

1 § -2 **Housing savings account system; established.** There
2 shall be established a housing savings account system. It shall
3 have the powers and privileges of a corporation and shall be
4 known as the "Housing Savings Account System" and by that name
5 may sue or be sued, transact all of its business, invest all of
6 its funds, and hold all of its cash, securities, and other
7 property.

8 § -3 **General administration of the system.** The general
9 administration and responsibility for the proper operation of
10 the housing savings account system and for making effective the
11 provisions of this chapter shall be vested in the board.

12 § -4 **Housing savings account board.** (a) There is
13 established within the department of budget and finance for
14 administrative purposes the housing savings account board. The
15 board shall consist of eight members as follows:

- 16 (1) The director of finance or the director's designee,
17 who shall serve as chairperson of the board;
- 18 (2) The director of human services or the director's
19 designee;
- 20 (3) The director of commerce and consumer affairs or the
21 director's designee;



1 (4) A representative of employers, to be appointed by the
2 governor;

3 (5) A representative with experience in the field of
4 investments, to be appointed by the governor;

5 (6) A representative of an association representing
6 employees, to be appointed by the governor;

7 (7) A member of the senate, to be appointed by the
8 president of the senate, who shall be a nonvoting
9 advisory member of the board; and

10 (8) A member of the house of representatives, to be
11 appointed by the speaker of the house of
12 representatives, who shall be a nonvoting advisory
13 member of the board.

14 (b) Members of the board appointed by the governor shall
15 be subject to the advice and consent of the senate.

16 (c) The term of office of each member of the board
17 appointed by the governor shall be four years and shall serve at
18 the pleasure of the governor. The member of the senate shall
19 serve at the pleasure of the president of the senate. The
20 member of the house of representatives shall serve at the
21 pleasure of the speaker of the house of representative. A



1 member shall be eligible for reappointment. Members pursuant to
2 subsection (a), paragraphs (1) through (3), shall serve in an ex
3 officio capacity.

4 (d) If there is a vacancy for any reason, the respective
5 appointing party shall make an appointment to become effective
6 immediately for the unexpired term.

7 (e) A majority of the voting members of the board shall
8 constitute a quorum for the transaction of business.

9 (f) The members of the board shall serve without
10 compensation but shall be reimbursed for travel and other
11 necessary expenses in the performance of their official duties.

12 (g) The board may employ, without regard to chapter 76,
13 staff necessary for the performance of its functions and fix
14 their compensation.

15 (h) The board may establish rules pursuant to chapter 91
16 for the general administration of this chapter.

17 **§ -5 Housing savings account; established; employer**
18 **participation.** (a) Each employer in the State shall offer to
19 its employees the opportunity to contribute to a housing savings
20 account through payroll deduction.



1 (b) An employer in the State may match an employee's
2 contribution into each employee's housing savings account.

3 (c) Funds contributed into a housing savings account shall
4 not be exempt from chapter 235 and shall not receive any
5 additional tax benefits.

6 (d) Funds contributed into a housing savings account may
7 be used for any lawful related purpose, including but not
8 limited to:

- 9 (1) Downpayments;
- 10 (2) Mortgage payments;
- 11 (3) Rent; or
- 12 (4) Security deposits.

13 An employee may withdraw funds from their housing savings
14 account at any time without any penalty.

15 § -6 **Enrollment.** Each employer shall enroll every
16 employee who enters or reenters employment with the employer and
17 who accepts participation in the employee's housing savings
18 account and shall file with the board information as the board
19 may require for the employee's housing savings account for
20 enrollment and for administrative purposes.



1 § -7 Employee contributions. (a) Each employee in the
2 State shall automatically contribute to a housing savings
3 account; provided that an employee may elect to opt out of
4 contributing to a housing savings account at any time.

5 (b) The default contribution rate each employee in the
6 State contributes into their individual housing savings account
7 shall be five per cent of the employee's compensation; provided
8 that an employee may elect to contribute a different amount on a
9 form to be developed by the employer."

10 SECTION 2. This Act shall take effect upon its approval.

11

INTRODUCED BY: *ATSL*



S.B. NO. 860

Report Title:

Housing Savings Account System; Department of Budget and Finance; Employees; Employers; Housing Savings Account Board

Description:

Establishes the Housing Savings Account System for all employees in the State.

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