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Media Contact:

Erin Hughes

erin@marathonstrategies.com

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College Remains a Good Investment

*529 Plan Leaders Stress Importance of Saving What You Can;
Staying Focused on Long-Term Goals for Child's Future*

Washington, DC – Even with the rapidly evolving impact of the coronavirus, saving for college remains a good investment.

The College Savings Plans Network (CSPN) today published a list of FAQs on CollegeSavings.org for 529 account holders to help ease concerns and answer questions related to the market volatility caused by the pandemic.

“Beyond its impact on daily work and public events, COVID-19 also has contributed to significant market volatility, but during times like these it is important to remain calm,” said **Michael Frerichs, Chairman of NAST’s affiliate network, the College Savings Plans Network (CSPN), and Illinois State Treasurer**. “It is important to keep in perspective that your child’s dreams and your goals for their future are long-term. Staying the course is an essential part of keeping those dreams moving forward.”

CSPN encourages account holders to keep their investment objectives and long-term goals in mind before making abrupt decisions based on recent market volatility.

“As Americans, we have faced crises before, we are resilient, and we will recover. While this situation is uncharted, we expect to emerge and flourish like we always do,” said **Young Boozer, chair of the National 529 Campaign**.

“Families’ financial goals for their children and grandchildren’s education continue to be our core mission,” **Boozer** said. “CSPN members are prioritizing public safety and abiding by social distancing recommendations and remain committed to serving account holders and the general public.”

CSPN’s end-of-year 2019 data on 529 college savings plans showed that American families were taking advantage of the benefits offered by these savings accounts. National investment reached over \$371.5 billion as of December 31, 2019, a record high level of investment, and an increase of over 19 percent year over year. The encouraging upward trend is a promising step towards combatting student debt, which currently [amounts](#) to almost \$1.6 trillion in the United States.

Since 1991, CSPN has led a national effort to encourage people to sign up for 529 college savings plans. As part of that effort, CSPN provides data on all U.S. plans assets, accounts, and average savings. Learn more [here](#).

Please visit [here](#) for more information on 529 College Savings Plans and COVID-19.

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About College Savings Plans Network (CSPN)

Founded in 1991, the College Savings Plans Network (CSPN) is a leading objective source of information about Section 529 college savings plans and prepaid tuition plans—popular, convenient, and tax-advantaged ways to save for college. An affiliate of the National Association of State Treasurers (NAST), CSPN brings together state officials who administer 529 savings and prepaid plans from across the country, as well as their private-sector partners, to offer convenient tools and objective, unbiased information to help families make informed decisions about saving for higher education. For more information, visit the CSPN website at CollegeSavings.org and follow CSPN on [Twitter](#), [Facebook](#), and [Instagram](#).

About 529 College Savings Accounts

A 529 plan is a tax-advantaged investment plan designed to help families save for a beneficiary's (typically one's child or grandchild) future qualified higher education expenses. While commonly referred to as 529 plans, they are formally known as "Qualified Tuition Programs," as defined in Section 529 of the Internal Revenue Code and are administered by state agencies.

Savings in a 529 plan grow free from federal income tax, and withdrawals remain tax-free when used for qualified education expenses. Additionally, many states mirror the federal 529 plan tax advantages by offering state tax-deferred growth and tax-free withdrawals for qualified education expenses. 529 plans are offered in 49 states and the District of Columbia. Check with your home state to see if it offers tax or other benefits such as financial aid, scholarship funds or protection from creditors for investing in its own 529 plan.

About National Association of State Treasurers

The National Association of State Treasurers provides advocacy and support that enables member states to pursue and administer sound financial policies and programs benefiting the citizens of the nation. Membership is composed of all state treasurers or state finance officials with comparable responsibilities from the United States, its commonwealths, territories, and the District of Columbia. The private sector is represented through the Corporate Affiliate Program that was established to build professional relationships and foster cooperation between the public

and private sectors. The association serves its members through educational conferences and webinars, a variety of working groups, policy advocacy, and publications that provide information about developments in public finance. For more information, visit www.nast.org.