Parents Will Fund Children's Higher Education with Focus on Career Readiness

CSF's 20th Annual State of Higher Education Savings Survey of 1,000 Parents of children 25 and younger

Half of all parents use 529s to fund both career and technical education and traditional college degrees

529S TURN 30, SPANNING MULTIPLE GENERATIONS

50% Parents own 529s

41% Say 529s funded their own education

77% Motivated to save for their children based on their own experience

$627.0 billion

529 plans had **$627.0 billion** in assets and 17.3 million accounts (excluding pre-paids) as of 2Q 2026, according to ISS Market Intelligence.

WHAT PARENTS THINK ABOUT HIGHER ED TODAY

84% Higher Ed is a good investment

93% Career/technical schools are as valuable as college

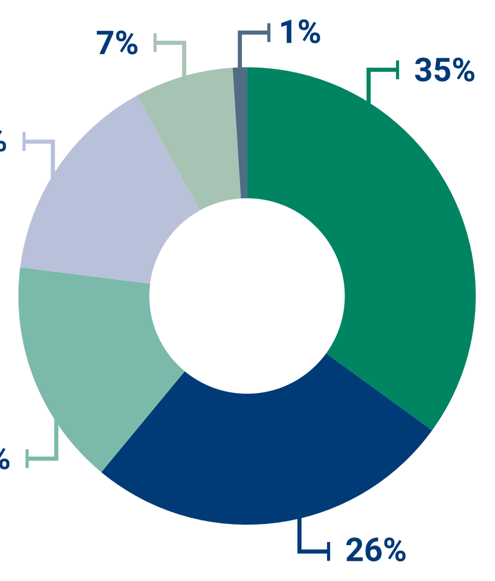
85% Children will need new skills over lifetime

WHAT ARE PARENTS' ATTITUDES TOWARDS COLLEGE?

56% 4-year public/private college is a valuable option

41% Child should also consider trade schools/apprenticeships and military service

But... here are the most important ways college needs to change:



- **35%** Classes should include career training
- **26%** Colleges should help with job placement
- **16%** Students can graduate in 3 years
- **15%** Cost of attendance should be capped
- **7%** Doesn't need to change
- **1%** Other

HOW PARENTS WILL FUND CHILDREN'S HIGHER EDUCATION

93% will help pay for children's higher ed

Of those, primary source of funds:

53% Savings

10% Loans

24% Grants/scholarships/direct aid

1% Other

12% Current income

73% of all parents surveyed have saved > $5,000 per child

73%

PARENTS SAVING THROUGH 529

50% of parents use 529s

Here are the primary reasons why:

52% Ease of saving

34% Federal/State tax-free earnings

11% Gifting flexibility

3% Beneficiary flexibility

How do they contribute? Through automatic contributions:

64% Monthly

28% Quarterly

6% Annually

And yet . . . debt looms:

71% of parents will take on some debt.

Of those, the type of debt they expect to incur:

46% Education loans

21% Credit card debt/cash advances

11% Borrowing against retirement

9% Second mortgage/ HEL

5% Borrowing against other investments

CHILDREN'S ROLE IN PAYING

65% Parents expect children to contribute.

Of those:

55% Children will contribute up to one-third

45% Children will contribute two-thirds or more

46% Children will save in a 529

Primary ways children are expected to contribute:

38% Job

25% Scholarships/Grants/ Fellowships

24% Own savings

MAJORITY OF PARENTS KNOW 529 BENEFITS

65% know that 529 plans can be used for more than traditional college
29% will use for career, community, graduate schools, apprenticeships

58% are aware they can be used to pay $10,000 for student loans (lifetime limit per student)
18% will use for student loans

65% are aware they can be used for computers books and technology software
20% will use for those expenses

49% are aware that unused funds in a 529 may be eligible for a tax-free rollover into a Roth IRA

61% know they can use up to $20,000 per year for K-12 tuition
21% will use for those expenses

70% say 529 app is important for help with saving

The 20th Annual CSF State of Higher Education survey of 1,000 parents was conducted by Survey Monkey. CSF is a Washington, D.C.- based not-for-profit organization helping families achieve their education savings goals for a lifetime.

CSF529
Education Savings for a Lifetime

collegesavingsfoundation.org