



ARIZONA STATE SENATE
Fifty-Fifth Legislature, Second Regular Session

AMENDED
FACT SHEET FOR S.B. 1160

AZ529 plan; advisory committee; membership

Purpose

Adds a member representing a private school and a public member to the AZ529, Arizona's Education Savings Plan (AZ529 Plan) Advisory Committee and requires at least one public member to represent a qualifying nonprofit organization.

Background

The State Treasurer administers the AZ529 Plan to allow an individual to contribute to a savings account for a designated beneficiary's qualifying educational expenses. AZ529 Plan earnings accrue tax-free and are not subject to federal or state income taxes on withdrawals for qualified educational expenses. The AZ529 Plan Advisory Committee assists the State Treasurer and makes recommendations on AZ529 Plan promotional and informational activities, with an emphasis on increasing access to the AZ529 Plan for economically-disadvantaged, minority and underrepresented student populations ([26 U.S.C. § 529](#); A.R.S. §§ [15-1876](#) and [41-179](#); [AZ529](#)).

The AZ529 Plan Advisory Committee membership includes: 1) the State Treasurer, or their designee, who serves as the Chairperson of the Advisory Committee; 2) one member who represents a community college district in a county with a population of more than 500,000 persons; 3) one member who represents a community college district in a county with a population of fewer than 500,000 persons; 4) one member who represents an Arizona public university; 5) one member who represents an accredited private educational institution in Arizona that offers higher education degrees; 6) one member who represents an accredited private educational institution that offers private vocational training in Arizona; 7) one teacher who currently provides classroom instruction in Arizona; 8) one member who represents a federally-recognized Indian tribe in Arizona; 9) one member who represents a U.S. Department of Labor-approved program; and 10) two public members who are Arizona residents ([A.R.S. § 41-179](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Adds, to the AZ529 Plan Advisory Committee, a member who represents an accredited private school or an organization that offers instruction to pupils in any combination of kindergarten programs or grades 1 through 12.
2. Increases, from two to three, the number of public members on the AZ529 Plan Advisory Committee.
3. Requires at least one public member to represent an Arizona-based, 501(c)(3) nonprofit organization.

4. Makes conforming changes.
5. Becomes effective on the general effective date.

Amendments Adopted by the House of Representatives

1. Adds a member representing a private school or an organization offering instruction in kindergarten programs through grade 12.
2. Increases the number of public members to three, rather than four.
3. Makes conforming changes.

Senate Action

ED	1/25/22	DP	8-0-0
3 rd Read	2/3/22		28-0-2

House Action

ED	3/1/22	DP	10-0-0-0
3 rd Read	3/14/22		31-25-4

Prepared by Senate Research

March 15, 2022

LB/KJA/slp