



OFFICE OF ILLINOIS STATE TREASURER

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Treasurer Frerichs Encourages Bright Start, Bright Directions Contributions on 5-29 Day, National College Savings Day

Visit ILCollegeSavings.com or Call 877.432.7444

SPRINGFIELD – Illinois State Treasurer Michael Frerichs today encouraged families to open an [Illinois 529 College Savings plan](#) or make an additional contribution in honor of May 29, also known as 529 Day.

“A child is three times more likely to attend college if they know they have a college savings plan,” Frerichs said. “A simple turn of the phrase like 529 Day is a fun way to remind children that they have a 529 account and the tools needed to succeed for their future.”

Investments in a 529 college savings plan grow tax-free while in the account. Distributions are also tax-free when used for qualified expenses, such as tuition and fees, books or computers. Some employers allow payroll deductions into 529 plans. Recurring contributions also can be established through a checking or savings account. Such deductions do not have to come from a parent or guardian; recurring or one-time contributions also can be initiated by a friend or relative.

Families should open separate 529 accounts for each of their children, rather than one account for multiple children.

To further encourage college savings, Frerichs partnered with the College Savings Plan Network, a public-private partnership of 48 groups in 28 states to increase awareness of 529 plans nationwide. This is the first time state plans and their partners have joined together to launch a national campaign.

The campaign includes an agreement with the Fred Rogers Center, a group dedicated to realizing the vision of the Mr. Rogers’ Neighborhood television host to help children grow as confident, competent and caring human beings. The College Savings Plan Network’s messaging will broadcast before and after television episodes of the PBS KIDS series “Daniel Tiger’s Neighborhood.”

In July 2017, Frerichs revamped Illinois Bright Start and Bright Directions plans, leading the [Bright Start 529 College Savings Plan](#) to become one of the highest-rated programs in the country, winning back-to-back Gold medals from Morningstar, an independent firm which evaluates 529 college savings plans. [Bright Directions Advisor-Guided 529 College Savings Plan](#) has earned four consecutive Silver medals, the highest honor currently available for advisor-sold plans. Together, Bright Start and Bright Directions have \$11 billion in assets and more than 640,000 accounts.

For more information, visit ILCollegeSavings.com or call 877.432.7444.

About the Illinois Treasurer

As Illinois State Treasurer, Frerichs is the state's Chief Investment and Banking Officer and actively manages approximately \$30 billion. The portfolio includes \$13 billion in state funds, \$11 billion in college savings plans and \$6 billion on behalf of local and state governments. The investment approach is cautious to ensure the preservation of capital and returns \$42 to the state for every \$1 spent in operations. Frerichs' office protects consumers by safeguarding more than \$2 billion in unclaimed property, encouraging savings plans for college or trade school, increasing financial education among all ages, assisting people with disabilities save without losing government benefits, and removing barriers to a secure retirement. The Treasurer's Office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office.

The Bright Start Direct-Sold College Savings Program ("Bright Start") and the Bright Directions Advisor-Guided 529 College Savings Program ("Bright Directions") are part of the Illinois College Savings Pool and are designed to qualify as qualified tuition programs under the provisions of Section 529 of the Internal Revenue Code. Bright Start and Bright Directions are sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank & Trust Company serves as Program Manager, and Northern Trust Securities, Inc. acts as Distributor of the advisor-sold plan. Investments in Bright Start and Bright Directions are not guaranteed or insured by the State of Illinois, the Illinois State Treasurer, Union Bank & Trust Company, Northern Trust Securities, Inc., the Federal Deposit Insurance Corporation, or any other entity.

An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This and other important information is contained in the fund prospectuses and the Bright Start Program Disclosure Statement and Bright Directions Program Disclosure Statement (issuer's official statement), which can be obtained from your financial professional, on BrightStart.com, and BrightDirections.com and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement.

An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.

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