

1-1 By: McCall (Senate Sponsor - Williams) H.B. No. 2440
1-2 (In the Senate - Received from the House April 27, 2009;
1-3 April 27, 2009, read first time and referred to Committee on Higher
1-4 Education; May 12, 2009, reported favorably by the following vote:
1-5 Yeas 5, Nays 0; May 12, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to scholarships for fifth-year accounting students.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Section 901.155, Occupations Code, is amended to
1-11 read as follows:

1-12 Sec. 901.155. SCHOLARSHIP TRUST FUND [~~ACCOUNT~~] FOR
1-13 FIFTH-YEAR ACCOUNTING STUDENTS. (a) The fee for the issuance or
1-14 renewal of a license under this chapter is the amount of the fee set
1-15 by the board under Section 901.154 together with the fee increase
1-16 imposed under Section 901.406 and an additional \$10 annual [~~\$20~~]
1-17 fee to be deposited to the credit of the scholarship trust fund
1-18 [~~account~~] for fifth-year accounting students [~~in the general~~
1-19 ~~revenue fund~~].

1-20 (b) The scholarship trust fund [~~account~~] for fifth-year
1-21 accounting students is held by the board outside the state treasury
1-22 and may be used only to:

1-23 (1) provide scholarships under Subchapter N[~~, Chapter~~
1-24 ~~61, Education Code,~~] to accounting students in the fifth year of a
1-25 program designed to qualify each student to apply for certification
1-26 as a certified public accountant; and

1-27 (2) pay administrative costs under Subsection (c).

1-28 (c) The administrative costs incurred to collect the fee
1-29 imposed under Subsection (a) and to disburse the money may not
1-30 exceed 10 [~~15~~] percent of the total money collected[~~, with 10~~
1-31 ~~percent of the money allocated to the Texas Higher Education~~
1-32 ~~Coordinating Board and five percent of the money allocated to the~~
1-33 ~~board~~].

1-34 (d) Notwithstanding Section 404.071, Government Code,
1-35 interest earned on amounts in the scholarship trust fund [~~account~~]
1-36 for fifth-year accounting students shall be credited to that fund
1-37 [~~account~~].

1-38 SECTION 2. Subchapter N, Chapter 61, Education Code, is
1-39 transferred to Chapter 901, Occupations Code, designated as
1-40 Subchapter N, Chapter 901, Occupations Code, and amended to read as
1-41 follows:

1-42 SUBCHAPTER N. SCHOLARSHIPS FOR FIFTH-YEAR ACCOUNTING STUDENTS

1-43 Sec. 901.651 [~~61.751~~]. DEFINITION. In this subchapter,
1-44 "fifth-year accounting student" means a student enrolled in the
1-45 additional hours of study required by Section 901.254 [~~12(e)(2)(B),~~
1-46 ~~Public Accountancy Act of 1991 (Article 41a-1, Vernon's Texas Civil~~
1-47 ~~Statutes)~~].

1-48 Sec. 901.652 [~~61.752~~]. PUBLIC PURPOSE. The scholarships
1-49 required by this subchapter serve a public purpose of the state as
1-50 described by Section 901.155 [~~32, Public Accountancy Act of 1991~~
1-51 ~~(Article 41a-1, Vernon's Texas Civil Statutes)~~].

1-52 Sec. 901.653 [~~61.753~~]. SCHOLARSHIPS. The board shall
1-53 establish and administer, using funds collected and appropriated
1-54 for that purpose and in accordance with this subchapter and board
1-55 rules, scholarships for fifth-year accounting students.

1-56 Sec. 901.654 [~~61.754~~]. FACTORS. (a) Scholarships shall be
1-57 established and administered in a manner that the board determines
1-58 best serves the public purpose of the scholarships.

1-59 (b) In determining what best promotes the public purpose,
1-60 the board shall consider at a minimum the following factors
1-61 relating to each person applying for a scholarship under this
1-62 section:

- 1-63 (1) financial need;
1-64 (2) ethnic or racial minority status; and

2-1 (3) scholastic ability and performance.

2-2 Sec. 901.655 [~~61.755~~]. RULES. (a) The board shall adopt

2-3 rules as necessary for the administration of this subchapter.

2-4 (b) The board shall adopt rules relating to the

2-5 establishment of the scholarships under Section 901.653 [~~61.753 of~~

2-6 ~~this code~~], including rules providing eligibility criteria and the

2-7 determination of the amount of each scholarship.

2-8 Sec. 901.656 [~~61.756~~]. SCHOLARSHIP REGULATIONS. (a) The

2-9 board, in consultation with the advisory committee appointed under

2-10 Section 901.657 [~~61.757~~], shall determine the maximum amount of any

2-11 scholarship awarded under this subchapter. The scholarship may be

2-12 spent by the recipient on the expenses for tuition, fees, books,

2-13 supplies, and living expenses incurred by the student in connection

2-14 with the student's fifth year of an accounting program.

2-15 Scholarships shall be made available to eligible students

2-16 attending:

2-17 (1) any institution of higher education; or

2-18 (2) any nonprofit independent institution approved by

2-19 the Texas Higher Education Coordinating Board [~~board~~] under Section

2-20 61.222, Education Code.

2-21 (b) The board may award a scholarship under this subchapter

2-22 only to an eligible student who intends to take the written

2-23 examination conducted by the board [~~Texas State Board of Public~~

2-24 ~~Accountancy~~] for the purpose of granting a certificate of

2-25 "certified public accountant." An applicant for a scholarship

2-26 under this subchapter shall state such an intent by filing a form

2-27 provided by the board stating an intent to take the examination.

2-28 (c) A scholarship under this subchapter shall be paid to the

2-29 recipient in the form of periodic partial payments throughout the

2-30 school year. The board by rule shall determine the manner in which

2-31 these payments are made.

2-32 Sec. 901.657 [~~61.757~~]. ADVISORY COMMITTEE. (a) The board

2-33 shall appoint an eight-member advisory committee to advise the

2-34 board concerning scholarships provided under this subchapter. The

2-35 advisory committee consists of:

2-36 (1) a presiding officer named by the board;

2-37 (2) one representative named by the board [~~Texas State~~

2-38 ~~Board of Public Accountancy~~];

2-39 (3) one representative named by the Texas Society of

2-40 Certified Public Accountants;

2-41 (4) a Texas representative of the American Accounting

2-42 Association named by that organization;

2-43 (5) one representative named by the National

2-44 Association of Black Accountants;

2-45 (6) one representative named by the American

2-46 Association of Hispanic Certified Public Accountants; and

2-47 (7) two representatives named by the Texas Higher

2-48 Education Coordinating Board [~~board~~] who are the chairmen of

2-49 accounting departments at Texas colleges and universities, at least

2-50 one of whom must be a representative of a private college or

2-51 university and at least one other of whom must be a representative

2-52 from a college or university that primarily serves minority

2-53 students.

2-54 (b) The costs of participation on an advisory committee of a

2-55 member representing a particular organization or agency shall be

2-56 borne by that member of the organization or agency the member

2-57 represents.

2-58 (c) In addition to any other duties assigned by the board,

2-59 the advisory committee specifically shall advise the board on:

2-60 (1) how the scholarships provided for under this

2-61 subchapter should be established and administered to best promote

2-62 the public purpose of the scholarships;

2-63 (2) the amount of money needed to adequately fund the

2-64 scholarships and the maximum amount that may be awarded in any given

2-65 year to an individual student; and

2-66 (3) any priorities among the factors identified by

2-67 Section 901.654 [~~61.754~~].

2-68 Sec. 901.658 [~~61.758~~]. FUNDING. The board may:

2-69 (1) use without appropriation, in accordance with

3-1 Article 8930, Revised Statutes, this subchapter, and Section
3-2 901.155 [~~32, Public Accountancy Act of 1991 (Article 41a-1,~~
3-3 ~~Vernon's Texas Civil Statutes)~~], any money [~~appropriated to it]~~
3-4 from the trust fund established under Section 901.155 [~~by that~~
3-5 ~~section~~]; and

3-6 (2) accept gifts, grants, and donations of real or
3-7 personal property from any entity, subject to limitations or
3-8 conditions set by law, for the purposes of this subchapter.

3-9 Sec. 901.659 [~~61.760~~]. MINORITY AND DISADVANTAGED STUDENT
3-10 INTERNSHIPS. (a) The board shall adopt rules to encourage
3-11 internships for minority and disadvantaged students and certified
3-12 public accountant examination candidates who notify the board not
3-13 later than 90 days after the date of being accepted into an
3-14 accounting internship program.

3-15 (b) The rules adopted by the board shall include standards
3-16 for appropriate recognition of an accounting firm for its efforts
3-17 in training and hiring minority or disadvantaged students.

3-18 SECTION 3. Section 61.081, Education Code, is transferred
3-19 to Subchapter N, Chapter 901, Occupations Code, as added by this
3-20 Act, redesignated as Section 901.660, Occupations Code, and amended
3-21 to read as follows:

3-22 Sec. 901.660 [~~61.081~~]. REPORT ON ACCOUNTANT SCHOLARSHIP
3-23 PROGRAM. (a) Before January 15 of each odd-numbered year, the
3-24 board shall report to the legislature concerning the scholarship
3-25 program for fifth-year accounting students administered by the
3-26 board under [~~Subchapter N, Chapter 61, of~~] this subchapter [~~code~~].

3-27 (b) The report expenses shall be included in the
3-28 administrative costs allocated to the board under Section 901.155
3-29 [~~32(e) of this code~~]. The report must include:

3-30 (1) the number and amount of scholarships awarded in
3-31 the two calendar years preceding the year in which the report is
3-32 due; and

3-33 (2) the number of minority students, by racial or
3-34 ethnic background, who have been awarded scholarships under the
3-35 program in that two-year period.

3-36 SECTION 4. (a) Not later than January 1, 2010, the Texas
3-37 State Board of Public Accountancy shall adopt the rules required to
3-38 implement Subchapter N, Chapter 901, Occupations Code, as added by
3-39 this Act.

3-40 (b) On the effective date of this Act, the Texas Higher
3-41 Education Coordinating Board shall transfer to the Texas State
3-42 Board of Public Accountancy for deposit in the scholarship trust
3-43 fund established under Subchapter N, Chapter 901, Occupations Code,
3-44 as added by this Act, any money in the general revenue account
3-45 0106--scholarship fund for fifth year accounting students, and any
3-46 money appropriated to the Texas Higher Education Coordinating Board
3-47 for scholarships to fifth-year accounting students under
3-48 Subchapter N, Chapter 61, Education Code, as that subchapter
3-49 existed before the effective date of this Act, that has not been
3-50 allocated to institutions of higher education for making awards to
3-51 students during the 2009-2010 academic year under that scholarship
3-52 program.

3-53 SECTION 5. This Act takes effect September 1, 2009.

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