



SR1840SAM001

LRB099 21664 MST 49253 a

1 AMENDMENT TO SENATE RESOLUTION 1840

2 AMENDMENT NO. _____. Amend Senate Resolution 1840 as follows:

3 by replacing everything with the following:

4 "WHEREAS, 529 college savings plans are important tools for
5 Illinoisans, offering a diverse range of investment options,
6 tax-deferred growth, tax-deductions benefits, and withdrawals
7 free of State and federal taxes when those withdrawals are used
8 for qualified higher education expenses such as tuition, fees,
9 books, computers, certain room and board costs, and required
10 supplies; and

11 WHEREAS, 529 prepaid tuition plans provide a valuable tool
12 for Illinoisans to prepay for future community college or
13 university study, reducing the uncertainty associated with
14 rising tuition rates while providing federal and State tax
15 benefits; and

1 WHEREAS, The enactment of Section 529 of the Internal
2 Revenue Code by Congress in 1996 allowed states to create
3 "Qualified Tuition Programs"; and

4 WHEREAS, The Office of the Illinois State Treasurer serves
5 as the Trustee and Administrator for all Illinois 529 College
6 Savings Plans; and

7 WHEREAS, The Bright Start and Bright Directions College
8 Savings Plans were created in Illinois in 2000 and 2005
9 respectively, to assist Illinois families to finance the costs
10 associated with a college education; and

11 WHEREAS, Today, over 400,000 accounts have been created in
12 Illinois and over \$7 Billion has been saved for future higher
13 education expenses; and

14 WHEREAS, The Bright Start and Bright Directions College
15 Savings Plans have helped families meet their higher education
16 goals with over \$400 million withdrawn annually for qualified
17 higher education expenses at colleges and universities in
18 Illinois and throughout the United States; and

19 WHEREAS, The College Illinois! Prepaid Tuition Program was
20 established in Illinois in 1997 to help make college possible

1 for Illinois families; and

2 WHEREAS, More than 30,000 students have attended college
3 using over \$725 million in College Illinois! benefits; and

4 WHEREAS, In the 2015-16 school year alone, more than 10,000
5 students are using College Illinois! benefits to attend the
6 school of their choice, including at private and out-of-state
7 institutions; and

8 WHEREAS, In Illinois, over the past 15 years, average
9 tuition and fees at public four-year universities have risen at
10 over four times the rate of inflation, and over the past 40
11 years, tuition and fees have increased by more than twice the
12 rate of inflation; and

13 WHEREAS, Financial Assistance has shifted away from grants
14 to providing access toward student loans so that today nearly
15 60% of all federal financial aid is in the form of loans,
16 substantially increasing the number of college graduates who
17 will face the burden of repaying significant student loan debt
18 upon entering the workforce; and

19 WHEREAS, According to the Federal Reserve Bank of New York,
20 student loan debt has now reached \$1.2 trillion nationally,
21 which is more than triple the amount owed in 2005; and

1 WHEREAS, Americans are burdened with student loan debt as
2 there are 40 million borrowers with an average balance of
3 \$29,000; and

4 WHEREAS, The Illinois College Savings Plans and Prepaid
5 Tuition Program help families to limit or prevent future
6 student loan debt by helping them save or prepay for future
7 higher education expenses; and

8 WHEREAS, The investments families make today pay off in the
9 form of increased earning potential for their children in the
10 future, with a college graduate earning an average of \$1
11 million more than a high school graduate during his or her
12 career according to the United States Census Bureau; and

13 WHEREAS, In Illinois, the dream of achieving academic and
14 professional success is being threatened by increasing
15 tuition rates and decreasing financial aid; and

16 WHEREAS, May 29th is recognized nationally as 529 College
17 Savings Day to raise awareness across the country about the
18 benefits of tax-advantaged college savings and prepaid tuition
19 plans known respectively as 529 College Savings Plans and 529
20 Prepaid Tuition Plans, as important vehicles to save for
21 college; therefore, be it

1 RESOLVED, BY THE SENATE OF THE NINETY-NINTH GENERAL
2 ASSEMBLY OF THE STATE OF ILLINOIS, that we designate May 29,
3 2016 as 529 College Savings Day in the State of Illinois to
4 help raise awareness about the escalating costs of higher
5 education and the importance of saving for college with the
6 help of 529 college savings and prepaid tuition plans."