



# Announcing Updates & Enhancements to the Bright Start 529 College Savings Plan



## Exciting Changes Taking Place This September

Dear Bright Start 529 College Savings Account Owner,

As Illinois Treasurer and the Trustee and Administrator of the Bright Start Direct-Sold College Savings Program (Bright Start 529), my entire team and I strive to provide you with the highest-quality, lowest-cost college savings plan possible.

I'm eager to share that Bright Start 529 is getting better and exciting enhancements are coming. In September, Bright Start 529's Program Management services will move from Union Bank and Trust Company to TIAA-CREF Tuition Financing, Inc. (TFI), a wholly owned subsidiary of TIAA, a financial services firm. Since being established in 1998, TFI has become one of the largest and most widely recognized program managers of 529 college savings plans, currently managing college savings for more than 1.6 million families across the nation.

This change will:

1. Reduce plan fees so more of your hard-earned investment dollars can be applied directly to future education expenses.
2. Continue to offer you a high-quality, low-cost investment menu designed to meet the needs of the widest possible set of investors.
3. Bring you a modern technology platform that will allow for an exceptional user experience.

Next month you will receive a detailed Transition Guide announcing the upcoming plan enhancements. Your Bright Start 529 investment portfolio(s) will automatically transfer to the new investment portfolio(s) intended to match your current investment(s). This seamless operation will mean a smooth transition experience for account owners.

We're committed to providing families the best possible college savings plan. **Bright Start 529 has:**

1. Consistently been recognized by Morningstar as one of the best college savings plans in the country.<sup>1</sup>
2. Earned SavingForCollege.com's highest 5-Cap Rating for residents and 4½-Cap Rating for non-residents.<sup>2</sup>
3. Made the "Best 529 Plans of 2024" list by Business Insider, Forbes Advisor and Time Magazine.<sup>3</sup>
4. Helped Illinois taxpayers save with one of the highest state income tax deductions in the nation.<sup>4</sup>

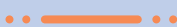
We are delighted by these third-party accolades and will continue to work tirelessly to implement plan improvements for current and prospective Bright Start 529 account owners.

We look forward to sharing additional details about the upcoming plan changes, designed to be as smooth as possible for you, and ultimately help build a better future for your loved one(s). Now more than ever, saving for higher education is vital, and Bright Start 529 is one of the best ways for many families to reach their education savings goals.

Sincerely,

Michael W. Frerichs  
Illinois State Treasurer

## What's Next?



Keep an eye out for additional details next month including: important dates, the new investment lineup, an overview of the program updates and enhancements, and details regarding the transfer of your account(s).

To ensure timely receipt of these communications, please [log in](#) to your account to make sure your mailing address and email address are current. For easy reference, we will post all communications at [BrightStartEnhancements.com](#).



**Michael W. Frerichs**  
ILLINOIS STATE TREASURER  
Trustee and Administrator

Please refer to the Program Disclosure Statement at [brightstart.com](#) prior to investing for its investment objectives, risks, charges and expenses and whether your home state offers tax or other benefits such as financial aid, scholarship funds, or protection from creditors for investing in its own 529 plan. Read it carefully. Investments in the Plan are neither insured nor guaranteed and there is the risk of investment loss except as provided in the Program Disclosure Statement solely with respect to the FDIC-insured Bank Savings Underlying Investment. The Bright Start Direct-Sold College Savings Program is sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank and Trust Company serves as the Program Manager.

<sup>1</sup>In an annual review (11/2/2023) of the largest 529 college savings plans (54 plans representing 90% of 529 assets as of August 2023), Morningstar identified 34 plans that stand out above the rest, awarding those plans Gold, Silver, and Bronze Morningstar Analyst Ratings for 2023. These plans offer a well-researched asset-allocation approach, a robust process for selecting and monitoring underlying investments, a well-resourced and experienced investment team, stable and engaged oversight from the state and low fees. Investors in what Morningstar analysts consider the best 529 plans should be well-positioned for the future. The four key pillars used by Morningstar to evaluate 529 college savings plans include – Process, People, Parent, and Price. For more information about Morningstar's overview of the Bright Start Direct-Sold College Savings Program, go to [morningstar.com](#). TIAA-CREF Tuition Financing, Inc. compensates Morningstar for the ability to quote these ratings in public communications. Past performance does not predict future results. Source: Morningstar.com. A Morningstar Analyst Rating for a 529 college savings plan is not a credit or risk rating. Analyst ratings are subjective in nature and should not be used as the sole basis for investment decisions.

<sup>2</sup>Saving for College's 5-Cap Ratings ([savingforcollege.com/5-cap-ratings](#)) provides an evaluation and comparison of 529 plans, utilizing a formula ([savingforcollege.com/5-cap-ratings/ratings-criteria](#)) that examines dozens of factors grouped into the following categories: Performance, Costs, Features, Reliability, and Resident.

<sup>3</sup>Campbell, Tessa. "Best 529 Plan for 2024." Business Insider, 6/28/24, [businessinsider.com/personal-finance/best-529-plans](#). McGurran, Brianna. "Best 529 Plans of 2024." Forbes Advisor, 7/1/2024, [forbes.com/advisor/student-loans/best-529-plans/](#). Lake, Rebecca. "Best 529 College Savings Plans for 2024." TIME Stamped, 5/8/2024, [time.com/personal-finance/article/best-529-college-savings-plans](#).

<sup>4</sup>Source: ISS Market Intelligence 529 College Savings Quarterly Update 1Q 2024, as of 5/7/24.