

CSPN Market Volatility Communications Toolkit

Sample Press Release:

CITY, STATE DATE With the recent market volatility, it is important to keep in perspective that your child's dreams and your goals for their future are long-term and boundless. Staying the course is an essential part of keeping those dreams moving forward.

{INSERT QUOTE FROM TREASURER OR PROGRAM DIRECTOR}

As of December 31, 2022, there are more than 16 million open 529 accounts across the country, and more than \$411 billion has been saved. Americans realize the value and purpose of long-term education savings available in 529 accounts. Not only are more people opening 529 accounts, but they are committed to automatic contributions to the accounts. 38% of 529 accounts are currently receiving automatic contributions. The recently released data can be viewed [here](#).

Given recent market volatility, it's important to remain calm and evaluate risk tolerance, savings time horizon, and overall investment goals when considering investment choices. In doing so, carefully review the options in which plans are invested and available alternatives before making any changes.

SPECIFY FOR YOUR PLAN {The majority of 529 plans offer age-based investment options, which are designed to balance risk and return in light of the beneficiary's age. Most plans offer many other types of investments as well, ranging from ones that are FDIC insured to fixed choices such as 100% equity. One's savings time horizon, risk tolerance, and investment objectives will help determine whether a change is in order. Keep in mind that changes to existing investment options can be made only twice per calendar year or upon change in the beneficiary.}

Because investing and making changes to those investments is an important decision, people are encouraged to consult their tax or investment advisor about their specific circumstances.

{OFFICE/529 CONTACT INFORMATION}

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Sample Op-ed:

If you've been thinking about saving for your child's post-secondary education, you may be surprised to learn that now is an ideal time to start investing in a 529 college savings plan. Most 529 accounts can be opened with a minimal initial investment and setting up recurring contributions in an amount that fits within your budget is simple.

As of December 31, 2022, there are more than 16 million open 529 accounts nationally, and over \$411 billion has been saved. Americans realize the value and purpose of long-term savings available in 529 accounts. Not only are more people opening 529 accounts, but they are committed to automatic contributions to the accounts. 38% of 529 accounts are currently receiving automatic contributions. The recently released data can be viewed [here](#).

With investments fluctuating in 2022, it is easy to look at the newly released data and draw some concerns for 529 plans and investment options. While more accounts were added nationally, the amount of money saved has decreased. However, I would like to point out that 529 savings plans provide opportunities to set oneself up for success in investment downturns.

Investing in year-of-enrollment or age-based portfolios helps to weather market volatility. These investment options are designed to fit particular investment time horizons. 529 plan contributions are invested based on the anticipated time to college enrollment or the age of the beneficiary. They will typically be invested more heavily in underlying equity investments when the beneficiary is younger and more heavily in fixed-income and money market investments as the beneficiary nears enrollment in college. As the beneficiary gets older, the portfolio will shift to become more conservative.

You can't control the markets and economy; however, you can control how much you save and the diversification of your investments. Investment professionals suggest focusing on your risk tolerance or comfort level, the long-term savings strategy, and staying the course. When markets get rocky, it's tempting to take action. But that may only disrupt long-term goals. It continues to be a good idea for account owners to periodically assess their investment choices with their time horizon, risk tolerance, and investment objectives in mind. Speaking to a financial professional for anyone who is uncertain as to next steps is also an option.

Families' financial goals for their children and grandchildren's education remain the College Savings Plans Network's (CSPN) core mission in good economic times and bad. As a part of that mission, CSPN prioritizes equipping 529 plan participants and the public with the information and tools they need to minimize student debt for the next generation. In situations like those we experienced in 2022 with the markets, that can mean staying the course and focusing on children's long-term and boundless dreams.

Investors who focus long-term, stay the course, do not jump in and out of the markets, and who consistently contribute are those that have the potential to be rewarded over the long term. Remember and focus on the big picture—especially during unpredictable market periods.

Based on the recent CSPN data, more Americans are keeping that important focus top of mind for their loved ones and are saving for education. That is something everyone can celebrate! To see the past data, visit <https://www.collegesavings.org/529-plan-data/>.

So don't let the market's unpredictability keep or delay you from investing in your loved one's future. Opening a 529 college savings plan and setting up recurring contributions – even in small amounts – can potentially add up to big savings down the road.