

**Hall of the House of Representatives**  
90th General Assembly - Regular Session, 2015  
**Amendment Form**

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**Subtitle of House Bill No. 1902**

TO AMEND THE LAW CONCERNING COMPENSATION AND BENEFITS OF STATE EMPLOYEES; AND  
TO ALLOW A STATE EMPLOYEE TO CONTRIBUTE TO CERTAIN COLLEGE SAVINGS PLANS WITH A  
VOLUNTARY DEDUCTION FROM HIS OR HER PAY.

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**Amendment No. 1 to House Bill No. 1902**

Amend House Bill No. 1902 as originally introduced:

Delete everything after the enacting clause and substitute the following:

"SECTION 1. Arkansas Code Title 21, Chapter 5, is amended to add an additional subchapter to read as follows:

Subchapter 13 – Deferred Contribution to a Tuition Savings Program

21-5-1301. Definition.

As used in this subchapter:

(1) "Administrator" means a state employee designated by the Department of Finance and Administration to enter into contractual agreements in furtherance of this subchapter;

(2)(A) "Agency" means a board, commission, department, officer, or other authority of the government of the State of Arkansas, whether within, or subject to review by another agency.

(B) "Agency" does not include the General Assembly, the courts, and Governor; and

(3) "Tuition savings program" means an account as defined under § 6-84-103(1).

21-5-1302. State employee participation.

A state employer may agree, by contract with a state employee to defer, in whole or in part, a portion of the state employee's future compensation to a tuition savings program.

21-5-1303. Authority of Department of Finance and Administration.

(a) The Department of Finance and Administration may enter into contractual agreements with state employees on behalf of the state to defer any portion of that state employee's future compensation.

(b) The department may designate an administrator within an agency.

(c) The Department of Finance and Administration shall adopt rules in furtherance of this subchapter.



21-5-1304. Taxation of deferred income.

A sum deferred under this subchapter is not subject to income taxation until a distribution is made to the state employee or his or her beneficiary from the tuition savings program.

21-5-1305. Administration of tuition savings program.

The administration of the tuition savings program shall be under the direction of the Executive Director of the Employee Benefits Division of the Department of Finance and Administration.

21-5-1306. Exclusive benefit.

All amounts of compensation deferred pursuant to the tuition savings program and income and gains attributed to such amounts shall be held for the exclusive benefit of the employees and their beneficiaries participating in the tuition savings program.

21-5-1306. Contingent effectiveness of this subchapter.

If it is determined by the Department of Finance and Administration by January 1, 2016, that implementation of the provisions of this subchapter will compromise the tax-exempt status of the tuition savings program entered into by a state employee, this subchapter shall not be implemented.

SECTION 2. This act shall be effective on and after January 1, 2016."

The Amendment was read \_\_\_\_\_

By: Representative Sabin

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Chief Clerk