



## **GET Customer Update Regarding Possible 529 Savings Plan**

*December 4, 2015*

After months of reviewing options for possibly establishing a 529 College Savings Plan, the GET Committee voted on Thursday, December 3<sup>rd</sup> to begin the development of a state-managed direct-sold 529 College Savings Plan. This is just the first step in a multi-phase process of creating a new savings plan. Separate from GET's Prepaid Tuition program, a 529 Savings Plan would provide state residents with a new way to save for future higher education expenses. Like GET, a savings plan would allow for tax-free growth and withdrawals for qualified higher education expenses; however, rather than having investment growth based on tuition inflation, a savings plan would provide investment options based on securities products like stocks and bonds.

In deciding to move forward in the creation process, the GET Committee's next steps include drafting legislation in partnership with the State Treasurer's Office and the Washington State Investment Board in order to attain the start-up funds, investment authority, and plan benefits and incentives needed to operate such a program. If the GET program is successful in attaining legislation and financial support for creating a new 529 Savings Plan, it is estimated that the new plan would be operational by fall of 2017.

It is important to note that the creation of a 529 Savings Plan does not mean an end to the GET Prepaid Tuition Plan. These are two separate issues in which the Legislature asked for further exploration as part of the College Affordability Program. The GET Committee is consciously going down two paths and will be conducting additional analysis about the future of the GET Prepaid Tuition program in the months ahead. Details on legislative progress related to a 529 Savings Plan and additional analysis about options for the GET Prepaid Tuition program will be shared at the next Committee meeting on Thursday, February 11, 2016 from 2 to 4 p.m. in Senate Hearing Room 1 at the J.A. Cherberg Building on the Capitol Campus.

More information regarding the future of the GET program and a possible 529 Savings Plan will be shared on the GET website as details become available. In the meantime, account specific questions related to the College Affordability Program can be answered by calling (800) 955-2318 or emailing [getinfo@wsac.wa.gov](mailto:getinfo@wsac.wa.gov).