

ARKANSAS REGISTER

Proposed Rule Cover Sheet



Secretary of State
John Thurston
500 Woodlane Street, Suite 026
Little Rock, Arkansas 72201-1094
(501) 682-5070
www.sos.arkansas.gov



Name of Department _____

Agency or Division Name _____

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable _____

Contact Person _____

Contact E-mail _____

Contact Phone _____

Name of Rule _____

Newspaper Name _____

Date of Publishing _____

Final Date for Public Comment _____

Location and Time of Public Meeting _____

Rules of the Arkansas Financial Education Commission

1. Authority

- (a) The Arkansas Financial Education Commission ("commission") was established by the Arkansas Financial Education Commission Act, Ark Code Ann 6-1-701 et. seq. The governance of the commission shall fall under the Treasurer of State and his/her designees.

2. Purpose

- (a) These rules are prepared for the purpose of establishing the commission as a whole and for maintaining the commission. The commission's purpose is to provide financial education programs to Arkansans in all geographic areas and socioeconomic backgrounds of the state and to promote the importance of achieving financial well-being.

3. Location

- (a) The commission shall be housed under the authority of the Treasurer of State and shall conduct its meetings at their office. All matters related to the commission should be directed to the director of the commission or to the Treasurer of State or his/her designee at this office, located at 1401 West Capitol Ave. Suite 275, Little Rock AR, 72201.

4. Board of Directors

- (a) The commission shall be administered by a board of directors. The board consists of nine members. Members comprise of:
 - (1) The Treasurer of State or his/her designee, and who shall serve as the chair;
 - (2) The Commissioner of Elementary and Secondary Education or his/her designee;
 - (3) The Securities Commissioner or his/her designee;
 - (4) The Bank Commissioner or his/her designee;
 - (5) One member who is designated by the Arkansas Bankers Association;
 - (6) One member who is a member of a federally chartered credit union doing business in this state, appointed by the Treasurer of State;
 - (7) Three members who have various financial backgrounds, one member of the three to be female and one member of the three to be a racial minority, appointed by the Treasurer of State;
- (b) Members representing the Arkansas Bankers Association, the federally chartered credit union, and those from financial backgrounds shall serve two-year terms, which shall be staggered.
- (c) Vacancies shall be filled by appointment by the Treasurer of State for the unexpired term.
- (d) New members shall be appointed every two years and may be reappointed.

(e) Other leadership positions shall be selected by majority vote:

- (1) One member to serve as vice chair;
- (2) One member to serve as secretary; and
- (3) One member to serve as treasurer.

5. Meetings

(a) The chair shall call the first meeting of the board.

- (1) A majority of the membership shall constitute a quorum.
- (2) A majority vote of those members present shall be required for any action of the board.
- (3) The board shall meet at least two times a year, once in the spring and once in the fall, at the call of the chair.
- (4) All meetings shall be recorded and made available to the public in accordance with the Arkansas Freedom of Information Act.

6. Nonprofit Status and Contracts

(a) The board may incorporate the commission as a nonprofit corporation under the Arkansas Nonprofit Corporation Act of 1993 and have all rights and powers of a nonprofit corporation under federal and state law.

(b) The board may request information from any state agency or political subdivision of the state to enable the commission to perform its duties.

(c) The board may 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:

- (1) Allow the commission to use any facility within the control or jurisdiction of the entity; or
- (2) 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.

(d) The board has the authority to:

- (1) Contract for services necessary for the management and operation of the commission and for the development, management, and implementation of the financial educational plans and programs.
- (2) Contract with consultants as necessary to carry out the responsibilities of the commission.
- (3) Promote, advertise, and publicize the activities of the commission.
- (4) Coordinate and promote financial education efforts at the state and local level, including promoting partnerships among state and local governments, nonprofit organizations including the commission, and private entities.

7. Duties of Commission

- (a) Duties of the commission include:
 - (1) Appointing an independent director of the commission, to hold office at the pleasure of the commission.
 - A. The director may be terminated by a majority vote of the commission if the director does not offer his/her resignation.
 - (2) Raising funds for the financial educational plans and programs, excluding the Securities Commissioner or his/her designee and the Bank Commissioner or his/her designee.
 - (3) Managing and implementing financial educational plans and programs.
 - (4) Providing education in all aspects of an individual's financial matters.
 - (5) Creating and maintaining a financial resources website with a comprehensive range of financial topics.
 - (6) Working with other state agencies to provide financial education to schools in the state.
 - A. The topics shall include but are not limited to:
 - i. Earning a livable income
 - ii. Balancing a checkbook and bank account
 - iii. Using credit cards and managing debt
 - iv. Saving for postsecondary education
 - v. Retirement and long-term financial planning; and
 - vi. Investing

8. Fees and Expenses

- (a) All members shall serve without compensation. Members shall receive reimbursement for travel and personal expenses made on behalf of the board.
- (b) Reimbursement must be approved by the board and issued from the account established by the 501(c)(3).
- (c) Funds shall be raised through sponsorships and other means approved by the commission thru the 501(c)(3) and may be used for:
 - (1) Promotion of financial education programs
 - (2) Purchasing financial education materials
 - (3) Travel expenses of the commission
- (d) 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.

QUESTIONNAIRE
FOR FILING PROPOSED RULES WITH THE ARKANSAS LEGISLATIVE
COUNCIL

DEPARTMENT/AGENCY Arkansas Treasurer of State's Office

DIVISION Financial Education

DIVISION DIRECTOR Fran Jansen

CONTACT PERSON Thomas Burchfield

ADDRESS 1401 W. Capitol Ave. Suite 275 Little Rock AR, 72201

PHONE NO. (501) 682-1391

FAX NO. _____

E-MAIL thomas.burchfield@artreasury.gov

NAME OF PRESENTER AT COMMITTEE MEETING Grant Wallace and Fran Jansen

PRESENTER E-MAIL grant.wallace@artreasury.gov

fran.jansen@artreasury.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this
- D. Rule" below.
- E. Submit two (2) copies of the Questionnaire and Financial Impact Statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Jessica C. Sutton
Administrative Rules Review Section
Arkansas Legislative Council Bureau of
Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

1. What is the short title of this rule? The Arkansas Financial Education Commission

2. What is the subject of the proposed rule? Establish rules to guide the Arkansas Financial Education Commission

3. Is this rule required to comply with a federal statute, rule, or regulation? Yes ☐ No ☒

If yes, please provide the federal rule, regulation, and/or statute citation.

4. Was this rule filed under the emergency provisions of the Administrative Procedure Act?

Yes ☐ No ☒

If yes, what is the effective date of the emergency rule? _____

When does the emergency rule expire? _____

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

Yes ☐ No ☐

5. Is this a new rule? Yes ☒ No ☐ If yes, please provide a brief summary explaining the rule.

This rule guides the duties, goals, election of officers, and other actions of the Arkansas Financial Education Commission.

Does this repeal an existing rule? Yes ☐ No ☒ If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes ☐ No ☒ If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation.

Ark Code Ann 6-1-701 et. seq.

7. What is the purpose of this proposed rule? Why is it necessary?

The purpose of this proposed rule is to guide the duties of the Arkansas Financial Education Commission.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b).

<https://www.artreasury.gov/programs-2/arkansas-financial-education-commission/>

9. Will a public hearing be held on this proposed rule? Yes ☒ No ☐ If yes, please complete the following:

Date: 04/11/2022

Time: 10:00 a.m. CT

Place: 1401 West Capitol, Suite 275, Little Rock, Arkansas 72201

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

04/11/2022

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

04/29/2022

12. Please provide a copy of the notice required under Ark. Code Ann. § 25-15-204(a), and proof of the publication of said notice. Notice will be made after Governor's approval.

13. Please provide proof of filing the rule with the Secretary of State as required pursuant to Ark. Code Ann. § 25-15-204(e). Filing will be made after Governor's approval.

14. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.

Education associations, advocacy organizations and individuals interested in financial literacy.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Treasurer of State's Office

DIVISION Financial Education

PERSON COMPLETING THIS STATEMENT Fran Jansen

TELEPHONE NO. (501) 682-1391

FAX NO. _____

EMAIL: Fran.jansen@artreasury.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two (2) copies with the Questionnaire and proposed rules.

SHORT TITLE OF THIS RULE

The Arkansas Financial Education Commission

1. Does this proposed, amended, or repealed rule have a financial impact? Yes ☐ No ☒
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?
Yes ☒ No ☐
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes ☒ No ☐

If an agency is proposing a more costly rule, please state the following:

- a) How the additional benefits of the more costly rule justify its additional cost;

N/A

- b) The reason for adoption of the more costly rule;

N/A

- c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and

N/A

- d) Whether the reason is within the scope of the agency's statutory authority, and if so, please explain.

N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

Next Fiscal Year

General Revenue	\$ 0.00	General Revenue	\$ 0.00
Federal FundsCash	\$ 0.00	Federal FundsCash	\$ 0.00
Funds	\$ 0.00	Funds	\$ 0.00
Special Revenue	\$ 0.00	Special Revenue	\$ 0.00
Other (Identify)	\$ 0.00	Other (Identify)	\$ 0.00
Total	\$ 0.00	Total	\$ 0.00

b) What is the additional cost of the state rule?

Current Fiscal Year

Next Fiscal Year

General Revenue	\$ 0.00	General Revenue	\$ 0.00
Federal FundsCash	\$ 0.00	Federal FundsCash	\$ 0.00
Funds	\$ 0.00	Funds	\$ 0.00
Special Revenue	\$ 0.00	Special Revenue	\$ 0.00
Other (Identify)	\$ 0.00	Other (Identify)	\$ 0.00
Total	\$ 0.00	Total	\$ 0.00

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

Next Fiscal Year

\$0

\$0

N/A

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

Next Fiscal Year

\$0

\$0

N/A

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county ☐ government, municipal government, or to two (2) or more of those entities combined?
- Yes No

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

Your Sales rep is: Gregg Sterne

My Fax # is:

Acct: **L5449905** Name: **TREASURER OF STATE**Phone: **501-682-5739** Address: **1401 W CAPITOL 275**

Fax:

Reply:

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NOTICE OF ARKANSAS
FINANCIAL EDUCATION
COMMISSION RULE MAKING
NOTICE IS HERBY GIVEN for
public comment beginning on
March 11, 2022, that the Arkans-
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of the rule may also be obtained
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(501) 682-3819. Interested per-
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ments on the proposed amended
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dress listed below no later than
April 11, 2022. The commission
will provide an opportunity for an
oral hearing if requested by
twenty-five (25) persons, by a
governmental subdivision or
agency, or by an association
having at least twenty-five (25)
members.

FOR MORE INFORMATION,
contact Thomas Burchfield at
(501) 682-3819

Thomas Burchfield, Manager of
Financial Education
Arkansas Treasurer of State
1401 W. Capitol Ave., Suite
275

Little Rock, AR 72201

(501) 682-3819

(501) 682-9692 fax

Thomas.burchfield@artreasury.
gov

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Arkansas Financial Education Commission

Proposed Rule

Executive Summary

March 2, 2022

Purpose

The Arkansas Financial Education Commission is seeking Governor Hutchinson's review and approval of the proposed rules of the Arkansas Financial Education Commission.

Background

Pursuant to Act 1025 of the 93rd General Assembly, the Arkansas Financial Education Commission was created and formed to be administered by and under the direction of the Arkansas Treasurer of State through the adoption of rules. The commission has authority to adopt such rules as it deems necessary and proper to administer its mission and programs. The commission voted to adopt the proposed rules on January 11, 2022.

Key Points

The proposed rule:

- Guides the commission in its mission and duties
- Gives authority to the commission to establish non-profit status
- Establishes elections for its board of directors
- Sets a location and time for its meetings

Background

Financial education can help build a foundation of economic opportunity. Unfortunately, too many Arkansans lack access to and an understanding of basic financial strategies. Mounting debt, inflation, poverty and more puts many Arkansans at a disadvantage. Research shows that access to financial education can improve financial knowledge and positively impact financial behavior.

Recommendation

The commission recommends that the rules be approved as proposed by the commission.

Your Sales rep is: Gregg Sterne

My Fax # is:

Acct: **L5449905** Name: **TREASURER OF STATE**Phone: **501-682-5739** Address: **1401 W CAPITOL 275**

Fax:

Reply:

City: **LITTLE ROCK**State: **AR**Zip: **72201**Paytype: **BL**Source: **EM**TFN: ☐Rate: **L1Z**Class: **1201** Legal NoticesDays: **3** Rate Issues: **3**Start: **Fri, Mar 11, 2022**Stop: **Sun, Mar 13, 2022**Editions: **PBL/**Other charge **0.00** Words: **156** Price: **187.00**Other charge **0.00** Lines: **55** Discount: **0.00**Other charge **0.00** Depth: **3.9** Commission: **0.00**Other charge **0.00** Columns: **1** Net Price: **0.00**Other charge **0.00** Graphics: **0** Tax: **0.00**St Words: **0**Total: **187.00**☐ Boxed AdApplied Credit: **0.00**Copyline: **NOTICEOFARKANSASFINANCIAL**On Hold: **Over Credit Limit**

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Thomas.burchfield@artreasury.
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