

## NEWS RELEASE

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# ICI President Commends Legislators for Helping Americans Save for College in 529 Plans, June 2005

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Washington, DC, June 8, 2005 – ICI President Paul Schott Stevens issued the following statement regarding [H.R. 2386](#), the “College 529 Invest in Education Savings for Tomorrow Act of 2005,” and [S. 1112](#), the “College 529 InvEST Act of 2005.” These bills would make permanent 529 college savings plan provisions enacted as part of the Economic Growth and Tax Relief Reconciliation Act of 2001.

“On behalf of the mutual fund industry, ICI commends Congresswoman Melissa Hart and Congressman Earl Pomeroy, as well as Senate Finance Committee Chairman Chuck Grassley and Finance Committee Ranking Minority Member Max Baucus for their leadership and diligence on helping American families save for college education. Congress advanced this goal by creating 529 plans in 1996 and by [enhancing the plans’ college savings provisions](#) as part of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA).

“The Institute has long supported measures to provide Americans with opportunities to save for educational purposes. We support prompt passage of legislation making permanent the savings incentives provided by EGTRRA. The millions of American families saving for college will benefit and so will our nation.

“[Institute research](#) finds that saving for education is an important financial goal of the nation’s mutual fund shareholders, and that EGTRRA’s education savings enhancements are strong incentives for families saving for college. Legislation making permanent the tax-free treatment of qualified deferrals from 529 plans will remove uncertainty and further encourage long-term savings for education.”