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Wisconsin Department of Financial Institutions: Edvest college savings plan to celebrate National 529 Day

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MADISON – Edvest, Wisconsin's college savings plan, will celebrate National 529 Day along with similar plans across the country on May 29. The day was created to remind people of the costs of higher education and to help educate families about the benefits of starting a college savings plan early in a child's life. The qualified tuition programs are named after Section 529 of the Internal Revenue Code and are designed to make it easier for families to save for college.

"Edvest is a great tool that parents, grandparents, even students themselves can use to save for college," said Jay Risch, Secretary of the Wisconsin Department of Financial Institutions (DFI). "National 529 Day serves as a wonderful reminder that the sooner you start, the more time your money has to grow, which helps students begin college with a stronger financial foundation and reduces the likelihood a student will need student loans to pay for his or her education."

Here are some important facts that Edvest would like families to consider this 529 Day:

- **$351. The average monthly student loan payment for graduates ages 20 – 30.** That's money that can be used for car payments, rent or saving for a down payment on a house. Saving for college early and often can greatly improve a child's quality of life down the road.

- **Every $1 in savings is equal to $2 in student debt.** Repaying loans means repaying the amount borrowed plus interest. By contrast, savings and any earnings that may accumulate in an Edvest account can all be used toward college expenses.
- **Every day you don't save is a missed opportunity.** It's as simple as visiting Edvest.com and opening an account. All that is required is the future student's birthdate and social security number.

Edvest funds can be used for tuition and other qualified expenses such as room and board, books, computers, tablets and internet access at universities, technical colleges and graduate programs across the country, and even many schools abroad. In addition, Wisconsin residents who contribute to Edvest accounts may be eligible for in-state tax benefits, and all funds can be withdrawn tax free when used for qualified expenses.

Edvest is currently housed at the Wisconsin Department of Administration. However, the Legislature's Joint Finance Committee has approved a measure that will transfer Edvest to DFI later this year, once the measure has been approved by the full Legislature.

The move makes sense, Risch said, since DFI already houses the Office of Financial Literacy and last year launched a college affordability/student debt initiative, "Look Forward to Your Future" (www.lookforwardwi.gov).

"We envision a great deal of synergy developing between Edvest and our current efforts to inform people about the importance of planning ahead for a college education," Risch said. "This will be a positive step as we continue our efforts to promote student success in Wisconsin."

Edvest, which currently holds 159,000 accounts totaling $2.7 billion, offers account owners the choice of 17 investment portfolios. SavingforCollege.com recently ranked Edvest as one of the Top 10 in 529 Performance and awarded the program a 5-Cap Rating, which indicates that a 529 plan offers outstanding flexibility, attractive investments and additional economic benefits.

For more information or to open an Edvest account, visit Edvest.com. Edvest's college savings specialists are also available Monday through Friday between 7 a.m. and 7 p.m. toll-free at (888) 338-3789.