



# NEWS RELEASE

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## **Treasurer Lockyer Announces ScholarShare College Savings Plan Reaches Record \$5 Billion**

*Tax-Deferred Plan Helps Families Get a Head Start on College Costs*

SACRAMENTO – State Treasurer Bill Lockyer today announced assets in ScholarShare, California’s 529 college savings plan, have grown to a record \$5 billion, reflecting the increasing use of an important tool that helps children obtain a higher education.

“It’s heartening to see so many families saving to help bring their children a brighter future,” said Lockyer, chairman of the ScholarShare Investment Board, which administers the program. “A college education helps prepare our kids to succeed and prosper in an increasingly competitive workplace.”

When Lockyer took office as treasurer in 2007, ScholarShare had 170,663 accounts and \$2.24 billion in assets. Now it has 243,400 accounts and \$5 billion in assets. That’s a 43 percent increase in the number of accounts and a 122 percent increase in assets.

ScholarShare now has a greater variety of investment options, lower fees, an easy-to-use website and a variety of online tools, including mobile access. The plan has been managed by TIAA-CREF Tuition Financing Inc. since November 2011.

Rising tuition costs make college savings even more important. 529 plans, named for the section of the IRS code under which they are created, give families an important tax advantage. Earnings on deposits in the accounts are not taxed. Disbursements for tuition and other qualified higher education expenses are free of state and federal taxes.

ScholarShare accounts may be opened with as little as \$25. ScholarShare has no annual account maintenance fee, no income limit and a maximum contribution cap of \$371,000. ScholarShare accounts can be opened online at [www.scholarshare.com](http://www.scholarshare.com). For information about the SIB, visit [www.treasurer.ca.gov/scholarshare](http://www.treasurer.ca.gov/scholarshare). ScholarShare is also on [Twitter](#) and [Facebook](#).

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