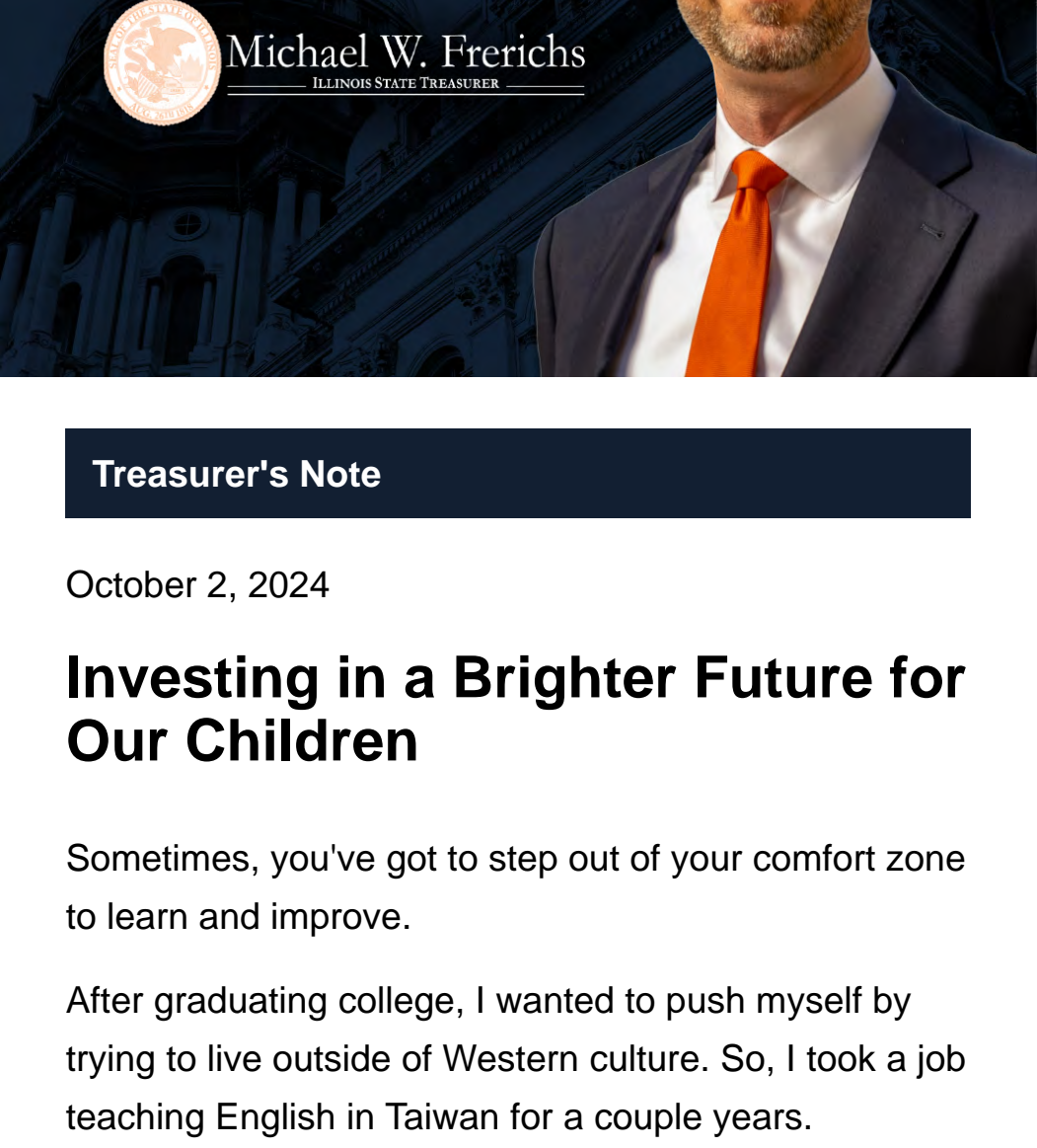


We're making our 529 college savings program even better with lower fees, a mobile app, and more.

[View online version](#)



Treasurer's Note

October 2, 2024

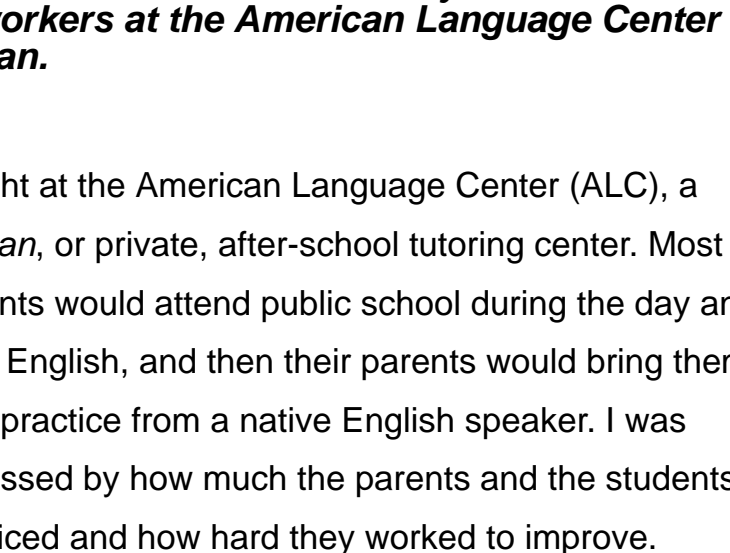
Investing in a Brighter Future for Our Children

Sometimes, you've got to step out of your comfort zone to learn and improve.

After graduating college, I wanted to push myself by trying to live outside of Western culture. So, I took a job teaching English in Taiwan for a couple years.

I don't think I appreciated what was in store for me. Communicating was difficult. Navigating the environment was challenging. Standing out a lot was uncomfortable.

Despite the language barrier, my young students were very sweet, and my colleagues were helpful. I was fortunate to return five years ago and spend some time with my old boss and two former colleagues.



The first photo is of me and some of my students. I'll let you guess which one is me. Years later, I was fortunate to reconnect with my old boss and two co-workers at the American Language Center in Taiwan.

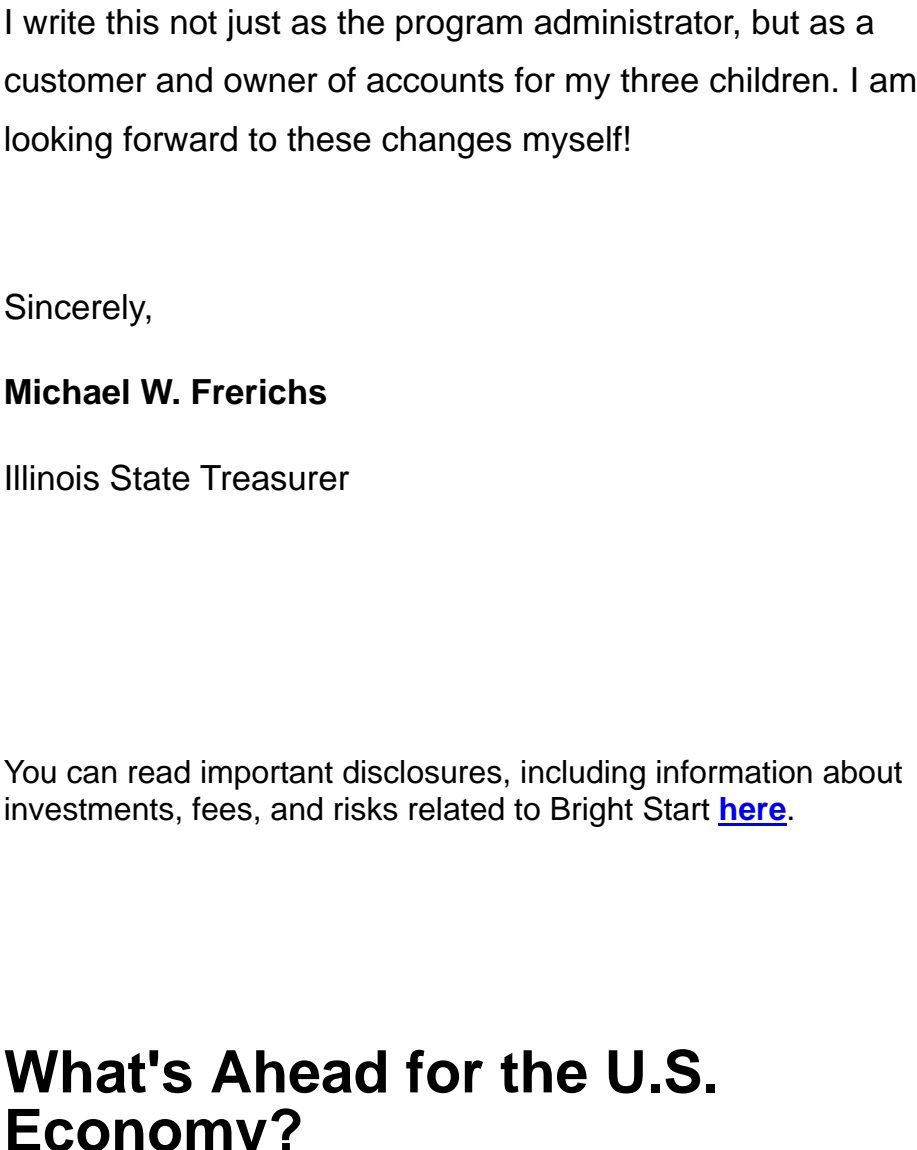
I taught at the American Language Center (ALC), a *buxiban*, or private, after-school tutoring center. Most of my students would attend public school during the day and study English, and then their parents would bring them for extra practice from a native English speaker. I was impressed by how much the parents and the students sacrificed and how hard they worked to improve.

I like to think that I took that lesson to the State Treasurer's Office. I believe in lifelong learning, and my staff and I believe in continuous improvement.

When I took office, that spirit of continual improvement is what led us to overhaul our [Bright Start](#) and Bright Directions 529 college savings programs. We hired a new investment manager and cut fees in half, saving families more than \$100 million to date. We transformed a program that was generally regarded as one of the worst in the country into one that is now considered one of the best by national outlets including [Time](#), [Business Insider](#), and [Forbes](#).

As proud as I am of all the work we have done, the families we have helped, and awards we have received, we never stop trying to improve. This year, with our current 529 management contract coming to a close, we decided to push to do even better.

I am happy to say that I think we have done that. This week, we brought on a new Bright Start program manager. [TIAA](#) is one of the largest and most widely recognized program managers of 529 college savings plans. With this change, total fees will decrease by an additional 13%. The Bright Start investment lineup, already receiving high marks from account holders and recognized by Morningstar as "well constructed," will be enhanced and improved. And for the first time, your college savings accounts will be available on a mobile app. (Click [here](#) to read our press release and watch the video below to find out more about these new enhancements.)



Just as the parents of my students in Taiwan wanted a brighter future with more options for their children, I know parents in Illinois want the same for their children. One way of doing that is by investing in their children's education.

As the chief investment officer of the State of Illinois, I can tell you that no investment pays greater dividends and better returns than an investment in the education of our children. If you don't believe me, check out [this study](#).

I write this not just as the program administrator, but as a customer and owner of accounts for my three children. I am looking forward to these changes myself!

Sincerely,

Michael W. Frerichs

Illinois State Treasurer

You can read important disclosures, including information about investments, fees, and risks related to Bright Start [here](#).

What's Ahead for the U.S. Economy?



Treasurer Frerichs sat down with Chicago Federal Reserve Bank CEO Austan Goolsbee at the [National Association of State Treasurers](#) conference in Chicago and asked about future interest rate cuts. He indicated more are on the way, [making headlines](#).

You can watch highlights of the conversation in the video above.

Honoring Leaders during Hispanic Heritage Month



September 15 through October 15 is Hispanic Heritage Month! Our office celebrated by recognizing [eight Hispanic leaders](#) who make Illinois a better place to live, work, and raise a family.

During the award ceremony, we asked a few honorees what this month and this award mean to them. Watch the video above to hear their reflections.

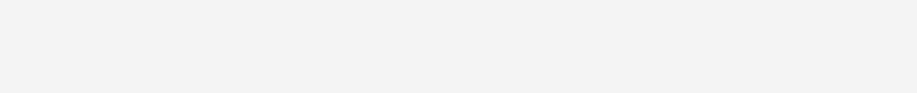
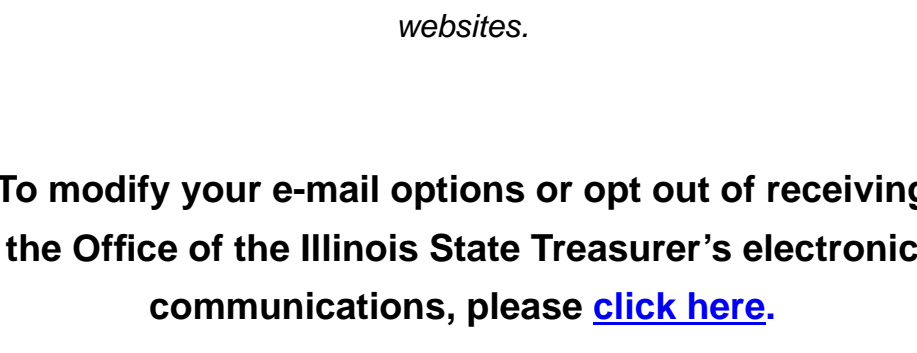
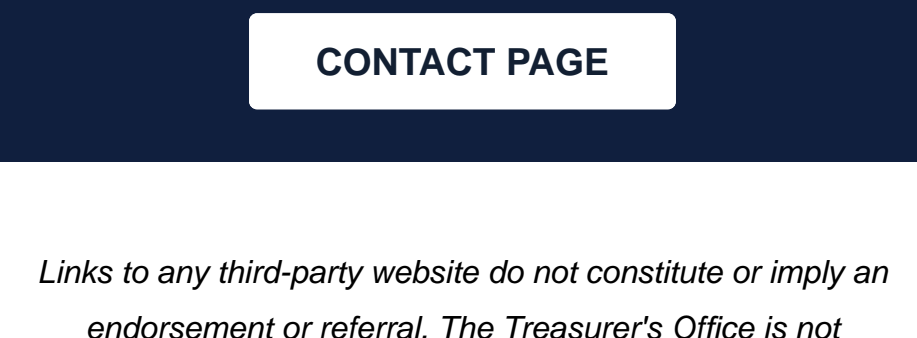
working for you

AUGUST State portfolio investment earnings: **\$139 million**

\$98 million was earned for cities, school districts and other units of government that take part in the Illinois Funds local government investment pool.

Michael W. Frerichs
ILLINOIS STATE TREASURER

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