

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5534

Chapter 215, Laws of 2015

64th Legislature
2015 Regular Session

HIGHER EDUCATION--ACCOUNTING SCHOLARSHIP PROGRAM

EFFECTIVE DATE: 7/24/2015

Passed by the Senate April 16, 2015
Yeas 46 Nays 1

BRAD OWEN

President of the Senate

Passed by the House April 15, 2015
Yeas 98 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Approved May 8, 2015 10:14 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5534** as passed by Senate and the House of Representatives on the dates hereon set forth.

HUNTER G. GOODMAN

Secretary

FILED

May 8, 2015

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5534

AS AMENDED BY THE HOUSE

Passed Legislature - 2015 Regular Session

State of Washington 64th Legislature 2015 Regular Session

By Senate Higher Education (originally sponsored by Senators Bailey, Kohl-Welles, Hill, Conway, Rivers, Rolfes, Hargrove, and Chase)

READ FIRST TIME 02/13/15.

1 AN ACT Relating to creating a certified public accounting
2 scholarship program; amending RCW 18.04.065; and adding a new chapter
3 to Title 28B RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** (1) The certified public accounting
6 scholarship program is established.

7 (2) The purpose of this scholarship program is to increase the
8 number of students pursuing the certified public accounting license
9 in Washington state.

10 (3) Scholarships shall be awarded to eligible students based on
11 merit and without regard to age, gender, race, creed, religion,
12 ethnic or national origin, or sexual orientation. In the selection
13 process, the foundation is encouraged to consider the level of
14 financial need demonstrated by applicants who otherwise meet merit-
15 based scholarship criteria.

16 (4) Scholarships shall be awarded every year not to exceed the
17 net balance of the foundation's scholarship award account.

18 (5) Scholarships shall be awarded to eligible students for one
19 year. Qualified applicants may reapply in subsequent years.

1 (6) Scholarships awarded to program participants shall be paid
2 directly to the Washington-based college or university where the
3 program participant is enrolled.

4 (7) A scholarship award for any program participant shall not
5 exceed the cost of tuition and fees assessed by the college or
6 university on that individual program participant for the academic
7 year of the award.

8 NEW SECTION. **Sec. 2.** The definitions in this section apply
9 throughout this chapter unless the context clearly requires
10 otherwise.

11 (1) "Board" means the board of accountancy created in RCW
12 18.04.035.

13 (2) "Eligible student" means a student enrolled at an accredited
14 Washington-based college or university with a declared major in
15 accounting, entering his or her junior year or higher. "Eligible
16 student" includes community college transfer students, residents of
17 Washington pursuing an online degree in accounting, and students
18 pursuing a masters in tax, masters in accounting, or a PhD in
19 accounting.

20 (3) "Foundation" means the Washington CPA foundation.

21 (4) "Program" means the certificated public accounting
22 scholarship program created in this chapter.

23 (5) "Program participant" means an eligible student who is
24 awarded a scholarship under the program.

25 (6) "Resident student" has the definition in RCW 28B.15.012.

26 NEW SECTION. **Sec. 3.** The board must contract with a foundation
27 to develop and administer the program. The board shall provide
28 oversight and guidance for the program in light of established
29 legislative priorities and to fulfill the duties and responsibilities
30 under this chapter and chapter 18.04 RCW, including determining
31 eligible education programs for purposes of the program. The board
32 shall negotiate a reasonable administrative fee for the services
33 provided by the foundation. In addition to its contractual
34 obligations with the board, the foundation has the duties and
35 responsibilities to:

36 (1) Establish a separate scholarship award account to receive
37 state funds and from which to disburse scholarship awards;

1 (2) Manage and invest funds in the separate scholarship award
2 account to maximize returns at a prudent level of risk and to
3 maintain books and records of the account for examination by the
4 board as it deems necessary or appropriate;

5 (3) In consultation with the board, make an assessment of the
6 reasonable annual eligible expenses associated with eligible
7 education programs identified by the board;

8 (4) Work with board, institutions of higher education, the
9 student achievement council, and other organizations to promote and
10 publicize the program to obtain a wide and diverse group of
11 applicants;

12 (5) Develop and implement an application, selection, and
13 notification process for awarding certified public accounting
14 scholarships;

15 (6) Determine the annual amount of the certified public
16 accounting scholarship for each program participant;

17 (7) Distribute scholarship awards to colleges and universities
18 for program participants; and

19 (8) Notify the student achievement council and colleges and
20 universities of enrolled program participants and inform them of the
21 terms and conditions of the scholarship award.

22 NEW SECTION. **Sec. 4.** By January 1, 2016, and annually each
23 January 1st thereafter, the foundation contracted with under section
24 3 of this act shall report to the board regarding the program,
25 including:

26 (1) An accounting of receipts and disbursements of the
27 foundation's separate scholarship award account including any
28 realized or unrealized gains or losses and the resulting change in
29 account balance;

30 (2) A list of the program participants and the scholarship amount
31 awarded, by year; and

32 (3) Other outcome measures necessary for the board to assess the
33 impacts of the program.

34 NEW SECTION. **Sec. 5.** (1) The certified public accounting
35 scholarship transfer account is created in the custody of the state
36 treasurer. Expenditures from the account may be used solely for
37 scholarships and the administration of the program created in section
38 1 of this act.

1 (2) Revenues to the account shall consist of appropriations by
2 the legislature and any gifts, grants, or donations received by the
3 board for this purpose.

4 (3) Only the director of the board or the director's designee
5 may authorize expenditures from the certified public accounting
6 scholarship transfer account. The account is not subject to the
7 allotment procedures under chapter 43.88 RCW and an appropriation is
8 not required for expenditures.

9 **Sec. 6.** RCW 18.04.065 and 2001 c 294 s 6 are each amended to
10 read as follows:

11 The board shall set its fees at a level adequate to pay the costs
12 of administering this chapter. All fees for licenses, registrations
13 of nonlicensee partners, shareholders, and managers of licensed
14 firms, renewals of licenses, renewals of registrations of nonlicensee
15 partners, shareholders, and managers of licensed firms, renewals of
16 certificates, reinstatements of lapsed licenses, reinstatements of
17 lapsed certificates, reinstatements of lapsed registrations of
18 nonlicensee partners, shareholders, and managers of licensed firms,
19 practice privileges under RCW 18.04.350, and delinquent filings
20 received under the authority of this chapter shall be deposited in
21 the certified public accountants' account created by RCW 18.04.105.
22 Appropriation from such account shall be made only for the cost of
23 administering the provisions of this chapter or for the purpose of
24 administering the certified public accounting scholarship program
25 created in chapter 28B.--- RCW (the new chapter created in section 7
26 of this act).

27 NEW SECTION. **Sec. 7.** Sections 1 through 5 of this act
28 constitute a new chapter in Title 28B RCW.

Passed by the Senate April 16, 2015.
Passed by the House April 15, 2015.
Approved by the Governor May 8, 2015.
Filed in Office of Secretary of State May 8, 2015.