WHEREAS,

RESOLUTION

Inclusion of Section 529 Plans in the Saver's Credit to Encourage More American Families to Save for the Rising Cost of Higher Education

The rising cost of a college education continues to outpace inflation WHEREAS,

> and, without proper planning, those costs can jeopardize a family's ability to ensure their children have access to higher education; and

College is an investment that will pay off given that the earnings gap between those with a high school diploma and those with a bachelor's

degree or beyond exceeds \$1 million over a lifetime; and

Over the past decade, education loan volume increased by more than WHEREAS,

> 150 percent to over \$75 billion, and at the end of the period, loans constituted approximately 54 percent of total funds used to finance

postsecondary expenses; and

The "tax-free" treatment of Section 529 plan earnings has encouraged WHEREAS.

a record number of parents to start saving for their children's college expenses, accumulating assets in these programs nationwide that have

grown from \$13 billion in 2001 to more than \$112 billion today; and

WHEREAS, In 2001, as part of the Economic Growth and Tax Relief

> Reconciliation Act (EGTRRA), Congress created the Saver's Credit to encourage middle- to low-income individuals to save for retirement.

NOW, THEREFORE BE IT RESOLVED, that the National Association of State Treasurers and its College Savings Plans Network urges the President and the Congress of the United States to enact legislation to include contributions to Section 529 qualified tuition programs to the list of deferrals or contributions that qualify for the Saver's Credit.

> Approved this 15th Day of July, 2007 by The National Association of State Treasurers

NAST President and Mississippi State Treasurer