



HR0784

LRB101 17170 MST 66571 r

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HOUSE RESOLUTION

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WHEREAS, 529 college savings plans are important tools for Illinois families who want to save for their children's college education; they offer a diverse range of investment options, tax-deferred growth, tax-deduction benefits, and withdrawals free of state and federal taxes when those withdrawals are used for qualified higher education expenses such as tuition, fees, books, certain room and board costs, computer equipment, and required supplies; and

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WHEREAS, The enactment of Section 529 of the Internal Revenue Code by Congress in 1996 allowed states to create "Qualified Tuition Programs"; and

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WHEREAS, The Office of the Illinois State Treasurer serves as the Trustee and Administrator for Illinois 529 College Savings Plans; and

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WHEREAS, The Bright Start and Bright Directions College Savings Plans were established in Illinois in 2000 and 2005 respectively, to assist Illinois families with financing the costs associated with a college education; and

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WHEREAS, Today, more than 650,000 Bright Start and Bright Directions accounts have been created, and over \$12 billion has

1     been saved for higher education expenses; and

2           WHEREAS, The Bright Start and Bright Directions College  
3     Savings Plans have helped families meet their higher education  
4     goals with over \$954 million withdrawn annually for qualified  
5     higher education expenses at colleges and universities in  
6     Illinois and throughout the United States; and

7           WHEREAS, In 2019, Morningstar announced that the Bright  
8     Start 529 College Savings Plan earned a gold rating for the  
9     third year in a row, and the Bright Directions Advisor-Sold 529  
10    College Savings Plan earned its fifth consecutive silver medal,  
11    the highest honor bestowed on advisor-sold plans; and

12           WHEREAS, According to the Federal Reserve Bank of New York,  
13    student loan debt has now reached \$1.6 trillion nationally,  
14    which is more than triple the amount owed in 2005; and

15           WHEREAS, In Illinois alone, student loan debt has increased  
16    by 111% from 2008 to 2018, and there are 1.6 million student  
17    borrowers with \$60.9 billion in outstanding student loan debt;  
18    and

19           WHEREAS, In Illinois, the dream of achieving academic and  
20    professional success is being threatened by increasing tuition  
21    rates and decreasing financial aid; and

1           WHEREAS, Illinois' College Savings Plans help families to  
2           limit or prevent future student loan debt by helping them save  
3           for future higher education expenses; and

4           WHEREAS, The investments families make today pay off in the  
5           form of increased earning potential for their children in the  
6           future, with a college graduate earning an average of \$1  
7           million more than a high school graduate during his or her  
8           career according to the United States Census Bureau; and

9           WHEREAS, May 29th is recognized nationally as 529 College  
10          Savings Day to raise awareness across the country about the  
11          benefits of tax-advantaged college savings plans, known as 529  
12          College Savings Plans, as important vehicles to save for  
13          college; therefore, be it

14          RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE  
15          HUNDRED FIRST GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that  
16          we declare May 29, 2020 as College Savings Day in the State of  
17          Illinois to help raise awareness about the escalating costs of  
18          higher education, the importance of saving for college with the  
19          help of 529 college savings plans, and to recognize and  
20          commemorate the 20th Anniversary of the Bright Start College  
21          Savings Plan; and be it further

1           RESOLVED, That a suitable copy of this resolution be  
2           presented to the State Treasurer's Office.