



SR1061

LRB101 17171 MST 66572 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, 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

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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4 goals with over \$954 million withdrawn annually for qualified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 SENATE OF THE ONE HUNDRED FIRST GENERAL
15 ASSEMBLY OF THE STATE OF ILLINOIS, that we declare May 29, 2020
16 as College Savings Day in the State of Illinois to help raise
17 awareness about the escalating costs of higher education, the
18 importance of saving for college with the help of 529 college
19 savings plans, and to recognize and commemorate the 20th
20 Anniversary of the Bright Start College Savings Plan; and be it
21 further

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