



Freedom to Invest in Tomorrow's Workforce Act (S. 722, H.R. 1477)

The Insights Association, representing the market research and data analytics industry, supports the bipartisan, bicameral Freedom to Invest in Tomorrow's Workforce Act ([S. 722, H.R. 1477](#)), which would expand qualified expenses under 529 savings plans to include postsecondary training and credentialing, such as licenses and professional certifications and certificates.

The Act would provide valuable tax-advantaged resources for families, students and workers -- with or without a college degree -- who pursue career growth, mid-career changes or pathways that diverge from a typical academic route.

What are 529 savings plans?

A 529 plan is a state-sponsored education savings vehicle that is exempt from federal taxes if funds are used to pay for qualified education expenses. These include college, graduate or professional degrees; programs from Title IV-accredited institutions; registered apprenticeships; up to \$10,000/year in K-12 tuition; and certain student loan repayments. There is approximately \$450 billion nationwide in 529 accounts (per the College Savings Plan Network).

What's the Issue? Training & credentials are ineligible for 529s

America's workforce is comprised mostly of middle-skill jobs that require more than a high school education but not a bachelor's degree, according to the National Skills Coalition. A differentiator amid the 21st century workforce is postsecondary credentialing -- for workers with or without a two- or four-year degree.

The Freedom to Invest in Tomorrow's Workforce Act would provide economic flexibility and opportunity

Workers and families could use 529 plans to help cover: Credential program tuition, including prep courses; Testing fees, including practice exams; Required books and equipment; Continuing education and credential renewal; and Other charges required to obtain and maintain a postsecondary credential.

S. 722 and H.R. 1477 would empower Americans of any educational background, skill level or age, and would benefit all industries and professions that rely on employees with specialized training or credentials. It would transform 529s from college savings plans to career savings plans; the bill would encourage more workers and families to save funds on a tax-preferred basis for career options that best suit the plan beneficiary.

The impact of S. 722 and H.R. 1477 on the insights industry

The Act would allow for funds invested in 529 accounts to be used for current and future market research and data analytics professionals pursuing postsecondary training and certification, such as with Burke Institute, Cambiar, Market Research Institute International (MRII), Research Rockstar (including the Insights Professional Certificate (IPC) Specialty certificates), and RIVA.

More details

- **Score:** The bill's cost would be \$85 million over 10 years, according to the Joint Committee on Taxation.
- **Hearing:** A House Ways & Means Committee hearing on October 25, 2023 featured [testimony](#) on this bill.
- **Outside support:** Tomorrow's Workforce Coalition, w/ 760+ associations, professional societies and businesses.
- **Senate sponsors of S. 722:** Sens. Amy Klobuchar (D-MN) and Mike Braun (R-IN).
- **Senate cosponsors:** Sens. Collins, Duckworth, Ernst, Heinrich, Hirono, Hyde-Smith, Manchin, Marshall, Schmitt, Tuberville, Welch.
- **House sponsors of H.R. 1477:** Reps. Rob Wittman (R-VA-01) and Abigail Spanberger (D-VA-07).
- **House cosponsors:** 101 (64 GOP, 37 Democrat). Ways & Means Committee cosponsors: Reps. Carey, Feenstra, Ferguson, Fitzpatrick, Kelly, Kustoff, LaHood, Murphy, Moore, Steube, Van Duyne.
- **Staff Contacts in the Senate and House:** *Max Hurst w/ Sen. Klobuchar; Will Sroka w/ Rep. Wittman.*

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