

DE 529 EDUCATION SAVINGS PLAN

2023 Q1 BUSINESS UPDATE

PLANS MANAGEMENT BOARD

JUNE 2023 MEETING



2017	\$681 million
2018	\$624.3 million
2019	<i>\$684.4 million</i>
2020	<i>\$728.0 million</i>
2021	<i>\$747.3 million</i>
2022	<i>\$612.67 million</i>
2023 Q1	<i>\$632.9 million</i>

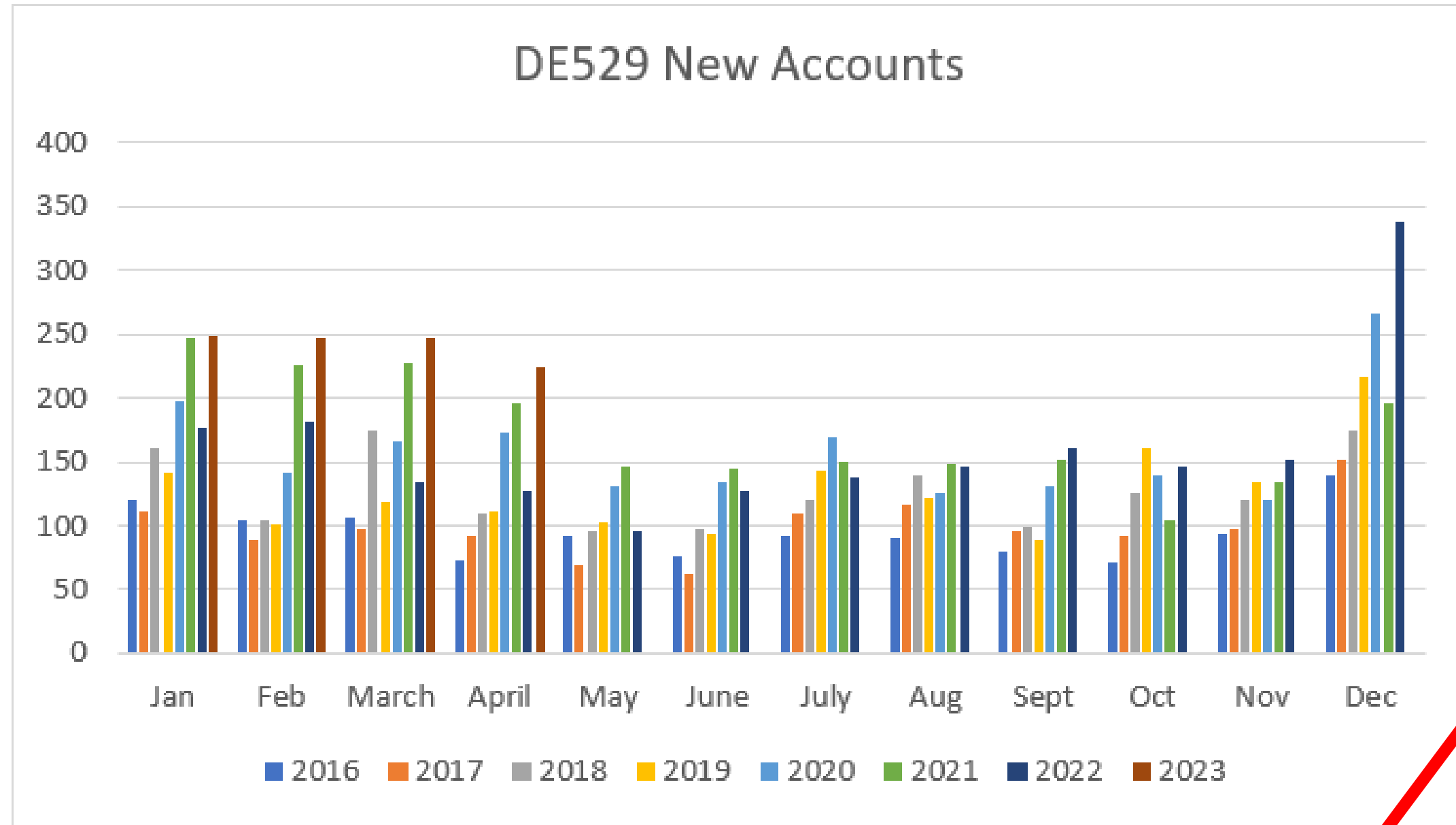
Aged Based Portfolios

- **\$438 million or 69% of total plan assets**
- *Active Age-Based* (\$312 million or 49% of total assets)
- *Blend Age- Based* (\$14.7 million of 2% of total assets)
- *Index Age-Based* (\$110.8 million or 18% of total assets)

Static Portfolios /Individual Funds/ and Bank Deposit Portfolio

- **31% of total plan assets**
- \$195.2 million

As of 3.31.23



- ***New accounts to continue grow year over year (51%)***
Q1 2023 = 741
Q1 2022 = 492
- ***April 2023 growth over April 2022;***
Year over year growth rate 56%

DE 529 New Accounts

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2016	121	104	106	72	92	77	92	91	80	71	94	140	1,140
2017	111	88	98	92	69	63	110	117	96	92	97	151	1,184
2018	160	105	174	110	95	97	121	140	99	126	120	175	1,522
2019	141	100	118	111	103	93	143	122	88	160	135	216	1,530
2020	197	142	165	172	131	135	170	125	130	140	121	266	1,894
2021	247	225	228	195	147	145	150	149	151	105	134	196	2,072
2022	176	182	134	128	95	128	137	146	161	147	152	337	1,923
2023	248	246	247	224									965



	2021-2022 - No Incentive Program										2022-2023 - Incentive Program									
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
DE529 Accounts	150	149	151	105	134	196	176	182	134	1,377	137	146	161	147	152	337	248	246	247	1,821
DE529 Accounts (Under 5)	79	74	65	51	65	96	72	89	72	663	67	82	62	61	68	206	117	115	106	884
Delaware (Resident/Beneficiaries) DE529 Accounts	104	101	104	80	97	105	121	118	84	914	103	104	96	89	95	242	149	116	131	1,125
Delaware (Resident/Beneficiaries) DE 529 Accounts (under 5)	55	53	40	38	53	58	53	62	55	467	52	61	50	52	52	163	82	71	71	654

- **Total new DE529 accounts are up 32% promotional period over non-promotion period**
- **Total new DE529 accounts under 5 are up 33% promotional period over non-promotion period**
- **Total new DE529 accounts opened by Delaware residents is up 23%**
- **Total new DE529 accounts opened by Delaware residents for beneficiaries under the age of 5 is up 40%**

BAY TO BAY NEWS
DELAWARE STATE NEWS

AROUND DELAWARE

Delaware treasurer spreading awareness of savings plan

The state is honoring 529 Day to promote awareness and encourage families to save for college through a 529 savings plan.



Colleen Davis

The tax-advantaged investment accounts allow parents, grandparents and other family members to save for a child's education expenses, such as tuition, books and housing.

"We believe that every child deserves the opportunity to pursue their dreams and achieve their full potential, and a DE529 savings plan can help make that a reality," State Treasurer Colleen Davis said. "I'm proud

program for Delawareans to start saving early by providing a \$100 contribution to a DE529 Education Savings Plan account.

The contribution is made if the beneficiary is 5 years old or younger at the time of the account's opening; a Delaware resident; and if a minimum \$100 contribution is made when the account is opened.

This year marked the first time that Delawareans filing their state tax returns could take deductions for DE529 contributions.

To help spread awareness of the DE529 Education Savings Plan, Ms. Davis is hosting a community resource fair today at the Wilmington PAL Center.

The event is presented in partnership with Fidelity Investments, the Delaware NAACP, the Metropoli-

Delaware Museum of Nature & Science

storytime
in the **Nature Nook**

Storytime in May is generously sponsored by the Office of the State Treasurer, administrator of the DE529 Plan



Daily at
10:30 a.m.

ASPIRE529
DELAWARE

CASA Delaware Live!

Episode #86 Aspire 529

MAY 22, 2023 CASA DELAWARE LIVE! EPISODE 86



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THURSDAY
MAY 25, 2023

5:30pm - Wilmington PAL Center
3707 N. Market Street
Wilmington, DE 19802

Learn More
treasurer.delaware.gov

COMMUNITY RESOURCE FAIR
DELAWARE
529 SAVINGS PLAN

PRESENTED BY:

COLLEEN DAVIS
Delaware State Treasurer

IN PARTNERSHIP WITH:

- Delaware NAACP
- Metropolitan Wilmington Urban League
- Fidelity Investments
- Police Athletic League of Wilmington

Join State Treasurer Colleen Davis and trusted community partners for a discussion on college and career readiness and how all Delawareans can realize economic and financial empowerment through the Delaware 529 Education Savings Plan. What is it? How will it help families? What do you need to know to prepare for saving for your future?

QUESTIONS OR TO ENROLL:
WWW.529.DELAWARE.GOV

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Upcoming Promotions

Delaware Museum of Nature & Science

Family Fun Day June 24, 2023



Kids Day, Tuesday, July 25, 2023




DE529 Day, August 6, 2023



Thanksgiving Through New Year's Day






Start Saving Today!

College will be here before you know it!

WE CAN HELP!

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Congratulations on the birth of your baby!

As you welcome your bundle of joy into the world, you may already be wondering about your baby's future. Will they attend college? How will you provide for their education expenses? The answer is simple: Invest in a DE529 account today!

By investing in a 529 account, you're making a smart investment in your child's future. Even small contributions can add up over time and make a big difference when it comes time for your child to attend college. Invest in a 529 account today and give your child the gift of education.

- Parents, grandparents and others can help save for education expenses
- Any earnings grow federal and Delaware income tax-deferred
- Qualified withdrawals are free from federal and Delaware income taxes
- Some contributions are now tax deductible

Visit 529.delaware.gov to learn more.

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- ***Collaboration with Delaware Office of Vital Statistics***



- ***Insert into birth certificate request for a 10-year-old or younger***
- ***DE529 is already promoted at the birthing hospital***



CSPN Survey Summary

CSPN National Surveys of College Savers

Prepared by Civis Analytics

Final Version
May 23, 2023

Summary of Key Takeaways

Savings Patterns for Future Education

- About two fifths of respondents are currently saving for college or could save and would like to in the future. However, only about a tenth of respondents are saving in a 529 Plan.
- People saving for college in a vehicle other than 529 appear to primarily be doing so because they are unaware of 529 plans.
- After an introduction to 529 Education Savings Plans, the majority of those saving for college but not in a 529 Plan believe a 529 Plan would be useful for their family.

Summary of Key Takeaways

Savers and Their Preferences

- Respondents saving for future education expenses, including 529 savers, tend to be more educated, higher income, and more likely to be married with children than those not saving for college.
- Parents and grandparents appear to be particularly likely to save for college in a 529 plan or other tax-exempt accounts, while those saving for themselves tend to not choose a 529 plan.
- Savers learn and take advice from a variety of sources. Advisors are particularly influential among 529 savers.
- Preferences for online and mobile access to financial accounts are high but not universal.

Summary of Key Takeaways

529 Savings Plan Behaviors & Attitudes

- Nearly all 529 account owners are satisfied with their 529 plan.
- 529 account holders – who tend to be an educated, high-income group – nevertheless had incorrect beliefs about concepts relating to 529 plans and want their plan to educate them on how to save more.
- 529 savers have varied goals – with only a minority aiming to save 100% of their expected college costs.
- There is high interest in saving for college with payroll deduction. However, access is limited.

APPENDIX





Program Summary:

Delaware’s 529 Plan, also known as DE529, is sponsored by the State of Delaware and managed by Fidelity Investments. The Plan provides tax-advantaged accounts designed to help parents, grandparents and others pay for education expenses, reducing the possibility of debt. Contributions can be invested in portfolios tailored to a person’s age or the investor’s ability to identify an asset allocation strategy.

① GROW ACCOUNTS

- Goal One – Further Optimize Fidelity Marketing and DE529 Plan Marketing Spend
- Goal Two – Test and Implement a Match Incentive Program
- Goal Three – Establish Partnerships with Top Three Birthing Hospitals in Delaware
- Goal Four – Partner with Delaware Public Schools
- Goal Five – Workplace Messaging

② INCREASE CONTRIBUTIONS

- Goal One – Support HB145 Tax incentive legislation within Delaware to attract additional contributions
- Goal Two – Test and Implement a Match Incentive Program
- Goal Three – Collaborate with Fidelity on Gifting Tool Promotion and Employer Contributions

③ BUILD TOP TIER PLAN

- Goal One – Create a “State Collective” of Fidelity 529 Plans
- Goal Two – Continue to Strengthen Oversight with Board and Committees
- Goal Three – Implement Strategy for Administrative Fee Balances
- Goal Four – Pass HB145 Tax Incentive
- Goal Five – Scholarship Pilot (Foster Youth)

• Green font represent “always on” efforts

Focus Timeline

