

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001

A Bill

HOUSE BILL 2418

4
5 By: Representative Bright
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For An Act To Be Entitled

9 AN ACT TO REQUIRE DIRECT DEPOSIT OF WAGES AND
10 SALARIES OF STATE EMPLOYEES HIRED ON OR AFTER
11 SEPTEMBER 1, 2001; TO REQUIRE, EFFECTIVE JANUARY 1,
12 2003, DIRECT DEPOSIT OF WAGES AND SALARIES OF STATE
13 EMPLOYEES HIRED PRIOR TO SEPTEMBER 1, 2001; TO
14 REQUIRE THE ESTABLISHMENT OF A DIRECT DEPOSIT
15 INCENTIVE PROGRAM; AND FOR OTHER PURPOSES.

Subtitle

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18 REQUIRES DIRECT DEPOSIT OF STATE
19 EMPLOYEE WAGES AND SALARIES AND A DIRECT
20 DEPOSIT INCENTIVE PROGRAM.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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25 SECTION 1. Arkansas Code 19-4-407 is amended to add an additional
26 subsection to read as follows:

27 (d)(1) As a condition of employment, a person hired or appointed to a
28 position in any agency in state government on or after September 1, 2001
29 shall be required to accept payment of salary or wages by electronic warrants
30 transfer. This electronic warrants transfer shall be made in the form of a
31 direct deposit of funds to the account of the beneficiary of such payment in
32 any financial institution equipped for electronic fund transfers, provided
33 that such financial institution is designated in writing by such beneficiary
34 and has lawful authority to accept such deposits.

35 (2) The direct deposit requirement set forth in subdivision
36 (d)(1) of this section does not apply to persons who are in the employment of

1 the state prior to September 1, 2001 and subsequently receive promotion
2 appointments, transfers, or other changes in positions within the same
3 personnel system on or after September 1, 2001.

4 (3) Persons hired or appointed to a position in any agency in
5 state government prior to September 1, 2001 shall be required, by January 1,
6 2003, to accept payment of salary or wages by electronic warrants transfer.
7 This electronic warrants transfer shall be made in the form of a direct
8 deposit of funds to the account of the beneficiary of such payment in any
9 financial institution equipped for electronic fund transfers, which
10 institution is designated in writing by such beneficiary and has lawful
11 authority to accept such deposits.

12 (4) For purposes of the direct deposit requirement set out in
13 this section, the term "agency" means all state agencies, boards,
14 commissions, institutions, bureaus, councils or programs except:

15 (A) The elected constitutional officers of this state and
16 their employees;

17 (B) The General Assembly and its employees, including
18 employees of the Bureau of Legislative Research of the Legislative Council,
19 and the Division of Legislative Audit;

20 (C) Members and employees of the Arkansas Supreme Court,
21 the Administrative Office of the Courts, circuit and chancery courts, and
22 prosecuting attorneys, but not including deputy prosecuting attorneys;

23 (D) The Arkansas State Game and Fish Commission;

24 (E) The Arkansas State Highway and Transportation
25 Department; and

26 (F) All administrative, academic, classified and
27 nonclassified employees of the state-supported institutions of higher
28 learning.

29 (5) Any agency exempted from the direct deposit requirements set
30 forth in this section may elect to enter the electronic warrants transfer
31 system on a voluntary basis.

32 (6) Any person affected by the direct deposit requirements set
33 forth in this section may request an exemption from the requirements. The
34 Chief Fiscal Officer of the State, the Treasurer of State, and the Auditor of
35 State, or their designees, shall have the joint authority to grant exemptions
36 from the direct deposit requirement upon a showing of hardship to the person

1 requesting the exemption or upon any other reasonable basis.

2 (7) The Chief Fiscal Officer of the State, the Treasurer of
3 State, and the Auditor of State, by joint rules, shall establish the
4 standards and procedures for granting exemptions from the direct deposit
5 requirements set forth in this section.

6 (8) The Chief Fiscal Officer of the State shall have the
7 authority to establish any special accounts necessary to facilitate direct
8 deposit of employee salary or wages.

9 (9)(A) The Chief Fiscal Officer of the State, the Treasurer of
10 State, and the Auditor of State shall develop an incentive program to
11 encourage state employees to participate in the direct deposit program set
12 out in this section. This incentive program shall begin on September 1, 2001
13 and end on December 31, 2002.

14 (B) The incentive program shall consist of a monthly cash
15 award of Two Hundred Fifty Dollars (\$250.00) to a state employee enrolled in
16 the direct deposit program. The recipient of the monthly cash award shall be
17 chosen through a monthly random selection of all state employees enrolled in
18 the direct deposit program during the incentive program period.

19 (C) The Chief Fiscal Officer of the State, the Treasurer
20 of State, and the Auditor of State are authorized to promulgate such rules
21 and regulations as may be deemed necessary to administer the incentive
22 program set out in this subsection.

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