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I-CASH Bright Start 529 IL ABLE

Treasurer's Note

March 26, 2025

Creating Jobs and Retaining Illinois Businesses

The University of Illinois men's basketball team didn't do as well in the NCAA tournament as I would've liked.

I'm not sure I will ever be satisfied until they win a national championship. I had my heart broken in 1989 when the Flyin' Illini lost a nailbiter of a game against Michigan in the Final Four. They had already beaten Michigan twice that year.

The 2005 Illini team was special. An Ohio State team stopped their undefeated season in the final seconds of the final regular-season game. Illinois went on to win the Big Ten Tournament and made it to the national championship game, losing to a North Carolina team that was playing with the referees on their side.

If it isn't obvious by now, I grew up in Champaign County and I bleed orange and blue.

I especially love following U of I basketball, but there is a lot to be proud of in our state's flagship University. U of I sports teams have won 23 national championships, and the school's alumni and faculty have been awarded 28 Pulitzer Prizes and 24 Nobel Prizes.



The Flyin' Illini, one of the most talented teams Illinois has ever put on the court.

John Bardeen, a faculty member who died in 1991, is the only person to have won a Nobel in physics twice. He shared one Nobel for research on semiconductors and the invention of the transistor at Bell Labs, and he shared the other for the theory of superconductivity, developed at the U of I.

The university is the No. 5-ranked engineering school in the nation, and it's also among the country's top five in several disciplines, including civil, materials science, computer, electrical, and environmental engineering.

The U of I also has one of the largest engineering programs in the U.S. Every year, it produces more engineering graduates than MIT, Stanford, and Caltech combined.

We produce a lot of world-class engineering graduates, but unfortunately, we also export a lot of them to the world. Many of those engineers who became entrepreneurs moved to Silicon Valley to start their companies. Marc Andreessen, the co-founder of Netscape, the first commercial web browser, started his company in Champaign, but moved to the San Francisco Bay area. YouTube co-founders Steve Chen and Jawed Karim, as well as PayPal co-founders Max Levchin and Luke Nosek, were also U of I graduates who didn't stay in Illinois.

This is a big part of my motivation for creating the Illinois Growth and Innovation Fund and growing it to a \$1.5 billion investment pool. I knew we could earn higher returns than from our traditional investments, but we can also help keep more of our entrepreneurs here in Illinois and attract some from other states.

When entrepreneurs are growing their companies and want to grow them quickly, they frequently seek venture capital funding. In the past, when they have secured funding from San Francisco Bay Area firms, those firms suggested that they had to move their operation to Silicon Valley.

When those entrepreneurs secured funding from Illinois-based venture capital firms, they almost never suggested moving to California. By helping grow the number and size of Venture Capital (VC) firms in Illinois, we keep more companies here in Illinois and employ more of our taxpayers. Today, we have invested over \$700 million in Illinois VC firms. This has been a catalyst in these firms investing in 598 Illinois companies. A study and our reporting have shown that we have been responsible for creating 19,000 jobs here in Illinois.

Though the Illini didn't do as well as I had hoped this year, I will just have to wait until next year for that national championship. In the meantime, Illinois graduates and entrepreneurs will continue racking up wins for our state.

Sincerely, Michael

P.S. I'd also like to mention two other Illinois university teams that achieved milestones in this year's NCAA March Madness basketball tournaments. The Illini women's basketball team won its first NCAA Tournament game in 25 years by beating Creighton in a first-round game. And the Southern Illinois University Edwardsville men's basketball team played for the first time ever in March Madness. Congratulations to both!



Welcome to "The Mailbag," which is your opportunity to ask me about topics like our programs, other state government functions, or anything else that interests you.

Q. Could you consider putting in place a loan program ASAP for college loans? I'm scared that recent developments with the federal Department of Education will affect student loans for fall. — Anonymous

A. Thank you for your note and thank you for reaching out regarding this issue.

I share a similar concern around access to affordable loans to pay for college. In fact, we have launched a program directly addressing access to low-cost loans for residents attending universities and colleges here in the state. Our Student Empowerment Fund provides low-rate loans to make education more accessible for Illinois residents who are attending a nonprofit or not-for-profit Illinois university. This program aims to alleviate student debt burdens in Illinois and make it possible for more students to pursue higher education.

We have recently launched a low-rate private student loan products through the Student Empowerment Fund in which we have partnered with a reputable student lender to administer and service the private student loan products.

To date, we have launched two products: Illinois Partnership Loan and the Illinois College Family Loan. These loans are for Illinois residents attending Illinois universities and have an interest rate cap of 7%. We will continue partnering with additional lenders to ensure we can offer student loan products for all Illinois residents.

You can read about our Student Empowerment Fund at our Student Loans page which gives a comprehensive overview of the program.

If you have a question for "The Mailbag," please send me an email with the subject line "Mailbag." I can't promise that every one of your questions will run, but we do read them all and try to respond. And let us know if we can use your name, or if you'd prefer to be anonymous.

Email Your Questions

\$5.29 FAMILY DAY with the Bright Start 529 College Savings Plan

SATURDAY • APRIL 5 • 9:30 A.M. - 4:30 P.M.



Rockford-area families are invited to attend the Discovery Center Museum next month. Illinois State Treasurer Michael Frerichs' Bright Start 529 program is sponsoring \$5.29 day. A family of four can make it a day for \$21.16. That's a \$26.84 savings!

Here are the details:

- Saturday, April 5, from 9:30 a.m. to 4:30 p.m.
Discovery Center Museum, 711 N. Main Street, Rockford
Admission is \$5.29 for children and adults!

Kiddos can make their own piggy banks at the "Little Savers Crafting Workshop," which is open to the first 400 children. Families also are invited to speak directly with members of the Bright Start 529 team to learn more about how a 529 account can help achieve their education goals for their children after graduating high school. The event is sponsored by Bright Start 529, an Illinois 529 college savings plan.

The Discovery Center Museum event is part of an ongoing effort by the State Treasurer's Office to collaborate with select Illinois children's museums to organize free and reduced-price admission days and spread the word about college savings plans.

You can find out more about Bright Start and opening an account at brightstart.com. You can read important disclosures, including information about investments, fees, and risks related to Bright Start here and Bright Directions here.

Find Out More about \$5.29 Day

Footer area with social media icons (YouTube, Facebook, LinkedIn, Instagram, Globe) and contact information for Illinois State Treasurer Michael W. Frerichs, including address and a 'Contact Us' button.

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