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LRB102 10743 MST 16072 r

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SENATE 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, 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, 2021 marks the 25th anniversary of the creation of 529 College Savings Plans in the United States and the 21st

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1 anniversary of the establishment of the Bright Start College
2 Savings Plan in Illinois; and

3 WHEREAS, Today, more than 700,000 Bright Start and Bright
4 Directions accounts have been created, and over \$14 billion
5 has been saved for higher education expenses; and

6 WHEREAS, The Bright Start and Bright Directions College
7 Savings Plans have helped families meet their higher education
8 goals with over \$900 million withdrawn annually for qualified
9 higher education expenses at colleges and universities in
10 Illinois and throughout the United States; and

11 WHEREAS, In 2020, Morningstar announced that the Bright
12 Start 529 College Savings Plan earned a gold rating for the
13 fourth year in a row, and the Bright Directions Advisor-Sold
14 529 College Savings Plan earned a bronze medal, the highest
15 honor bestowed on advisor-sold plans; and

16 WHEREAS, According to the Federal Reserve Bank of New
17 York, student loan debt has now reached \$1.6 trillion
18 nationally, which is more than triple the amount owed in 2005,
19 and more than 2 million Illinois residents carry student load
20 debt, the average value of which is \$29,855; and

21 WHEREAS, In Illinois, the dream of achieving academic and

1 professional success is being threatened by increasing tuition
2 rates and decreasing financial aid, and student load debt has
3 been found to delay home purchases, business start-ups, and
4 other major economic investments; and

5 WHEREAS, Illinois' college savings plans help families
6 limit or prevent future student loan debt by helping them save
7 for future higher education expenses; and

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

14 WHEREAS, May 29th is recognized nationally as 529 College
15 Savings Day to help raise awareness across the country about
16 the benefits of tax-advantaged college savings plans, known as
17 529 College Savings Plans, as important vehicles to save for
18 college; therefore, be it

19 RESOLVED, BY THE SENATE OF THE ONE HUNDRED SECOND GENERAL
20 ASSEMBLY OF THE STATE OF ILLINOIS, that we declare May 29, 2021
21 as College Savings Day in the State of Illinois to help raise
22 awareness about the escalating costs of higher education and

1 the importance of saving for college with the help of 529
2 college savings plans; and be it further

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