

REFERENCE TITLE: AZ529; baby scholars fund; appropriations

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

SB 1589

Introduced by
Senator Quezada

AN ACT

AMENDING TITLE 15, CHAPTER 14, ARTICLE 7, ARIZONA REVISED STATUTES, BY
ADDING SECTION 15-1880; RELATING TO AZ529 ARIZONA'S EDUCATION SAVINGS
PLAN.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 15, chapter 14, article 7, Arizona Revised
3 Statutes, is amended by adding section 15-1880, to read:

4 15-1880. AZ529, Arizona's education savings plan baby
5 scholars program; fund; appropriations; exemption

6 A. AZ529, ARIZONA'S EDUCATION SAVINGS PLAN BABY SCHOLARS PROGRAM IS
7 ESTABLISHED. THE TREASURER SHALL ADMINISTER THE PROGRAM.

8 B. AZ529, ARIZONA'S EDUCATION SAVINGS PLAN BABY SCHOLARS FUND IS
9 ESTABLISHED CONSISTING OF LEGISLATIVE APPROPRIATIONS AND ANY OTHER MONIES.
10 THE TREASURER SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE
11 CONTINUOUSLY APPROPRIATED. THE TREASURER MAY ACCEPT AND SPEND FEDERAL
12 MONIES AND PRIVATE GRANTS, GIFTS, CONTRIBUTIONS AND DEVICES TO ASSIST IN
13 CARRYING OUT THE PURPOSES OF THIS SECTION. MONIES IN THE FUND SHALL BE
14 USED FOR THE PURPOSES OF ADMINISTERING THE PROGRAM ESTABLISHED BY THIS
15 SECTION. THE TREASURER MAY RETAIN UP TO TEN PERCENT OF THE FUND MONIES
16 FOR THE PURPOSES OF ADMINISTERING THE PROGRAM ESTABLISHED BY THIS SECTION.

17 C. THE TREASURER SHALL DEPOSIT \$25 IN THE ACCOUNT OF A DESIGNATED
18 BENEFICIARY FROM THE FUND ESTABLISHED BY SUBSECTION B OF THIS SECTION IF
19 ALL OF THE FOLLOWING REQUIREMENTS ARE SATISFIED:

20 1. AN ACCOUNT OWNER ESTABLISHES AN ACCOUNT ON BEHALF OF A
21 DESIGNATED BENEFICIARY WITHIN ONE YEAR AFTER THE BIRTH OR DATE OF LEGAL
22 ADOPTION OF THE DESIGNATED BENEFICIARY.

23 2. THE DESIGNATED BENEFICIARY IS BORN OR LEGALLY ADOPTED ON OR
24 AFTER JANUARY 1, 2023.

25 3. THE DESIGNATED BENEFICIARY IS A RESIDENT OF THIS STATE AT THE
26 TIME THE TREASURER DEPOSITS THE \$25 IN THE ACCOUNT OF THE DESIGNATED
27 BENEFICIARY AS PRESCRIBED IN THIS SUBSECTION.

28 4. THE ACCOUNT OWNER SATISFIES THE PROGRAM INCOME ELIGIBILITY
29 REQUIREMENTS ESTABLISHED BY THE TREASURER PURSUANT TO THIS PARAGRAPH. THE
30 TREASURER SHALL ESTABLISH INCOME ELIGIBILITY REQUIREMENTS FOR
31 PARTICIPATION IN THE PROGRAM ESTABLISHED BY THIS SECTION USING THE FEDERAL
32 FREE AND REDUCED-PRICE LUNCH PROGRAM INCOME ELIGIBILITY REQUIREMENTS.

33 D. THE TREASURER MAY ENTER INTO CONTRACTUAL AGREEMENTS TO FULFILL
34 THE PURPOSES OF THIS SECTION IF THE CONTRACTUAL AGREEMENT REQUIRES ALL
35 PARTIES TO COMPLY WITH THIS SECTION.

36 E. THE TREASURER SHALL CONDUCT OUTREACH AND MARKETING EFFORTS TO
37 INCREASE AWARENESS OF AND PARTICIPATION IN THE PROGRAM ESTABLISHED BY THIS
38 SECTION.

39 F. NOTWITHSTANDING ANY OTHER LAW, MONIES PROVIDED UNDER SUBSECTION
40 C OF THIS SECTION DO NOT DISQUALIFY A PERSON FROM ANY PUBLIC BENEFIT.

41 G. THE SUM OF \$1,250,000 IS APPROPRIATED FROM THE STATE GENERAL
42 FUND IN FISCAL YEAR 2022-2023 AND EACH FISCAL YEAR THEREAFTER TO THE
43 AZ529, ARIZONA'S EDUCATION SAVINGS PLAN BABY SCHOLARS FUND ESTABLISHED BY
44 THIS SECTION. THE APPROPRIATIONS MADE IN THIS SUBSECTION ARE EXEMPT FROM
45 THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.