



2015 ASSEMBLY BILL 1017

March 29, 2016 - Introduced by Representatives GENRICH, POPE, SARGENT, MASON, DANOU, BROSTOFF and SPREITZER. Referred to Committee on Colleges and Universities.

1 **AN ACT to amend** 69.14 (1) (a) 1., 69.14 (1) (a) 3. a. and 69.14 (1) (a) 3. b.; and **to**
2 **create** 16.641 (3m) and 20.505 (1) (e) of the statutes; **relating to:** establishing
3 college savings accounts for children born in this state and making an
4 appropriation.

Analysis by the Legislative Reference Bureau

Under current law, the College Savings Program Board, which is administratively attached to the Department of Administration, administers the state's college savings program, commonly known as "EdVest." This bill requires DOA to establish an EdVest account, and to contribute \$150 to the account, for each child born in this state on or after the effective date of the bill if at least one of the child's parents is a resident of this state.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

5 **SECTION 1.** 16.641 (3m) of the statutes is created to read:
6 16.641 (**3m**) ACCOUNTS ESTABLISHED BY THE DEPARTMENT. (a) For each certificate
7 of birth made available to the department under s. 69.14 (1) (a) 1. or each copy

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1 forwarded to the department under s. 69.14 (1) (a) 3. a., if either parent of the child
2 who is the subject of the birth certificate resides in this state according to the birth
3 certificate, the department shall establish a college savings account under this
4 section for the child, with the child identified as the account beneficiary and the
5 department identified as the account owner. From the appropriation under s. 20.505
6 (1) (e), the department shall make a contribution into this account of \$150 within 90
7 days of the date of the child's birth.

8 (b) Notwithstanding sub. (3), for any college savings account established by the
9 department under this subsection, all of the following apply:

10 1. The account owner may not change the beneficiary of the account or transfer
11 any portion of the account to another college savings account.

12 2. The account owner may not designate any person other than the beneficiary
13 as a person to whom funds may be paid from the account and the account owner may
14 not receive distributions from the account.

15 3. The minimum initial contribution for the account is \$150 and there is no
16 minimum account balance.

17 4. The account owner may terminate the account only if any of the following
18 applies:

19 a. The beneficiary dies.

20 b. The beneficiary is at least 26 years of age and has never enrolled in an
21 institution of higher education.

22 c. The beneficiary is at least 36 years of age.

23 d. The balance of the account has fallen to zero and, after notice by the account
24 owner, the beneficiary has advised the account owner that no further contributions
25 to the account will be made.

