



NATIONAL ASSOCIATION OF
STATE TREASURERS

Who We Are

The National Association of State Treasurers (NAST) serves as the nation's foremost authority on state finance issues and State Treasury programs, practices, and policies. NAST's membership comprises all State Treasurers or state finance officials with comparable responsibilities from the United States, its commonwealths, territories, and the District of Columbia, along with employees of these agencies.

What We Do

NAST serves its members through educational conferences and webinars, a variety of working groups, policy advocacy, and publications that provide information about developments in public finance. Together, we enable State Treasurers and officials who perform state treasury functions to pursue and administer sound financial practices and programs benefiting the citizens of the nation.

Where We Advocate

NAST offers nationwide expertise and advocates on a number of issues relating to state finance, including:

- ▶ 529 College Savings Programs
- ▶ Pension and Trust Administration
- ▶ Achieving a Better Life Experience (ABLE) Plans
- ▶ Local Government Investment Pools (LGIPs)
- ▶ Administration of State Unclaimed Property Programs
- ▶ Issuance of Tax-Exempt Municipal Bonds and State Debt Management
- ▶ Financial Education and Empowerment
- ▶ State Banking, Investment, and Cash Management

Protecting State Infrastructure Financing Tools

Support tax-exempt municipal bonds

For more than 100 years, tax-exempt bonds have been the primary financing tool for critical state and local infrastructure projects like the roads, bridges, rails and pipes we use every day. In fact, the savings generated by the tax exemption help state and local governments finance the lion's share of the nation's infrastructure network that they build and maintain.

State and local governments issued \$4.1 trillion in municipal bonds for infrastructure in the past decade alone.¹ Proposals to eliminate or reduce the tax exemption on municipal bonds would pass even more of the nation's infrastructure costs on to state governments and our shared constituencies.

Prior to 2018, state governments were able to issue tax-exempt advance refunding bonds that allowed them to refinance outstanding debt, achieve lower interest rates, and use borrowing cost savings to finance additional infrastructure improvements. Restoring the tax-exemption on advance refunding bonds remains a top priority for the nation's State Treasurers.



NAST Calls on Congress to:

- ▶ Reject proposals to eliminate or reduce the tax-exemption on municipal bonds.
- ▶ Champion greater federal infrastructure investment.
- ▶ Permit states to refinance bonds and achieve critical cost savings by restoring the tax-exemption on advance refunding bonds.
 - Support the Investing in Our Communities Act of 2019 (H.R. 2772).



Helping to Reunite Owners with Their Unclaimed Property

Support state unclaimed property administrators

Each year, State Treasurers and Unclaimed Property Administrators help reunite residents with more than \$3 billion worth of their missing property. For many, this property can be anything from uncashed paychecks and missing physical property to lost refunds and account balances. The purpose of unclaimed property laws is to protect the public by ensuring that money and property owed to them is returned to them, rather than remaining permanently with financial institutions, businesses, governments, and other entities. NAST advocates for legislation that continues to help citizens find and claim their unclaimed property easily and securely. Currently, NAST is advocating for the Unclaimed Savings Bond Act, which would help reunite \$26 billion in unredeemed savings-bond proceeds with their rightful owners.

NAST Calls on Congress to:

- ▶ Help state unclaimed property administrators access records on unredeemed US savings bonds, so they can use their expertise in administration and outreach to help reunite these bond proceeds with their rightful owners.
 - Support the Unclaimed Savings Bond Act of 2019 (H.R. 5269 | S. 2417).

¹ MSRB, Municipal Securities: Financing the Nation's Infrastructure.



Expanding Benefits and Increasing Use of 529 College Savings Plans

Support Families' Efforts to Save

Treasurers and state college savings plan administrators play a major role in helping families save for college and other educational opportunities. With more than 14.25 million open accounts, over \$370 billion saved, and an average account with over \$26,500, 529 plans are the most important education savings tool for families.² Research shows that children with a college savings account in their name are six to seven times more likely to attend a four-year college, compared with similar children with no dedicated account.³

Congressional support of 529 plans and efforts to enhance the 529 program have greatly benefited account holders saving for and paying for post-secondary education. However, the program would benefit from additional changes to address the current treatment of 529 savings accounts in the federal financial aid methodology, which the overwhelming majority of plan administrators cite as the top obstacle to American families opening accounts and utilizing 529 plans.

NAST Calls on Congress to:

- ▶ Exempt assets in 529 accounts held for the benefit of a student from being treated as parental assets in determining a family's expected contribution in the calculation of federal financial aid.
- ▶ Exempt the value of all 529 plan distributions, including any from accounts held by grandparents or noncustodial parents, from being treated as income to the student on the following year's FAFSA.



Providing Opportunities for Individuals with Disabilities

Support Achieving a Better Life Experience (ABLE) Accounts

Achieving a Better Life Experience (ABLE) accounts allow individuals with disabilities and their families to establish tax-advantaged savings and investments. ABLE accounts ease financial strain by making withdrawals tax-free when used to cover qualified expenses, such as medical and dental care, education, housing, and transportation. Since the passage of the ABLE Act in December 2014, 42 states and DC have launched ABLE programs, more than 57,000 accounts have been opened, and more than \$350 million saved.

While Congress has already made several improvements to the ABLE Act, it would further benefit from additional enhancements. These additional changes would have minimal or insignificant cost to the federal government but would greatly benefit those with ABLE accounts.

NAST Calls on Congress to:

- ▶ Increase the age for eligible account holders from 26 to 46.
 - Support the ABLE Age Adjustment Act of 2019 (H.R. 1814 | S. 651)
- ▶ Allow multiple accounts for the benefit of the same beneficiary.
- ▶ Increase or eliminate the annual contribution limit.
- ▶ Allow lump sum contributions (up to the maximum contribution amount) in certain circumstances.
- ▶ Allow greater flexibility in ABLE accounts for beneficiaries with a spouse.

² According to CSPN data as of December 31, 2019

³ The Role of Savings and Wealth in Reducing 'Wilt' between Expectations and College Attendance. Subsequently published as: Elliott, W. and Beverly, S. (2011). The role of savings and wealth in reducing 'wilt' between expectations and college attendance. *Journal of Children & Poverty*, 17(2), 165-185. William Elliott III University of Pittsburgh, School of Social Work Sondra Beverly, Center for Social Development. 2010

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COLLEGE SAVINGS PLANS NETWORK

A Network of the National Association of State Treasurers

The College Savings Plans Network (CSPN) is a network of officials who administer Section 529 qualified tuition programs and are dedicated to enhancing the communication, cooperation, and effective administration of the plans. The Network also seeks to influence the setting of national policy affecting 529 plans and those saving for education, and to ensure that the plans remain the leading choice for families to save for education.



NATIONAL ASSOCIATION OF UNCLAIMED PROPERTY ADMINISTRATORS

A Network of the National Association of State Treasurers

NAUPA is the foremost authority on unclaimed property and the affirmed leader of the coalition of states, administrators, and holders working together to reunite rightful owners with their property. The purpose of the association is to promote and strengthen unclaimed property administration and interstate cooperation in order to enhance states' return of unclaimed property to rightful owners and provide a forum for the open exchange of information and ideas.



STATE DEBT MANAGEMENT NETWORK

A Network of the National Association of State Treasurers

The State Debt Management Network represents state officials involved in the issuance, management, and oversight of public debt. SDMN provides assistance, shares information, promotes professional relationships, and provides educational development opportunities to its members.

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