



NASAA

NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION, INC.

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November 1, 2005

The Honorable Charles Grassley
135 HSOB
Washington, DC 20510-1501

Dear Senator Grassley:

On behalf of the members of the North American Securities Administrators Association (NASAA),¹ I want to express our appreciation to you for sponsoring S. 1112, a bill to make permanent the federal tax-exempt treatment of Section 529 qualified tuition programs.

In order to adequately plan for their children's higher education funding, families need the certainty of knowing this important tax benefit will be available to them beyond January 1, 2011.

Last year, NASAA formed a 529 Plan project group to monitor certain policy and regulatory issues, including disclosure, transparency and comparability of 529 plans. In addition, the group is developing new investor education materials to educate constituents about college savings plans. A few years ago, NASAA, the Investment Company Institute and the College Savings Plan Network published "A Guide to Understanding 529 Plans." The brochure has been recently updated and can be downloaded from the Investor Education section of the NASAA website at www.nasaa.org.

State securities regulators look forward to working with you on the passage of S. 1112, and other bills of importance to investors. Please don't hesitate to contact me, Karen Tyler, Chair of NASAA's 529 Plan project group, or Deborah House, NASAA's Director of Policy, if we may be of assistance to you.

Sincerely,

Patricia D. Struck
NASAA President
Wisconsin Securities Division Administrator

¹ The oldest international organization devoted to investor protection, the North American Securities Administrators Association, Inc., was organized in 1919. Its membership consists of the securities administrators in the 50 states, the District of Columbia, U.S. Virgin Islands, Canada, Mexico and Puerto Rico. NASAA is the voice of securities agencies responsible for grass-roots investor protection and efficient capital formation.