



JUNE 2022 E-NEWSLETTER



Working for You

## Illinois' 529: It's More Than Just College

I have immense respect for skilled trade workers. They built America and made it what it is today. I am reminded of this undeniable fact each time I get in my car, drive on our roads, and turn on a light switch.

I was fortunate to go to college. I did so with the support of my truck-driving father, my university secretary mother, and enough college loans to remind me to make the most of this expensive proposition.

I entered college right around the time Congress created education savings plans in Section 529 of the federal tax code that provided tax benefits for saving, so long as the funds were used to pay for qualified expenses at college or trade school.

Since they were created over 25 years ago, 529 savings plans have grown in popularity. Today, the 11 529 plans – Bright Start and Bright Directions – count more than 800,000 account holders saving approximately \$17 billion for future education.

While 529 plans have grown in popularity, their potential use has grown too. Funds saved in a 529 plan can be used for much more than attendance at a four-year college; they can equally be used to pay for attendance at a technical, trade, or vocational school and for apprenticeships.

Bright Start and Bright Directions funds can be used to attend hundreds of technical, vocational, and trade schools around the state and across the country. For example, in Springfield, 529 funds can be used at the Midwest Technical Institute, the Capital Area School of Practical Nursing, and others. In Alton, funds can be used at the CALC Institute of Technology. In Chicago, funds can be used at more than a dozen technical or trade schools.

Of course, many of our fine community colleges provide excellent technical education and, thankfully, 529 funds can be used at 2-year schools across Illinois and the country – ranging from the Computer Information Systems program at Spoon River College in Canton to the Baking and Pastry Arts program at College of DuPage in Glen Ellyn.

These examples are intended to demonstrate the range of education you can pay for with a 529 – not to endorse any particular school or program. To see a complete list of schools where you can use your 529 funds, visit [BrightStart.com](http://BrightStart.com) or check the federal government's school search tool.

There is no denying that higher education – at any level – is expensive. However, it is not prohibitively expensive if you plan and begin saving early.

From my earliest days as Treasurer, I've made it easier to make your savings work for you. We knew immediate action was needed. After careful review and shrewd negotiating, we revamped the 529 Bright Start program. The results were immediate: Independent analyst Morningstar honored our effort and results with a gold rating, the highest available.

We have achieved this honor for five consecutive years. "Illinois touts a strong investment team that has an impactful voice in the construction of this plan and supports our positive view," Morningstar most recently wrote.

Most importantly, we have demonstrated that saving for higher education is possible – and worth it.

For more information, or to get started on your family's saving journey, please visit us [here](http://here).

Sincerely,

**Michael W. Frerichs**

Illinois State Treasurer

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Did You Know?

### Local Government And Unclaimed Property

Did you know that units of local government also can have unclaimed property?

That's right.

Your city or county, school district or fire protection district, ambulance service or parks and recreation center, might be listed in the state treasurer's database of unclaimed property.

However, that does not mean that your local leaders did anything wrong.

Mistakes happen. Typically, the mistake is by someone else, not the local unit of government.

For example, some of these instances might be a check mailed to the wrong address. When the piece of mail is returned to the vendor, rather than taking the time to confirm the address, the vendor might simply ignore the returned-mail.

Several years later, the check is surrendered to the Illinois Treasurers' Office as unclaimed property, in accordance with state law. That is why your unit of local government might be on [our unclaimed property list](#).



Grab Your Cameras

### Cream of the Crop Photo Contest

June 22 is the deadline to enter the 2022 Cream of the Crop Photography Contest. The contest offers students an opportunity to share their vision of agriculture in our state.

As part of the contest's 10th anniversary celebration, Bright Start scholarship funds will be awarded to the first-, second- and third-place winners in each of the three age categories.

The treasurer's office will accept electronic submissions at [www.creamofthecropcontest.com](http://www.creamofthecropcontest.com). Top photographs will be chosen in three age-based categories: ages 8-10, 11-14 and 15-18. Each student is permitted to submit up to two photos.

The photo contest is part of the Ag Invest program. Winning photos will be featured in Ag Invest marketing material, the Cream of the Crop Calendar and the 2022 Illinois State Fair.

Ag Invest is one of the nation's largest agricultural linked deposit programs. It helps hundreds of Illinois farmers and agriculture professionals. The treasurer's office, through Ag Invest, partners with eligible financial institutions to offer farmers and ag businesses annual and long-term, low-interest loans which can be used for operating costs, equipment purchases, construction-related expenses, and livestock purchases.

To read the rules, terms, and legal conditions, visit our website at [www.CreamoftheCropContest.com](http://www.CreamoftheCropContest.com).

During the history of the contest, more than 500 students have participated, submitting nearly 1,000 photos.

One of those past winners, Anna Johnson of Durand, Illinois, still remembers what she was thinking when she submitted her photo for the 2021 competition: "It would be such a great opportunity to share a little piece of my life with everyone else who would see this if I win."

Johnson now is building her own photography business while studying agricultural business at college and holding down a marketing job. Winning the Cream of the Crop contest turned out to be "an amazing opportunity and experience," she said.

Emily Boecker of Morton, Illinois, recalled her photographic technique of "trying to get low to the ground to try to capture the best angle and framing that included the path, crop and silos on the family farm."

Boecker, who is now pursuing a degree in art, described how thrilled she felt when she was chosen as a 2017 contest winner. "It was the first time I had entered the contest. It was a very meaningful photo as it is the farm where four generations of my family have lived," she said.

Maria Schilder of Bolingbrook, Illinois, a 2015 contest winner, remembered taking her photos at a farm that had a friendly goat named Jack. Her cream of the crop photo, however, featured a different animal. "I was proud to submit my portrait of a chicken and even more proud when I was recognized for it," she said.

While Schilder was excited to learn that her winning photo would be included in the Cream of the Crop calendar, as all winning photos are, she got a bigger kick out of seeing her work displayed at the Illinois State Fair. "I love opportunities to be part of something bigger than me and my circle of friends," she said.

Other past winners offered additional advice for students who are considering entering this year's contest.

- "Do it!" said Noah Sandage of Marion, Illinois, a 2020 Cream of the Crop contest winner who plans to study engineering and history when he goes to college in the fall. "You never know what might come of the photo you submit! It is a great opportunity for both you and the community."
- "My advice would be to continue to practice and take pictures of everything you see," said Tanner Mickey of Taylorville, Illinois, a 2020 contest winner now studying agriculture in college. "You will begin to gain an eye for good photos and how to take the perfect shot."
- "Have fun taking pictures and submit something you are proud of!" said Renee Gehrke of Byron, Illinois, a 2017 contest winner and current college student.
- "Go out and capture the beauty in the world," said Jennifer E. Johnson of Hoffman, Illinois, a 2018 contest winner who is pursuing a career in radiology. "You never know where it could lead."



### Did You Know?

State law prohibits investing any portion of the \$27 billion state portfolio in the stock market.

Market volatility understandably has some investors concerned. However, timing the market is not a strategy. In positive and negative markets, asset allocation and diversification are key. The mix should meet short-term needs; the goal is to avoid selling equities in a downturn.

Individual investors cannot control the many influences on the market, especially how the market will react to events any day or week. Individuals should focus on factors they can control, especially their short- and long-term needs, asset diversification, willingness to be open to opportunities, and risk tolerance.

If you would like to contact the Office of the Illinois State Treasurer, please visit our [contact us](#) page.

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