



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS RELEASE

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## **Morningstar Recognizes ScholarShare as One of the Top-Rated 529 College Savings Plans in the Country** *ScholarShare is Upgraded to Silver Morningstar Analyst Rating*

**SACRAMENTO** – Today, [ScholarShare](#), California's 529 college savings plan, announced that it was named one of the top-rated 529 college savings plans in an annual study of U.S. 529 plans by [Morningstar](#), an independent investment research firm. ScholarShare received a Silver Morningstar Analyst Rating, upgraded from its Bronze rating a year ago.

For the fourth year since Morningstar began releasing its analyst ratings for 529 college savings plans, ScholarShare has been named one of the leading plans in the country. Morningstar evaluates more than 65 plans nationwide, analyzing a plan's portfolio of investment options and the investment options' performance, among other criteria.

"We're delighted that Morningstar analysts recognize the strength of the ScholarShare 529 college savings plan and potential for continued growth," said Treasurer John Chiang. "The ScholarShare 529 college savings plan has been helping California families of all income levels save for higher education costs since 1999, and will continue to strive to offer the best investment options for these families."

Since ScholarShare's inception in 1999, the number of ScholarShare accounts has grown to more than 266,000 with more than \$6.1 billion in total plan assets. In 2014, ScholarShare helped California families meet their higher education needs, with nearly \$300 million withdrawn to pay for qualified higher education expenses. Since 2012, the amount of qualified withdrawals has surpassed more than \$1 billion.

ScholarShare offers a diverse set of investment options, and provides tax-deferred growth and withdrawals free from state and federal taxes when the funds are used for qualified higher education expenses, such as tuition and fees, books or certain room and board costs. Any U.S. citizen, or resident alien with a valid Social Security Number or Taxpayer Identification Number, can open a new account, for as little as \$25. Considered one of the most competitively priced 529 plans in the country, ScholarShare asset based fees average 31 basis points (bps) across all 19 active and passive investment portfolios.

The passive investment lineup averages 16 bps. ScholarShare has no annual account maintenance fee, no income limitations, and offers a maximum account contribution limit of \$371,000. Through ScholarShare's ["Give a Gift"](#) option, parents, grandparents, aunts, uncles and friends can open a new account as a gift or make a contribution to an existing one.

**About the ScholarShare 529 College Savings Plan:**

To sign up for an account or for more information about the plan, visit [www.scholarshare.com](http://www.scholarshare.com). For information about the ScholarShare Investment Board (SIB), visit [www.treasurer.ca.gov/scholarshare](http://www.treasurer.ca.gov/scholarshare). Like ScholarShare on Facebook at [www.facebook.com/scholarshare529](http://www.facebook.com/scholarshare529) and follow us on Twitter at [@ScholarShare529](https://twitter.com/ScholarShare529).

Named for the section of the IRS code under which they were created, 529 plans offer valuable tax advantages. Contributions are made with money that has already been taxed. Once funds are placed in the account, investment earnings, if any, are not federally or state taxed, if withdrawn to pay for qualified higher education costs.

The ScholarShare 529 College Savings Plan Twitter and Facebook pages are managed by the State of California.

For more news, please follow the Treasurer on Twitter at [@CalTreasurer](https://twitter.com/CalTreasurer), and on Facebook at [California State Treasurer's Office](https://www.facebook.com/CaliforniaStateTreasurersOffice).

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