Mr. Speaker:

The Education Committee reports a favorable recommendation on **H.B. 102**, HIGHER EDUCATION SAVINGS INCENTIVE PROGRAM AMENDMENTS, by Representative S. Wyatt, with the following amendments:

1. *Page 3, Line 70:*

70   { ~~59-10-901, as enacted by Chapter 390, Laws of Utah 1997~~ }

2. *Page 3, Line 83:*

83   53B-8b-112, as enacted by Chapter 390, Laws of Utah 1997

          59-10-901, as enacted by Chapter 390, Laws of Utah 1997

3. *Page 24, Lines 736 through 740:*

736   { ~~Section 13.   Section 59-10-901 is amended to read:~~
737   ~~59-10-901.   Tax considerations for Utah Supplemental Educational Savings Plan~~
          ~~Plan~~
738   ~~Trust.~~
739   ~~[(1) (a)]   A contribution to the Utah Supplemental Educational Savings Plan~~
          ~~Trust~~
740   ~~created under Section 53B-8b-103 on behalf of a designated beneficiary is not a~~
          ~~taxable gift.~~
-}

4. *Page 25, Line 764:*

764   Section 53B-8b-112, Liberal construction.

          Section 59-10-901.   Tax considerations for Utah Supplemental Educational Savings Plan Trust.

5.   *Page 11, Lines 316 through 321:*

316   (2) (a) [Each] Through March 31, 2005, each   { beneficiary }   **account**

owner   under [a participation] an

317   account agreement   { shall }   **may**   receive an interest in a portion, as

determined by policy, of the

318   investment income derived by the endowment fund in any year during which

funds are invested

319   in the program fund on behalf of the beneficiary, to be payable [each year in

which moneys are

320   paid under the participation agreement to institutions of higher education for

higher education

321   costs, not to exceed the cost of attendance at the institution] as provided in

Subsection (2)(c).

                    Respectfully,

                    Margaret Dayton
                    Committee Chair

Voting: 12-0-3