



CALIFORNIA STATE TREASURER BILL LOCKYER

NEWS RELEASE

FOR IMMEDIATE RELEASE

October 22, 2013

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Treasurer Lockyer Announces ScholarShare College Savings Plan Rated One of the Best in the Nation by Morningstar

SACRAMENTO – State Treasurer Bill Lockyer today announced that Morningstar, which rates mutual funds, named ScholarShare, California’s 529 college savings plan, one of the nine best plans in the nation.

“I am pleased a respected rating agency has recognized the improvements ScholarShare has made to provide our account holders with one of ~~W~~Hbest plans in the nation,” said Lockyer, chairman of the ScholarShare Investment Board, which administers the program. “An outstanding plan makes it easier for parents to begin saving for a college education that can help their children succeed and prosper.”

Morningstar gave ScholarShare a silver rating for 2013, an improvement over last year when the plan earned a bronze rating.

ScholarShare has made a variety of improvements. The Board voted to eliminate its 0.05 percent state administrative fee, effective this November, on all of its passively managed portfolios, making them among the lowest priced in the nation. ScholarShare offers a wide variety of investment options and online tools, such as mobile access. The plan has been managed by TIAA-CREF Tuition Financing Inc. since November 2011.

When Lockyer took office in 2007, ScholarShare had over 170,000 accounts and \$2.24 billion in assets. Now it has over 246,000 accounts and \$5.26 billion in assets.

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. They can be opened online at www.scholarshare.com.

For information about the SIB, visit www.treasurer.ca.gov/scholarshare. ScholarShare is on [Twitter](#) and [Facebook](#).

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