclude accounting from the definition of professional degree programs](#). We have urged the U.S. Department of Education to explicitly classify accounting as a professional degree, which would protect student loan eligibility for aspiring CPAs.

AICPA and NYCPA leadership underscore that the field's rigorous licensure process—including mandated education, the CPA Exam, supervised experience, ethics obligations, and lifelong professional education—meets the standard of a professional degree.

According to the U.S. Bureau of Labor Statistics, accounting demand is projected to grow faster than overall job growth through 2034 (+5% vs. +3%), reinforcing the need for federal recognition and financial support. The organizations will continue to advocate for this classification to sustain the profession and public interest.

LEGISLATIVE VICTORIES

Additional Licensure Pathways:

Governor Kathy Hochul has officially signed [A.7613 \(Peoples-Stokes\) / S.6892 \(Stavisky\)](#) into law, establishing a long-awaited additional pathway to CPA licensure in New York State. This landmark achievement modernizes the requirements for becoming a CPA and reflects the evolving needs of the accounting profession.

The legislation passed by the Assembly unanimously and the Senate with overwhelming bipartisan support—reforming New York’s decades-old education requirements. For the first time since 2009, aspiring CPAs will now be able to pursue licensure through an additional route: 120 credit hours (equivalent to a bachelor’s degree) plus two years of relevant work experience. This pathway restores the pre-2009 standard while maintaining the current 150-hour/one-year experience option and ensures greater accessibility for students pursuing the profession.

In addition to expanding entry pathways, the new law safeguards interstate practice mobility, making clear that out-of-state CPAs in good standing who have passed the Uniform CPA Examination may continue to practice in New York without obtaining an additional reciprocal license—while still adhering to New York’s laws and regulations.

Governor Hochul’s signature starts the clock for full implementation by November 2026, giving the State Education Department one year to operationalize the new requirements. Our Government Relations Team intends to work closely with the Board of Public Accountancy to help coordinate education requirements.



Financial Literacy Coming to NYS Public Schools:

During her term as President of the Society, Lynne Fuentes tasked the Society with expanding financial literacy for New York public school students and directed NYCPA’s Government Relations Team to collaborate with the State Education Department (SED) on embedding foundational personal-finance knowledge into public education. Recognizing the complexity of SED’s curriculum-approval process, NYCPA sustained

multi-year advocacy, applying legislative pressure and building strategic partnerships. Those efforts included joining a statewide coalition of financial professionals and education leaders and working closely with the State Comptroller's Office to reinforce demand and institutional support. After years of continued lobbying efforts, our campaign has culminated in a major policy win: SED's governing body, the State Board of Regents, has approved a mandatory personal-finance course now required for high-school graduation in New York State, signaling the success of NYCPA's long-term pressure strategy and cross-sector collaboration. This will go into effect as of September 2027.

HOW IT WORKS

How Federal Funding Affects States:

Federal tax dollars collected by the national government return to New York through grants, reimbursement programs, and formula-driven funding distributed by federal agencies. These dollars help maintain essential state systems—schools, transportation networks, public safety, industry growth, environmental protections, and social support programs. When federal funding priorities shift, the consequences are felt directly by New York residents because the state relies heavily on Washington-funded programs to keep baseline services functioning.

If Congress next year fails to expand or renew education funding within agencies like the DOE, New York could feel immediate downstream pressure. More school districts may have to raise local property taxes, reduce enrichment programs, delay literacy or technology upgrades, or seek alternative support through philanthropic grants or private partnerships. This could widen inequities between wealthy and low-income districts, even though the students being served are all New Yorkers.

For New Yorkers pursuing higher education, reductions or freezes in DOE funding next year could tighten FAFSA aid, slow the approval of new federal education grants, and limit work-study or scholarship expansions for colleges across the state. Students could face larger unmet tuition gaps, pushing families to rely more on state aid programs like TAP or private financing, potentially increasing student loan dependency through lenders regulated under federal financial frameworks.

Infrastructure will also hinge on federal priorities. For example, NYC transportation networks rely on FTA capital allocations. If federal funding for mass transit modernization or safety upgrades slows next year, subway signal upgrades, bus electrification, or commuter rail safety improvements may take longer, creating reliability challenges for riders who commute daily through the MTA system. Delayed federal funding would shift pressure to state lawmakers, municipal budgets, or bond financing—to pay for the same upgrades at a higher cost or slower pace.

Federal tax policy changes next year could also shape household economics. If federal tax rates, child tax credits, deductions for middle-class families, or state and local tax (SALT) deductibility rules shift, families across New York—from NYC to the Hudson Valley, Long Island, Buffalo, Albany, or Syracuse—may see changes in their take-home income. Even a "policy of inaction" in Washington—such as failing to extend tax credits—could reduce household purchasing power at a time when New York is fighting inflation and affordability pressures locally.

Another major dependency for New York residents is Medicaid funding, which is co-financed federally. If Washington next year fails to increase Medicaid reimbursement or adjust formulas, hospitals and rural care networks could face deeper fiscal pressure, potentially affecting wait times, behavioral health expansion, rural healthcare accessibility, or local clinic funding for underserved populations.

Workforce funding priorities will also matter. If federal labor grants next year target industries differently, New Yorkers whose communities depend on workforce training dollars—especially in STEM, federal job-alignment programs, unemployment insurance, or apprenticeship pipelines routed through the DOL or DOL-adjacent grant streams—may see shifts in job training resources. If accounting or financial sector-aligned workforce programs are not prioritized federally next year, New Yorkers entering these professions may have to lean more on state-regulated training institutions and credentialing support offered through private associations or coalitions.

Environmental funding also supports New York's resilience goals. If federal environmental dollars supporting clean energy grants or climate resiliency projects slow next year, New Yorkers may see delays in school building efficiency retrofits, coastal resiliency funding, flood mitigation, or clean water capital programs. Municipalities across the state may have to rely more on state DEC grants and agency-funded environmental pipelines instead of federally expanded climate appropriations.

Disaster funding is another point of New York dependency. If Washington FEMA priorities shift next year or competitive federal emergency grants stall, New Yorkers could feel longer recovery times after floods, storms, or emergencies—particularly upstate communities that rely disproportionately on FEMA emergency reimbursements and hazard mitigation grant programs.

The core takeaway for New Yorkers next year is this: Washington moves billions—but New York moves daily life. If federal funding for targeted systems stalls next year, the burden will fall to state lawmakers, local budgets, bonds, philanthropy, and cross-industry coalitions to backfill the same goals. Projects could still move, but more slowly, less evenly, and often at a higher cost to residents.

2025 LEGISLATIVE SPOTLIGHT

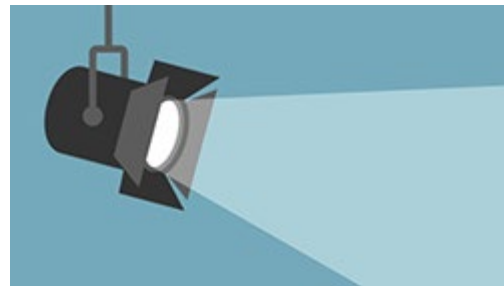
Pass-Through Entity Tax (PTET)

BACKGROUND: The Pass-Through Entity Tax (PTET) has been one of our biggest legislative wins over the past five years. It has saved New York taxpayers large amounts of federal tax, at no cost to the state.

As good as it has been, the Society believes that it still needs adjustment to resolve some of the issues that have arisen on a consistent basis. Most of the problems revolve around the fixed election date of March 15 of the taxable year in which the election would be effective. For example, if a partnership is formed on March 1, 2023, it can elect to pay PTET for the 2023 tax year. If it is formed on March 31, 2023, the first year in which it could elect PTET is 2024. Another example would be if there is a windfall gain in an entity after the March 15 election date, an entity cannot then elect in.

Since the imposition of the tax is fiscally neutral to the state, there is no reason to have the fixed date within the first 2½ months of a tax year. We are urging the legislature to adopt a post-year-end election date, while imposing an estimated tax requirement with penalties for underpayment of estimates for any year, regardless of the election date.

UPDATE: The Governor added PTET to her Executive Budget for FY2026, but the Legislature's two-house budget took it out. During the negotiation process, PTET was on



and off the table. At the conclusion of negotiations, PTET was not added to the recently passed budget bills. Although we are disappointed by this news, we will continue to advocate for this vital legislation. Conversation surrounding adding PTET to the Governor's FY2027 budget has already begun.

[Read the 2025 NYCPA Legislative & Regulatory Agenda in full](#)

STATE AND FEDERAL UPDATES

Get the latest information from the following statewide officials and the federal government:

Governor Kathy Hochul:

- [Gov. Hochul Announces Benefits for New Yorkers Facing Food Insecurity Through FreshConnect Program](#)
- [Gov. Hochul Highlights Affordability Initiatives to Support New York's Veterans and Their Families](#)
- [Gov. Hochul Announces Record-Setting \\$3.3 Billion in State Spending with Minority- and Women-Owned Businesses](#)
- [Gov. Hochul Announces Enrollment Gains at the State University of New York for Third Consecutive Year](#)

Comptroller Thomas P. DiNapoli:

- [State Comptroller DiNapoli Releases Municipal and School Audits](#)
- [State Pension Fund Valued at \\$291.4 Billion at End of Second Quarter](#)
- [State Comptroller DiNapoli Releases Audits](#)
- [NYC's Public Hospitals Need to Do More to Provide Interpretation Services](#)

Attorney General Letitia James:

- [AG James Sues to Stop Trump Administration's Attempt to Cut Off SNAP Benefits for Permanent Residents](#)
- [AG James Leads Bipartisan Coalition Urging Congress to Reject Legislation Preventing State Regulation of Artificial Intelligence](#)
- [AG James Calls on Federal Government to Reverse Naturalization Ceremony Cancellations](#)
- [AG James Successfully Defends New York's Protect Our Courts Act](#)

ARTICLES ON LEGISLATION & ADVOCACY

To keep you informed of the latest news:

- [NYCPA CEO Calvin Harris Jr. On New York's new CPA pathway, *CFO.com*](#)
- [AICPA, State Societies Urge Education Department to Recognize Accounting as a Professional Degree, *The Trusted Professional*](#)
- [Hochul Signs CPA Licensure Pathway Bill, Capping a Strong Year of Advocacy for the NYCPA, *The Trusted Professional*](#)



- [NASBA and AICPA Solicit Comments on Revised CPE Standards](#), *The Trusted Professional*
- [AICPA Pushes Back on Proposed IRS Office Merger](#), *The Trusted Professional*
- [NY Won't Immediately Flip the CPA Licensing Switch. Here's What Happens Next.](#), *CFO Dive*
- [Did You Get Your NY Inflation Refund Check Yet? Hochul Says 8 Million Mailed Out](#), *NBC New York*
- [New York Tax Court Approved Section 1031 "Drop & Swap" Transactions](#), *Tax Talks*
- [New York Governor Considering Raising Corporate Taxes, Sources Say](#), *Reuters*

HAVE A LEG/REG ISSUE?

Your issues matter to us! The NYCPA's Government Relations Team wants to help you be heard in the halls of power. If you have a suggestion for our Legislative Agenda, are having trouble getting through red tape or would like assistance reaching your local or state officials, please email Media & Government Relations Associate Director **Jovan C. Richards** at jrichards@nysscpa.org.



THE SOCIETY AFFILIATES & PARTNERS

The **CPA Political Action Committee (PAC)** is bipartisan and raises funds to amplify the NYCPA's collective voice in Albany. The NYCPA distributes PAC donations to New York political candidates who understand the profession's needs and concerns. When you [donate to the PAC](#), you help send a clear message to legislators that issues important to the profession affect the wider business community and the public interest—and that we will be heard.



The **Legislative Task Force (LTF)** is responsible for monitoring and evaluating New York State laws, legislation, rules, and regulations related to the accounting profession, in particular, and business, in general. In conjunction with the Society's legislative staff, the LTF proactively recommends to the NYCPA Board various amendments and changes to existing legislation and regulations on a continual basis.

The **AICPA's State Regulatory and Legislative Affairs Team** supports and advocates for state-level policymaking that promotes the profession while protecting the public interest in the United States. [Catch up on all the current news.](#)

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