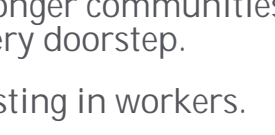


Michael W. Frerichs

ILLINOIS STATE TREASURER

JUNE 2023 E-NEWSLETTER



Treasurer's Note

Better Jobs and Stronger Communities

The flip of the calendar tells us it is June, but we at the Illinois State Treasurer's Office do not plan on a long vacation.

Instead, we continue to work with our partners to create better jobs and stronger communities so our economic growth reaches every doorstep.

We do this by investing in workers.

Our [Bright Start](#) college savings program helps families pay for college and trade school. I know first-hand the cost of higher education and job training can be daunting. A college degree or a trade certification tells a prospective employer you not only have the skills to be successful, but that you also have the ability to learn. The ability to learn is a valuable tool because it will help a company grow in a shifting and expanding market.

College and job training lead to better jobs and stronger communities.

We also invest in employers.

Small business owners are the backbone of our economy who often are underappreciated despite their hard work and generous donations. Our [Invest in Illinois](#) program is designed to help these men and women. Through Ag Invest, Business Invest, and Community Invest, we deposit money with our lending partners to provide consumer loans, assist with farm-related expenses, finance business expansion, and fund other important economic development activities.

When we help small businesses grow, we help grow our economy.

We also must invest in our future, and we do so through [Illinois Secure Choice](#).

We believe people with a strong work ethic should be rewarded with a dignified retirement. Secure Choice provides workers with a safe and convenient way to save their own money for retirement that also is simple and straightforward for employers.

Secure Choice participants are enrolled in a default target-date Roth IRA. Accounts are owned by individual participants and are portable from job to job. We leverage our private-sector partners to manage the investments.

Active, financially stable retirees help support our communities.

We have other programs that also help people help themselves. Our [ABLE](#) program helps individuals with disabilities save their own money without jeopardizing federal assistance. [Charitable Trust](#) helps small nonprofits assist individuals challenged by unemployment or poverty. [FinWell Hub](#) provides resources to help residents plan a better financial future.

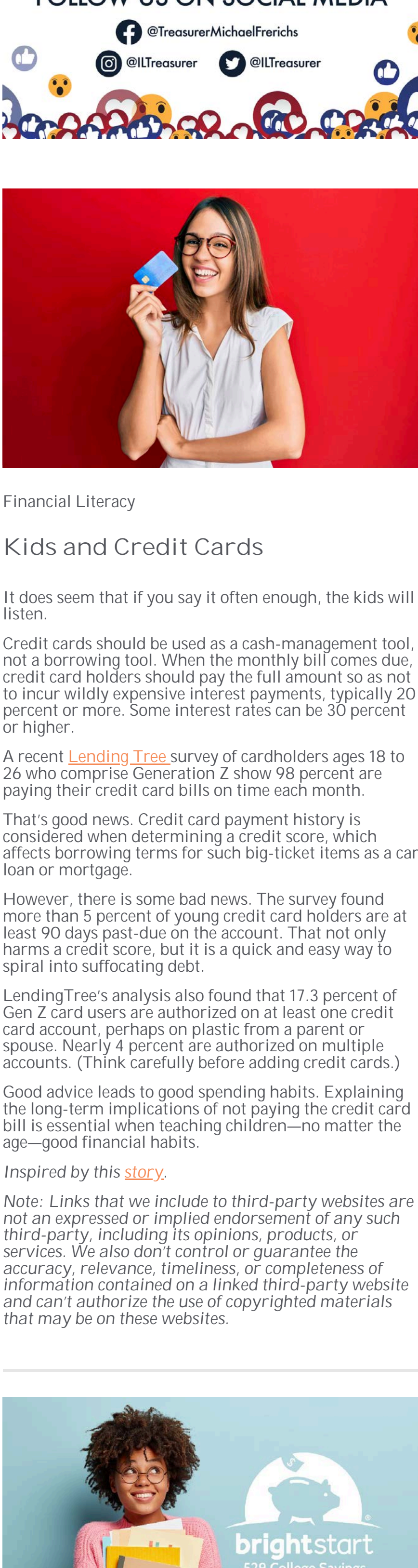
The core function of the Illinois State Treasurer's Office is to invest approximately \$52 billion on behalf of the state and local units of government. However, the [programs we provide](#)— helping people prepare for a career, helping small businesses grow, helping people save their own money for retirement—work together to build better jobs and stronger communities.

That helps our entire state, no matter where you live.

Sincerely,

Michael W. Frerichs

Illinois State Treasurer



Win Scholarship Money

Cream of the Crop Photo Contest Deadline Is June 12

Young Illinois photographers are encouraged to share their vision of agriculture in our state and compete for college scholarship money as part of the 2023 Cream of the Crop Photo Contest.

Bright Start scholarship funds will be awarded to the top winners in each of the three age categories. First-place winners will receive \$1,000, second-place winners will receive \$500, and third-place winners will receive \$250.

The Treasurer's Office is accepting electronic submissions for the Cream of the Crop Photo Contest at www.CreamoftheCropContest.com. Top photographs will be chosen in three age-based categories: ages 8-10, 11-14 and 15-18. Each student may submit up to two photos by June 12, 2023.

Illinois State Treasurer Michael Frerichs administers Bright Start, the Illinois direct-sold 529 program that provides families with a tax-advantaged investment vehicle to help save for future education expenses at a university or college, community college, trade school or apprenticeship. For more information, visit ILCollegeSavings.com or call 877.432.7444.

In addition to scholarship funds, top winners in the 2023 Cream of the Crop contest will have their photographs featured in Ag Invest marketing material, including the 2023-2024 Ag Invest calendar, and at the Illinois State Fair in August.

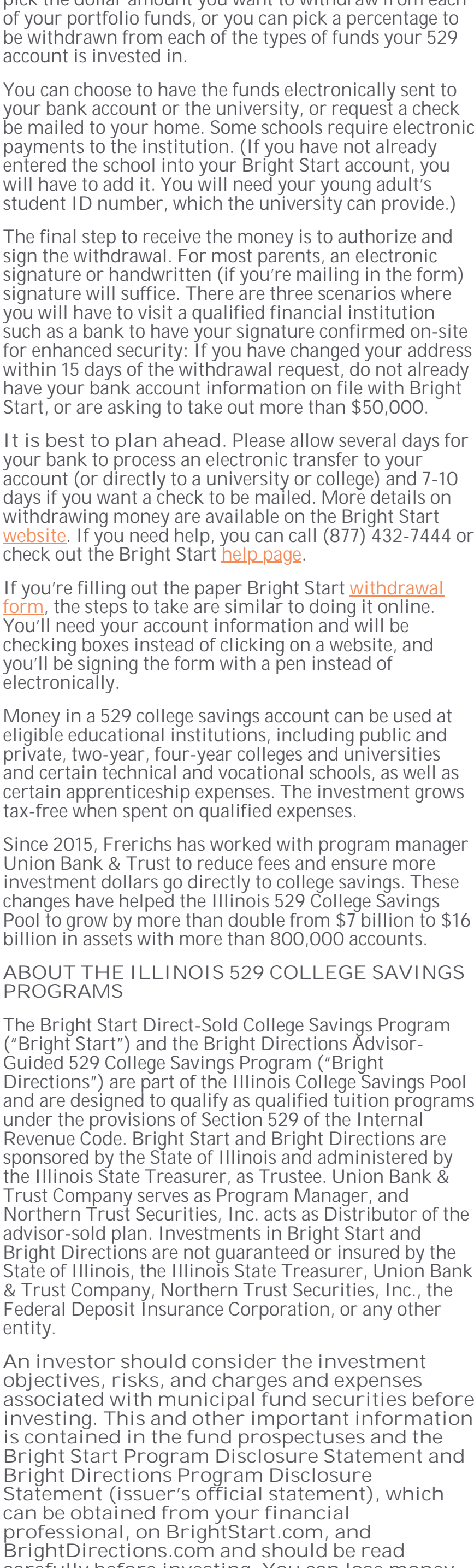
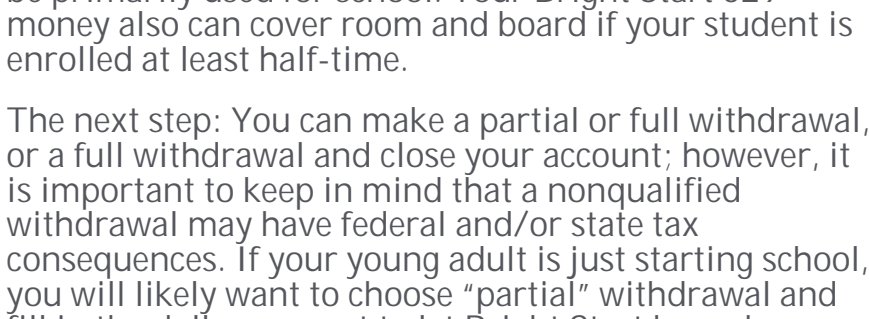
To read the rules, terms, and legal conditions associated with the Cream of the Crop Photo Contest, visit our website at www.CreamoftheCropContest.com or contact Teri Whitfield at 217.900.0075. To learn more about the Ag Invest program, go to [Ag Invest](#).

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Financial Literacy

Kids and Credit Cards

It does seem that if you say it often enough, the kids will listen.

Credit cards should be used as a cash-management tool, not a borrowing tool. When the monthly bill comes due, credit card holders should pay the full amount so as not to incur wildly expensive interest payments, typically 20 percent or more. Some interest rates can be 30 percent or higher.

A recent [Lending Tree](#) survey of cardholders ages 18 to 26 who comprise Generation Z show 98 percent are paying their credit bills on time each month.

That's good news. Credit card payment history is considered when determining a credit score, which affects borrowing terms for such big-ticket items as a car loan or mortgage.

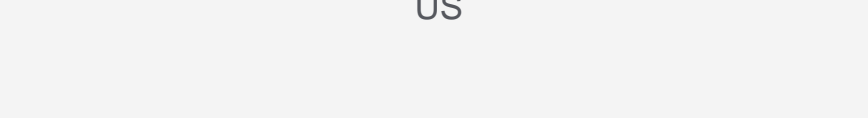
However, there is some bad news. The survey found more than 5 percent of young credit card holders are at least 90 days past-due on the account. That not only harms a credit score, but it is a quick and easy way to spiral into suffocating debt.

LendingTree's analysis also found that 17.3 percent of Gen Z card users are authorized on at least one credit card account, perhaps on plastic from a parent or spouse. Nearly 4 percent are authorized on multiple accounts. (Think carefully before adding credit cards.)

Good advice leads to good spending habits. Explaining the long-term implications of not paying the credit card bill is essential when teaching children—no matter the age—good financial habits.

Inspired by this [story](#).

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Paying for College

How to Use Bright Start Funds

It's an exciting time for high school seniors and their parents. Students have walked the stage at graduation and chosen a college after months of deliberation.

The university soon will ask for the first tuition payment to cover the fall semester, and it is finally time to make a withdrawal from your Bright Start 529 college savings plan.

Whether you [log in](#) to your account, go the paper route and [fill out a form](#) or call (877) 432-7444 to speak with an expert, there are a few key steps:

If you're using the Bright Start website, log in with your username and password and click "transact online" in the upper left corner, then click "withdrawal."

If you are paying for qualified expenses, you should click on "qualified withdrawal." The money can go toward qualified expenses, such as tuition, fees, books, supplies, and equipment such as a computer or software if it is to be primarily used for school. Your Bright Start 529 money also can cover room and board if your student is enrolled at least half-time.

The next step: You can make a partial or full withdrawal, or a partial withdrawal and close your account; however, it is important to keep in mind that a nonqualified withdrawal may have federal and/or state tax consequences. If your young adult is just starting school, you will likely want to choose "partial" withdrawal and fill in the dollar amount to let Bright Start know how much money you want to take out. You also will be asked to select the "withdrawal amount type." You get to pick the dollar amount you want to withdraw from each of your portfolio funds, or you can pick a percentage to be withdrawn from each of the types of funds your 529 account is invested in.

You can choose to have the funds electronically sent to your bank account or the university, or request a check be mailed to your home. Some schools require electronic payments to the institution. (If you have not already entered the school into your Bright Start account, you will have to add it. You will need your young adult's student ID number, which the university can provide.)

The final step to receive the money is to authorize and sign the withdrawal. For most parents, an electronic signature or handwritten (if you're mailing in the form) signature will suffice. There are three scenarios where you will have to visit a qualified financial institution such as a bank to have your signature confirmed on-site for enhanced security: If you have changed your address within 15 days of the withdrawal request, do not already have your bank account information on file with Bright Start, or are asking to take out more than \$50,000.

It is best to plan ahead. Please allow several days for your bank to process an electronic transfer to your account (or directly to a university or college) and 7-10 days if you want a check to be mailed. More details on withdrawing money are available on the Bright Start [website](#). If you need help, you can call (877) 432-7444 or check out the Bright Start [help page](#).

If you're filling out the paper Bright Start [withdrawal form](#), the steps to take are similar to doing it online. You'll need your account information and will be checking boxes instead of clicking on a website, and you'll be signing the form with a pen instead of electronically.

Money in a 529 college savings account can be used at eligible educational institutions, including public and private, two-year, four-year colleges and universities and certain technical and vocational schools, as well as certain apprenticeship expenses. The investment grows tax-free when spent on qualified expenses.

Since 2015, Frerichs has worked with program manager Union Bank & Trust to reduce fees and ensure more investment dollars go directly to college savings. These changes have helped the Illinois 529 College Savings Pool to grow by more than double from \$7 billion to \$16 billion in assets with more than 800,000 accounts.

ABOUT THE ILLINOIS 529 COLLEGE SAVINGS PROGRAMS

The Bright Start Direct-Sold College Savings Program ("Bright Start") and the Bright Directions Advisor-Guided 529 College Savings Program ("Bright Directions") are part of the Illinois College Savings Pool and are designed to qualify as qualified tuition programs under the provisions of Section 529 of the Internal Revenue Code. Bright Start and Bright Directions are sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank & Trust Company serves as Program Manager, and Northern Trust Securities, Inc. acts as Distributor of the advisor-sold plan. Investments in Bright Start and Bright Directions are not guaranteed or insured by the State of Illinois, the Illinois State Treasurer, Union Bank & Trust Company, Northern Trust Securities, Inc., the Federal Deposit Insurance Corporation, or any other entity.

An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This and other important information is contained in the fund prospectuses and the Bright Start Program Disclosure Statement and Bright Directions Program Disclosure Statement (issuer's official statement), which can be obtained from your financial professional, on BrightStart.com, and BrightDirections.com and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement.

An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.

HELPING YOU

The State Treasurer's Office Civic Engagement team is out and about to help you look up Unclaimed Property on i-Cash and to answer questions about the Bright Start college savings plan and other programs. Come visit us when we're in your neighborhood.

Michael W. Frerichs

UPCOMING EVENTS	
JUNE 2	HILLS CHAMBER OF COMMERCE FARMERS MARKET 8652 W. 95th St., Hickory Hills 7 a.m. - 1 p.m.
JUNE 3	CHILDREN'S SAFETY EXPO 701 Plainfield Road, Downers Grove 9 a.m. - 12 p.m.
JUNE 5	I-CASH RED BUD LIBRARY EVENT 825 S. Main St., Red Bud 12 p.m. - 2 p.m.
JUNE 6	CITY CLERK LOYOLA PARK EVENT 1230 W. Greenleaf Ave., Chicago 10 a.m. - 1 p.m.
JUNE 6	I-CASH WEST FRANKFORT LIBRARY EVENT 402 E. Poplar St., West Frankfort 10:30 a.m. - 12:30 p.m.
JUNE 7	PALOS HEIGHTS FARMERS MARKET 12217 S. Harlem Ave., Palos Heights 8 a.m. - 1 p.m.
JUNE 7	LOCKPORT TOWNSHIP SENIOR EXPO 1465 S. Farrell Road, Lockport 9 a.m. - 12 p.m.
JUNE 8	MANHATTAN ELWOOD LIBRARY 240 Whitson St., Elmhurst 11 a.m. - 2 p.m.
JUNE 9	HILLS CHAMBER OF COMMERCE FARMERS MARKET 8652 W. 95th St., Hickory Hills 7 a.m. - 1 p.m.
JUNE 9-11	ILLINOIS SPECIAL OLYMPICS GAMES 180 N. Adair St., Normal 9 a.m. - 4 p.m.
JUNE 10	CHILDREN'S SAFETY EXPO 6750 W. Montrose Ave., Harwood Heights 9:30 a.m. - 12:30 p.m.
JUNE 10	CITY CLERK PING TOM MEMORIAL PARK EVENT 1700 S. Wentworth Ave., Chicago 10 a.m. - 1 p.m.
JUNE 10	SOUTHERN ILLINOIS PRIDE FEST Washington & East Main Streets, Carbondale 12 p.m. - 5 p.m.
JUNE 13	ELWOOD PARK RECREATION CENTER 2 Centl Parkway, Elwood Park 11 a.m. - 5 p.m.
JUNE 14	PALOS HEIGHTS FARMERS MARKET 12217 S. Harlem Ave., Palos Heights 8 a.m. - 1 p.m.
JUNE 15	COMMUNITY RESOURCE FAIR 4955 W. North Chicago 10 a.m. - 2 p.m.
JUNE 16	I-CASH CRESTWOOD LIBRARY EVENT 4955 W. 135th St., Crestwood 11 a.m. - 3 p.m.
JUNE 16	HILLS CHAMBER OF COMMERCE FARMERS MARKET 8652 W. 95th St., Hickory Hills 7 a.m. - 1 p.m.

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Illinois State Treasurer Michael W. Frerichs

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