As 30th Anniversary of 529 plans approaches, a legacy of saving for a lifetime of education emerges

CSF's 19th Annual State of Higher Education Savings Survey of 1,000 Parents

How 529 Plans Impacted Parents Who Are in Their 20s to 50s:

- 25% — 529s helped fund my education
- 63% — Motivated me to save for my children

GROWTH OF 529s FROM 2007 TO TODAY

In the 19 years CSF has conducted this survey, 529 education savings plans have grown:

	Q2 Accounts: (In Millions)	**Q2 Assets:** (In Billions)
2007	7.6	$104.8
2015	11.1	$234.7
2025	16.4	$542.4

Source: ISS Market Intelligence (excluding prepaid plans)

PARENTS' VIEWS ON PAYING AND SAVING FOR HIGHER ED

How Parents Pay for Higher Ed:

86% Pay for children's higher ed

- 36% Savings
- 35% grants, scholarships or direct aid
- 29% Other

78% Saved for children's higher ed

- 56% Saved more than $5k
- 44% Saved less than $5K

Why Parents Save for Higher Ed:

- 80% — Children need education over lifetime
- 73% — Children participate in higher ed
- 51% — Parents advance/change careers

Parents' Higher Ed Concerns:

75% Say the college experience needs to change

- 41% Curriculum more career-focused
- 31% Adapt to workforce needs
- 16% Graduate in 3 years
- 11% Competency-based

PARENTS VIEWS ON 529s

- **35%** Do/Will use for own education
- **34%** Know 529s can fund professional certifications
- **32%** Know unused 529 funds can roll into Roth IRA for beneficiary

Why They Use 529s?

31% Use 529s for Children

- 52% Easy to Save
- 37% Tax Advantages
- 6% Family/Friend Gifts
- 5% Self/Other

How They Save Automatically?

- 59% Monthly
- 27% Quarterly
- 9% Annually

61% Say that a 529 app would be important to:

- Check balances/performance/progress
- Make deposits/withdrawals

How will Children Fund Higher Ed:

More than 2/3 of parents say children will fund through:

- 42% Job/Work
- 29% Scholarships/Grants
- 14% Savings
- 10% Loans

Loans Still Loom Large:

69% Parents will take out these loans:

- 49% Education Loans
- 19% Credit Cards
- 10% Second Mortgage
- 8% Borrow Against Retirement

18-25 Year Olds' Higher Education Experiences:

Where Are They Now?

- 4 Year Public — 32%
- 4 Year Private — 14%
- Tech/Career Ed/Certificates — 13%
- Community College — 13%
- Military — 4%
- Apprenticeship — 3%
- Other — 21%

The 19th Annual CSF State of Higher Education survey of 1,000 parents across the country was conducted through Survey Monkey. CSF is a Washington, D.C. based not-for-profit organization helping American families achieve their education savings goals for a lifetime.