

[DATE]

The Honorable Ron Wyden
Chair, Committee on Finance
U.S. Senate
Washington, D.C. 20510

The Honorable Mike Crapo
Ranking Member, Committee on Finance
U.S. Senate
Washington, D.C. 20510

The Honorable Jason Smith
Chair, Committee on Ways & Means
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Richard Neal
Ranking Member, Committee on Ways & Means
U.S. House of Representatives
Washington, D.C. 20515

RE: Support for the Bipartisan, Bicameral Freedom to Invest in Tomorrow's Workforce Act

Dear Chairman Wyden, Chairman Smith, Ranking Member Crapo and Ranking Member Neal:

The Tomorrow's Workforce Coalition, which includes 600 member organizations that help create and strengthen career opportunities across the economy, supports the bipartisan, bicameral *Freedom to Invest in Tomorrow's Workforce Act* (S. 722 / H.R. 1477). The coalition is grateful to **Senators Klobuchar and Braun** and **Representatives Wittman and Spanberger** for championing this beneficial workforce bill.

The Coalition respectfully urges you to approve the *Freedom to Invest in Tomorrow's Workforce Act* as soon as possible so that students, families and workers can better access the credentials and skills training that help grow strong, resilient careers.

As you know, 529 plans are state-sponsored education savings accounts that are exempt from federal taxes if funds are used to pay for qualified education expenses. These include college, graduate or professional degrees; education programs from Title IV accredited institutions; registered apprenticeships; and certain K-12 tuition and student loan repayments. Under current law, 529 plan **beneficiaries cannot use funds to obtain or maintain recognized postsecondary credentials, including professional, voluntary certifications, licenses and other valuable training and credentials.**

The Freedom to Invest in Tomorrow's Workforce Act would expand qualified expenses under 529 plans to include postsecondary skills training and credentialing programs, such as licenses and nongovernmental certifications. It would also provide valuable tax-advantaged resources for students and workers—with or without a college degree—who pursue career growth, mid-career changes or career pathways that diverge from a typical academic degree.

The bill would shift the paradigm for 529 plans—transforming them from “college savings plans” to “career savings plans.” Families could save money—utilizing the unique tax advantages that 529 plans offer—for beneficiaries at any stage of their careers and at any education level to boost job prospects and earning potential.¹ Traditional contributors to 529 plans, such as parents and grandparents, cannot know if a two- or four-year college education will be the best or preferred option when establishing a beneficiary's account. This legislation would provide flexibility for 529 beneficiaries to use their plan funds to cover whichever quality educational, training or credentialing programs that best fit their skills development, professional growth and career path; this legislation can support the entire workforce.

¹ Data show that certification and licensure reduce wage gaps by as much as 43 percent. See [University of Chicago Human Capital and Economic Opportunity Global Working Group](#).

The proposal would cost \$85 million over ten years, according to the Joint Committee on Taxation.²

Thank you for your service to our country and for your attention to the *Freedom to Invest in Tomorrow's Workforce Act*. Please email Jeff Evans (jevans@asaecenter.org), director of public policy for the American Society of Association Executives, if you or your staff have questions.

Sincerely,

The Tomorrow's Workforce Coalition
Coalition Roster Found on Next Page.

CC

The Honorable Michael Bennet

*Chair, Subcommittee on Taxation and
IRS Oversight*
Committee on Finance
U.S. Senate
Washington, D.C. 20510

The Honorable Mike Kelly

Chair, Subcommittee on Tax Policy
Committee on Ways & Means
U.S. House of Representatives
Washington, D.C. 20515

The Honorable John Thune

*Ranking Member, Subcommittee on Taxation and
IRS Oversight*
Committee on Finance
U.S. Senate
Washington, D.C. 20510

The Honorable Mike Thompson

Ranking Member, Subcommittee on Tax Policy
Committee on Ways & Means
U.S. House of Representatives
Washington, D.C. 20515

ENCLOSURE

- [S. 722 text](#)
- [H.R. 1477 text](#)
- [Coalition and legislation one-pager](#)

² Joint Committee on Taxation 7/10/23 response letter to Congressman Rob Wittman's 5/11/23 request for a revenue estimate of the "Freedom to Invest in Tomorrow's Workforce Act."