

STATE OF VERMONT
EXECUTIVE DEPARTMENT
A PROCLAMATION

- WHEREAS,** Vermonters recognize that a college education is one of the most important ways by which to assist the next generation in preparing for successful careers and lives; and
- WHEREAS,** higher education is an investment that will pay off as the difference in lifetime earnings may exceed \$1 million between students with a high school diploma and those with a bachelor's degree or beyond; and
- WHEREAS,** even when students are academically qualified and prepared to commence college studies, the financial barriers they confront are so overwhelming that all too often these young Vermonters forego college attendance and forfeit outstanding career opportunities; and
- WHEREAS,** over the past decade, the cost of attending a Vermont college has increased by 65 percent, and in 2007, loans constituted more than half of higher education financial aid; and
- WHEREAS,** when Vermont's financially neediest students complete their college education, they may carry an education debt in excess of \$39,000; and
- WHEREAS,** in 1998, the General Assembly established the Vermont Higher Education Savings Plan "to create a means of encouraging the savings and investing of funds for future postsecondary education"; and
- WHEREAS,** as of fall 2006, the federal government made permanent the tax benefits afforded under section 529 (college savings plans) of the U.S. Internal Revenue Code; and
- WHEREAS,** in support of college savings accounts, the state of Vermont increased the associated state income tax credit to 10% of the first \$2,500 contributed per beneficiary, thereby making these Vermont Higher Education Investment Plan (the Plan) accounts an ideal way to save for college education expenses; and
- WHEREAS,** for the 2007 tax year, 1,710 Vermonters claimed the income tax credit and the total value of the credit for these filers was more than \$828,800; and
- WHEREAS,** the Plan has grown to include more than \$90 million in assets in nearly 8,500 individual accounts; and
- WHEREAS,** these numbers make Vermont's 529 college saving program one of the fastest-growing nationally both in terms of accounts and assets; and
- WHEREAS,** under the management of TIAA-CREF, the Plan has demonstrated a solid financial performance, ranking among the top third in the nation.

NOW, THEREFORE, I, James H. Douglas, Governor, do hereby proclaim **September, 2008** as

COLLEGE SAVINGS MONTH
in Vermont.

Given under my hand and the Great Seal of the State of
Vermont this 27th day of August, A.D. 2008.

James H. Douglas
Governor

Jason G. Gibbs
Secretary of Civil and Military Affairs