



OFFICE OF ILLINOIS STATE TREASURER

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Launch a Child's College Savings Plan for \$25

Students are 7x More Likely to Attend College

If They Know a Savings Plan Exists

SPRINGFIELD – The 529 college savings plans take center stage on May 29. The 529 College Savings Day is a national effort to discuss college expectations and goals with children.

“Too many families believe the dream of attending college is slipping away,” Treasurer Michael Frerichs said. “It is important for families to know that the first steps to that dream can be taken for as little as \$25.”

The Bright Start or Bright Directions college savings account are administered by the Treasurer's Office and can be opened at www.illinoistreasurer.gov. Purchasers can choose investment options or use an advisor for guidance. Age-based options where the underlying investments become more conservative as the beneficiary gets closer to college-age also are available. Savings can be used at any qualified institution nationwide, including technical schools.

These tax-advantaged college savings accounts are called 529 plans because they are named after Section 529 of the Internal Revenue Code. In Illinois, 7 of 10 seniors graduated with college debt. The average balance was \$28,500.

A Washington University study concluded that a child is seven times more likely to attend college if they know a college savings plan exists.

About the Illinois Treasurer

The Illinois Treasurer is the state's chief investment officer and Frerichs is a Certified Public Finance Officer. He protects consumers by encouraging savings plans for college or trade school, increasing financial education among all ages, and removing barriers to a secure retirement. As the state's Chief Investment Officer, he actively manages approximately \$25 billion. Currently, the portfolio includes \$13 billion in state funds, \$7 billion in college savings plans, and \$5 billion on behalf of local and state governments. The Treasurer's Office returns \$28 to the state for every \$1 appropriated. The Treasurer's office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office.

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