

RESOLUTION

PROVIDE INCENTIVES AND DIRECTION TO EMPLOYERS TO ENCOURAGE EMPLOYEE SAVINGS IN A SECTION 529 COLLEGE SAVINGS PROGRAM

- WHEREAS,** The rising cost of higher education continues to outpace inflation and, without proper planning, those costs can jeopardize a family's ability to ensure their children have access to higher education; and
- WHEREAS,** A trained, highly skilled workforce is an investment that will benefit all of America through innovation and business development; and
- WHEREAS,** Tax code incentives that promote employer contributions into the retirement plans of employees have proven to be an effective method to increase retirement savings; and
- WHEREAS,** Tax code incentives that similarly promote employer contributions to Section 529 Qualified Tuition Programs will be an effective method of encouraging continued education among employees; and
- WHEREAS,** Some states are currently acting to provide employer incentives to encourage employee savings in a Section 529 Qualified Tuition Program and other states may begin taking similar actions, however some employers are hesitant to take advantage of these incentives because of the differences between federal and state tax codes; and
- WHEREAS,** The “tax-free” treatment of Section 529 plan earnings has encouraged 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 \$311 billion by the end of 2018.

NOW, THEREFORE BE IT RESOLVED, that the National Association of State Treasurers and its affiliate, the College Savings Plans Network, urge the President and the Congress of the United States to enact legislation to encourage and incentivize employers to support its employees’ efforts to save for higher education in a Section 529 Qualified Tuition Program to benefit themselves or their families.

Approved in 2007. Amended and renewed in 2010, 2013, 2016 and 2019.