

Reps. Bellino, Frederick, Griffin, Geiss, Iden, Kelly, Kahle, Howell, Wentworth, LaFave, Chatfield and Chirkun offered the following concurrent resolution:

House Concurrent Resolution No. 8.

A concurrent resolution to memorialize the Congress of the United States to include transportation costs as a qualified education expense under the Section 529 Qualified Tuition Program.

Whereas, Congress created the qualified tuition program to provide individuals with a means to save and pay for higher education. Earnings on Section 529 Qualified Tuition Program (529 plan) accounts are exempt from federal taxes when the savings are used to pay for qualified higher education and vocational training expenses. The 529 plans encourage savings and decrease reliance on debt; and

Whereas, The tax-free treatment of 529 plans earnings has encouraged record numbers of Michiganders to save for higher education for themselves, their children, and others. Approximately 17 percent of families used funds from 529 plans to pay college expenses in the 2014 – 2015 school year; and

Whereas, Qualified education expenses include tuition and fees, some room and board costs, textbooks, and other costs listed by federal law if directly related to education. However, lifestyle costs are not considered qualified education expenses. Transportation is included as a lifestyle cost and cannot be covered by savings in a 529 plan; and

Whereas, Transportation for students who commute is a necessity required to attend class. Michigan has over 400,000 students attending community colleges statewide. The majority of these students commute to campus as only seven Michigan community colleges offer on-campus housing for a small portion of the student body. Even Michigan's four-year private and public universities serve commuter students with an estimated 60 percent to over 90 percent of students at these institutions living off-campus and incurring transportation costs to obtain an education; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we urge the Congress of the United States to include transportation costs as a qualified education expense under the Section 529 Qualified Tuition Program allowing the use of funds invested in a 529 plan to pay for this post-secondary education cost; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.