

Stricken language would be deleted from and underlined language would be added to present law.
Act 1025 of the Regular Session

State of Arkansas
93rd General Assembly
Regular Session, 2021

As Engrossed: H4/14/21

A Bill

SENATE BILL 599

By: Senator Irvin

By: Representative Cozart

For An Act To Be Entitled

AN ACT TO ESTABLISH THE ARKANSAS FINANCIAL EDUCATION
COMMISSION; AND FOR OTHER PURPOSES.

Subtitle

TO ESTABLISH THE ARKANSAS FINANCIAL
EDUCATION COMMISSION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 6, Chapter 1, is amended to add an
additional subchapter to read as follows:

Subchapter 7 – Arkansas Financial Education Commission

6-1-701. Title.

This subchapter shall be known and may be cited as the "Arkansas
Financial Education Commission".

6-1-702. Purpose.

It is the purpose of this subchapter to:

- (1) Provide financial literacy education programs to all
geographic areas and socioeconomic backgrounds; and
- (2) Promote the importance of saving for education.

6-1-703. Arkansas Financial Education Commission – Creation – Members
– Powers.



- (a) There is established the Arkansas Financial Education Commission.
- (b)(1) The commission shall be administered by a board of directors.
 - (2)(A) The board shall consist of nine (9) members.
 - (B) Members of the board shall consist of:
 - (i) The Treasurer of State or his or her designee, and who shall serve as chair;
 - (ii) The Commissioner of Elementary and Secondary Education or his or her designee;
 - (iii) The Securities Commissioner or his or her designee;
 - (iv) The Bank Commissioner or his or her designee;
 - (v) One (1) member who is designated by the Arkansas Bankers Association;
 - (vi) One (1) member who is a member of a federally-chartered credit union doing business in this state, appointed by the Treasurer of State; and
 - (vii) Three (3) members who have various financial backgrounds, one (1) member of the three (3) to be a female, one (1) member of the three (3) to be a racial minority, appointed by the Treasurer of State.
 - (3)(A) Members shall serve for two-year terms.
 - (B) A vacancy shall be filled by appointment by the Treasurer of State for the unexpired term.
 - (C) New members shall be appointed every two (2) years.
 - (D) Members may be reappointed.
 - (4) Members shall select by majority vote:
 - (A) One (1) member to serve as vice chair;
 - (B) One (1) member to serve as secretary; and
 - (C) One (1) member to serve as treasurer.
 - (5)(A) Members shall serve without compensation.
 - (B) Members may receive compensation for travel and personal expenses made on behalf of the board if funds are appropriated for expense reimbursement according to § 25-16-902.
- (c)(1) The chair shall call the first meeting of the board.
 - (2) A majority of the membership shall constitute a quorum.
 - (3) A majority vote of those members present shall be required

for any action of the board.

(4)(A) The board shall meet at least two (2) times a year, one (1) meeting to be held in the spring and one (1) meeting to be held in the fall, at the call of the chair.

(B) The board shall meet in Little Rock, Arkansas.

(C) All meetings shall be recorded and made available to the public to ensure transparency.

(d) The board may:

(1) Incorporate the commission as a nonprofit corporation under the Arkansas Nonprofit Corporation Act of 1993, § 4-33-101 et seq., and after incorporation as a nonprofit corporation, to apply for tax exempt status under 26 U.S.C. § 501(c)(3), as it existed on January 1, 2021;

(2) Have all the rights and powers of a nonprofit corporation under federal and state law upon incorporation as a nonprofit corporation;

(3) Request information from any state agency or political subdivision of the state that receives state funds to enable the commission to perform the duties required by this subchapter;

(4) Enter into mutual agreements with any state agency, local government, subdivision of the state or local government, or any for-profit or nonprofit entity to:

(A) Allow the commission to use any facility within the control or jurisdiction of the entity; or

(B) Render any services by an entity to the commission or by the commission to the entity if the services are for or in connection with the commission's activities;

(5) Make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise and discharge of the powers and duties of the board;

(6) Contract for services necessary for the management and operation of the commission and for the development, management, and implementation of the financial literacy educational plans and programs described under this subchapter;

(7) Contract with consultants as necessary to carry out the responsibilities under this subchapter;

(8) Promote, advertise, and publicize the activities of the commission; and

(9) Coordinate and promote financial literacy education efforts at the state and local level, including promoting partnerships among state and local governments, nonprofit organizations including the commission, and private entities.

(e) The commission is part of the Treasurer of State and shall use the staff of the Treasurer of State.

6-1-704. Duties of the Arkansas Financial Education Commission.

The duties of the Arkansas Financial Education Commission include:

(1) Appointing as temporary director of the commission, a member of the Section 529 Plan Review Committee, as described in § 6-84-105, and if necessary, appoint a new and independent director of the commission;

(2) Raising funds for financial literacy educational plans and programs, excluding a regulator who:

(A) Is a member of the board of directors of the commission; and

(B) Shall not directly or indirectly participate in the commission's fundraising activities;

(3)(A) Managing and implementing financial literacy educational plans and programs.

(B) A financial literacy education plan or program described in subdivision (3)(A) of this section includes without limitation financial literacy educational programs for elementary and secondary school students;

(4) Providing education in all aspects of financial matters;

(5) Creating a website to make financial resources available to all Arkansans that covers a wide range of financial topics;

(6) Creating and providing awards to individuals and organizations that help improve financial literacy throughout the state; and

(7)(A) Working with other state agencies in providing financial literacy education and topics to schools in the state.

(B) The topics shall include:

(i) Earning a livable income;

(ii) Balancing a checkbook and bank account;

(iii) Use of credit cards and managing debt;

(iv) Saving for postsecondary education;

- (v) Retirement and long-term financial planning; and
- (vi) Investing.

6-1-705. Funding.

(a) The Arkansas Financial Education Commission may raise funds through sponsorship and other means approved by the commission for the purpose of promoting financial literacy in the state.

(b) Funds that are raised shall be used for the following plans and programs including without limitation:

- (1) Promotion of financial literacy programs;
- (2) Purchasing financial literacy materials; and
- (3) Travel expenses of the commission.

(c) Any balance remaining at the end of the fiscal year shall be carried forward into the next fiscal year for the benefit and use of the commission.

6-1-706. Rules.

The board of directors of the Arkansas Financial Education Commission shall adopt rules to implement and administer this subchapter.

SECTION 2. DO NOT CODIFY. Rules.

(a) When adopting the initial rules required under this act, the Treasurer of State shall file the final rules with the Secretary of State for adoption under § 25-15-204(f):

- (1) On or before January 1, 2022; or
- (2) If approval under § 10-3-309 has not occurred by January 1, 2022, as soon as practicable after approval under § 10-3-309.

(b) The Treasurer of State shall file the proposed rules with the Legislative Council under § 10-3-309(c) sufficiently in advance of January 1, 2022, so that the Legislative Council may consider the rules for approval before January 1, 2022.

/s/Irvin

APPROVED: 4/29/21