WA529
WASHINGTON COLLEGE SAVINGS PLANS

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Washington College Savings Plans Rollover Report to the Governor and the Legislature December 2020

Introduction

The Committee on Advanced Tuition Payment and College Savings operates two 529 college savings plans: The Guaranteed Education Tuition (GET) program and the DreamAhead College Investment Plan. Per the plans' enabling statute, Chapter 28B.95 RCW, GET and DreamAhead were established to encourage savings and enhance the ability of Washington citizens to obtain financial access to institutions of higher education. The plans are also designed to complement one another to save towards the full cost of attending college.

Washington is one of 49 states, along with the District of Columbia, that offers one or more 529 college savings plans to the public. These tax-advantaged savings vehicles offer tax-deferred growth and tax-free withdrawals when a qualifying distribution is made. Qualifying distributions include those to cover qualified higher education expenses such as tuition, fees, room and board, books, and supplies. They also include rollover distributions to other 529 or 529A (ABLE) plans.

Statute, RCW 28B.95.045(2), requires the WA529 Committee to report annually to the Governor and the appropriate committees of the Legislature on:

(a) The number of accounts that have been rolled into the Washington college savings program from out of state and
(b) The number of accounts rolled out of the Washington college savings program to 529 plans into other states.

This statutory requirement only applies to DreamAhead (known statutorily as the "Washington College Savings Program"). However, for additional context, the following report provides these rollover statistics for both GET and DreamAhead for State Fiscal Year 2020.

WA529 Rollovers

Table 1 below provides an overview of these GET to DreamAhead rollovers, as well as rollovers between GET and out-of-state plans and DreamAhead and out-of-state plans.

TABLE 1: GET and DreamAhead Rollovers – State Fiscal Year 2020

Rollover Type	Number of Accounts
Incoming Rollovers From Out-of-State Plans	
Rollovers into GET	63
Rollovers into DreamAhead	61
Outgoing Rollovers to Out-of-State Plans	
Rollovers from GET	68
Rollovers from DreamAhead	558
Rollovers between GET and DreamAhead	
Rollovers from GET to DreamAhead	28
Rollovers from DreamAhead to GET	29

Additional Notes

- Of the 558 rollovers from DreamAhead to out-of-state plans, 469 (84%) of them were for accounts that originally rolled over from GET as part of the incentive program offered by Senate Bill 6087 (2018).
- Additional details underlying these rollovers (dollar amounts, sending/receiving plans, etc.) are available upon request to WA529 Director, Luke Minor at lucasm@wsac.wa.gov.
- The WA529 Committee will provide an update to this report by December 1, 2021.

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