



SR0922

LRB102 26817 ECR 37823 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, established in Illinois in 2000 and 2005 respectively, were created to assist Illinois families with financing the costs associated with a college education; and

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WHEREAS, Today, more than 800,000 Bright Start and Bright Directions accounts have been created, and over \$16 billion

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1 has 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4 goals with approximately \$1 billion withdrawn annually for
5 qualified higher education expenses at colleges and
6 universities in Illinois and throughout the United States; and

7 WHEREAS, In 2021, Morningstar announced that the Bright
8 Start 529 College Savings Plan earned a gold rating for the
9 fifth year in a row, making it one of only three 529 plans in
10 the country to be rated gold by Morningstar and one of only two
11 529 plans in the country to have been rated gold each of the
12 past five years; and

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

18 WHEREAS, In Illinois, the dream of achieving academic and
19 professional success is being threatened by increasing tuition
20 rates and decreasing financial aid; student loan debt has been
21 found to delay home purchases, business start-ups, and other
22 major economic investments; and

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

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

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

14 RESOLVED, BY THE SENATE OF THE ONE HUNDRED SECOND GENERAL
15 ASSEMBLY OF THE STATE OF ILLINOIS, that we declare May 29, 2022
16 as College Savings Day in the State of Illinois to help raise
17 awareness of the escalating costs of higher education and the
18 importance of saving for college with the help of 529 College
19 Savings Plans; and be it further

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