



February 20, 2015

The Honorable Lynn Jenkins
Committee on Ways and Means
U.S. House of Representatives
1526 Longworth House Office Building
Washington, D.C. 20515

The Honorable Ron Kind
Committee on Ways and Means
U.S. House of Representatives
1502 Longworth House Office Building
Washington D.C., 20515

Dear Congresswoman Jenkins and Congressman Kind,

The Securities Industry and Financial Markets Association (SIFMA) would like to express our strong support for H.R. 529 to expand and strengthen Section 529 College Savings Plans. Your legislation addresses a critical issue for millions of American families looking to save for their children's education.

We welcome the inclusion of certain computer expenses as qualified Section 529 expenses. Currently, such expenses are not qualified higher education expenses unless specifically required by a college, trade or technical school. We believe this is an outdated restriction and we agree the law should be revised to keep up with today's methods of instruction in higher education.

Allowing the re-deposit of contributions to a Section 529 plan when a student needs to withdraw from a class or the school would also help to reduce one of the risks of using Section 529 plans and would broaden the appeal and usefulness of these college savings vehicles. Additionally, we support the elimination of all distribution aggregation requirements. This would benefit Section 529 plan administrators; since earnings are no longer taxed at distribution, the requirement is outdated and no longer necessary.

Thank you for your leadership on this important issue. SIFMA looks forward to working with you and your staff toward final passage of this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Blocker", with a stylized flourish at the end.

Andy Blocker
Executive Vice President, Public Policy & Advocacy