



The Office Of State Treasurer
Denise L. Nappier

News

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**TREASURER NAPIER COMMENDS U.S. SENATE COMMITTEE ON FINANCE
FOR UNANIMOUS PASSAGE OF BILL EXPANDING
ELIGIBLE EXPENSES UNDER 529 COLLEGE SAVINGS PLANS**
Urges Approval by the Full Senate

HARTFORD, CT – State Treasurer Denise L. Nappier today congratulated the U.S. Senate Committee on Finance for unanimously passing a bill that adds computers as an eligible education expense for tax-free withdrawals, as well as makes 529 college savings plans more up-to-date and flexible.

“In today’s high tech world, it’s hard to believe that computers and other electronic devices have not been considered as qualified higher education expenses. More classes are using e-books and cloud-based learning programs, and it is clear that electronics are essential tools in today’s college learning environment,” Treasurer Nappier said. She offered similar comments in a February letter to Connecticut’s U.S. Senators, Richard Blumenthal and Chris Murphy, encouraging passage of the bill.

On April 29, the Committee adopted Senate Bill 335, which now goes to the full Senate for action. This is a companion bill to House Resolution 529, which was passed with a bipartisan vote by the House of Representatives in February.

“As Connecticut families set aside money for college expenses, our Congressional leadership is taking an active role in improving 529 college savings plans so that they are flexible, convenient and easy to use,” said Treasurer Nappier, who is trustee of the Connecticut Higher Education Trust (CHET), Connecticut’s 529 college savings plan.

The bill also would allow families to redeposit college refunds back into their 529 account within 60 days without a tax penalty if their student experiences serious illness or sudden life circumstances that require them to take leave from their studies.

“There is no doubt that this is the right thing to do, as families save for years to put their children through college. They should not be penalized for life events that are beyond their control,” Treasurer Nappier said.

Lastly, the bill calls for accounting updates to adapt to current standards.

Treasurer Nappier urged the Senate to swiftly pass the bill and urged President Barack Obama to sign it as soon as it arrives on his desk.

ABOUT CHET

The State of Connecticut offers CHET to help families save for future college costs. Funds saved in a CHET account can be used at accredited colleges, universities, and vocational trade schools across the country for qualified higher education expenses. Some colleges abroad are also eligible.

Since CHET was established in 1997, it has grown to more than \$2.6 billion in assets and 110,000 accounts. Approximately 29,000 students have used in excess of \$939 million in CHET funds to pay for college costs.

The CHET direct-sold plan is administered by the Connecticut State Treasurer's Office, and managed by TIAA-CREF Tuition Financing, Inc. For more information about CHET, visit www.aboutchet.com or call the customer service center at (866) 314-3939.

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