
MAY 22, 2025

**AGENDA ITEM 3
INFORMATION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Executive Director's Report

Background

The Executive Director's Report includes an overview of the following items:

- Agency highlights,
- Legislative updates,
- Reporting, and
- Contracts.

Presenter

Cassandra DiBenedetto, Executive Director, ScholarShare Investment Board

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Executive Director's Report

May 22, 2025

Agency Highlights

- **California's Early Wealth Account System (CEWAS) Summit**
 - SIB co-hosted California's first ever summit in April bringing over 100 educators, policy leaders, and non-profit administrators together to discuss statewide opportunities for early wealth building through programs like CalKIDS.
 - The event consisted of a full day of sessions around CalKIDS research, outreach strategies, and ideas to improve asset-building policy goals.
 - This demonstrated the first major public gathering on CalKIDS since the program's launch to both celebrate its success and energize partners for continued collaboration in connecting families to available resources.
- **Cradle 2 Career**
 - SIB is coordinating a data partnership with California's new Cradle-2-Career (C2C) Data System.
 - SIB will provide C2C with information to identify if of-age CalKIDS participants attend a California Community College. C2C and the California Community College Chancellor's Office will use this information to support outreach efforts in connecting students to their CalKIDS Scholarships.
 - This partnership will benefit both SIB in its outreach efforts and C2C in leveraging its new database to support California programs.
- **Industry Conferences**
 - CSF-College Saving Foundation Conference was held in Berkeley, CA in March 2025 and Cassandra DiBenedetto participated on a panel for ScholarShare 529 Plan and the conference provided updates on financial literacy and updates on various 529 Plans throughout the US.
 - SIB staff attended and presented at the College Savings Plan Network's first CSA convening in March in Washington D.C. Staff presented on CalKIDS items related to outreach efforts and distributions for college-aged students.

Legislative Update

Federal Legislation

- [H.R. 750 \(Burlison\)](#)
 - Introduced 1/28/25
 - This bill, the Achieving Choice In Education Act (ACE Act), would expand the expenses that may be paid for with tax-free distributions from a 529 plan to include certain elementary, secondary, and homeschool education expenses, increase the amount of tax-free 529 plan distributions that may be used to pay for elementary, secondary, and homeschool education expenses to \$20,000, and increases the annual gift tax exclusion by \$20,000 for contributions made to a 529 plan. (Under current law, up to \$19,000 may be excluded from taxable gifts in 2025.)
 - Referred to the House Committee on Ways and Means (1/28/25)
- [H.R. 939 \(Hern\)](#)
 - Introduced 2/4/25
 - This bill, the Student Empowerment Act, would expand the education-related expenses that may be paid for with tax-free distributions from a 529 plan) to include certain expenses related to elementary, secondary, and homeschool education.
 - Referred to the House Committee on Ways and Means (2/4/25)

Legislative Update

Federal Legislation

- H.R. 1151 (Wittman)
 - Introduced 2/7/25
 - This bill, the Freedom to Invest in Tomorrow's Workforce Act, would amend the Internal Revenue Code of 1986 to treat certain postsecondary credentialing expenses as qualified higher education expenses for purposes of 529 accounts.
 - Referred to the House Committee on Ways and Means (2/7/25)
- H.R. 1818 (Collins)
 - Introduced 3/3/25
 - This bill, the Aviation Workforce Development Act, would amend the Internal Revenue Code of 1986 to allow qualified distributions from qualified tuition programs for certain aviation maintenance and commercial pilot courses
 - Referred to the House Committee on Ways and Means (3/3/25)

Legislative Update

Federal Legislation

- S. 152 (Cruz)
 - Introduced 1/20/25
 - This bill, the Student Empowerment Act, would expand the education-related expenses that may be paid for with tax-free distributions from a 529 plan) to include certain expenses related to elementary, secondary, and homeschool education.
 - Referred to the Senate Committee on Finance (1/20/25)
- S. 311 (Lee)
 - Introduced 1/29/25
 - This bill, the Achieving Choice In Education Act (ACE Act), would expand the expenses that may be paid for with tax-free distributions from a 529 plan to include certain elementary, secondary, and homeschool education expenses, increase the amount of tax-free 529 plan distributions that may be used to pay for elementary, secondary, and homeschool education expenses to \$20,000, and increases the annual gift tax exclusion by \$20,000 for contributions made to a 529 plan. (Under current law, up to \$19,000 may be excluded from taxable gifts in 2025.)
 - Read twice and referred to the Senate Committee on Finance (1/29/25)

Legislative Update

Federal Legislation

- S. 756 (Klobuchar)
 - Introduced 2/26/25
 - This bill, the Freedom to Invest in Tomorrow's Workforce Act, would amend the Internal Revenue Code of 1986 to treat certain postsecondary credentialing expenses as qualified higher education expenses for purposes of 529 accounts.
 - Read twice and referred to the Senate Committee on Finance (02/26/25)
- S. 1590 (Scott)
 - Introduced 5/5/25
 - This bill would amend the Internal Revenue Code of 1986 to allow qualified distributions from qualified tuition programs for certain aviation maintenance and commercial pilot courses
 - Read twice and referred to the Senate Committee on Finance (5/5/25)

Legislative Update

State Legislation

- [Assembly Concurrent Resolution 85 \(Garcia\)](#)
 - Introduced on 5/12/25
 - This resolution would proclaim May 29, 2025 as College Savings Day.
 - Introduced (5/12/25)
- [Senate Bill 529 \(Choi\)](#)
 - Introduced on 2/20/25
 - This bill, for taxable years beginning on or after 1/1/26, would allow a deduction for contributions made by a qualified taxpayer to the California 529 plan not to exceed either \$5,000 or \$10,000 and would require, in the case of any distribution in excess of qualified higher education expenses, that the aggregate amount of the deduction allowed that reduced the qualified taxpayer's gross income in any taxable year be added to the gross income of the qualified taxpayer in the taxable year of the distribution.
 - From committee with author's amendments. Read second time and amended. Re-referred to Committee on Revenue and Taxation (5/7/25)
- [Senate Bill 657 \(Niello\)](#)
 - Introduced on 2/20/25
 - This bill would exempt from gross income distribution made from a long-term 529 plan during the taxable years beginning on or after January 1, 2025, and before January 1, 2030, that are paid in a direct trustee-to-trustee transfer to a Roth IRA, and would conform state tax law to those changes relating to federal law.
 - From committee with author's amendments. Read second time and amended. Re-referred to Committee on Revenue and Taxation (4/29/25)

Reporting

- ScholarShare Outreach and Public Education (SCOPE) Report
 - As required in statute, SIB's annual report on the ScholarShare Outreach and Public Education (SCOPE) Plan for the period of January - December 2024 was submitted to Department of Finance, the Legislative Analyst's Office, and Budget Subcommittees in the Senate and Assembly. This report includes information on 2024 ScholarShare 529 marketing and outreach activities by SIB and select activities by the plan manager, TIAA-CREF Tuition Financing Inc.

Contracts

From December 2024 - April 2025, five (5) contracts and three (3) contract amendments were signed under the Executive Director's delegation authority.

Service	Contractor	Term	Cost
Executive & Support	State Treasurer's Office	07/01/24 – 06/30/25	\$208,528.00
Rent & Security Services	State Treasurer's Office	07/01/24 – 06/30/25	\$132,099.00
Audit	Gilbert CPAs	01/08/25 – 06/30/26	\$61,910.00
Event Planning	Sage Strategies	01/13/25 – 04/30/25	\$9,950.00
CalKIDS Recordkeeping Platform	VistaShare LLC	04/14/25 – 04/13/26	\$546,576.00
529 Industry Consulting*	AKF Consulting Group	05/02/23 – 04/16/26	\$260,000.00
Investment Consulting*	Meketa Investment Group, Inc.	05/02/23 – 04/16/26	\$302,625.00
Legal*	N & G Legal Group APC	06/01/24 – 12/31/25	\$26,000.00

*Amendment

Contracts

- Marketing and Outreach Purchase Orders

From December 2024 – April 2025:

- 13 marketing and outreach purchase orders processed
- Purchase orders (PO) totaled \$22,085
- POs consisted of partnerships and events with organizations that include:
 - Mexican Cultural Center of Northern California
 - CalGovHR, California School Personnel Commissioners Association, California Special Districts Association
 - Small School Districts Association, and California State PTA
 - California Community Colleges
 - Child and Family Policy Institute of California

ScholarShare Investment Board 2025 Meeting Calendar

- Tentative 2025 Meeting Dates
 - July 2025 (TBD)
 - Thursday, September 18, 2025 at 10:00am
 - Thursday, December 11, 2025 at 10:00am