



OFFICE OF ILLINOIS STATE TREASURER

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Treasurer Frerichs Clinches Sixth Morningstar Gold Rating For Bright Start 529 Savings Plan

Illinois lauded for its strong advocacy and for successfully decreasing fees

CHICAGO – Illinois State Treasurer Michael Frerichs announced today that Illinois' Bright Start 529 College Savings Plan has again earned top rankings from Morningstar, keeping the plan among the best in the nation.

"Being recognized as a strong advocate for Illinois families is an honor," said Treasurer Frerichs, who serves as the Trustee and Administrator of Bright Start 529 College Savings. "Every day we work diligently to keep fees low, provide a high-quality range of investment options, and ensure a family's hard-earned savings goes toward the cost of college or vocational school."

[Morningstar](#) independently evaluates and rates college savings plans annually, assigning each rated plan a Morningstar Analyst Rating of Gold, Silver, Bronze, Neutral, or Negative. Bright Start is 1 of only 5 Gold-rated 529 plans in the country. In its review, [Morningstar](#) identified Bright Start as a "Valedictorian," and as a standout plan offering "exceptional state stewardship of investor capital and well-constructed portfolios managed by competent investment teams."

Today's announcement marks the sixth time that Bright Start won Gold since Frerichs' revamped the plan in 2017. In the state profile, Morningstar recognized Illinois as a strong advocate for college savers, and for effectively acquiring the features families need, as evidenced by its new investment manager. Morningstar also noted Illinois' generous \$20,000 annual deduction on state income taxes for couples filing jointly.

Morningstar's medal ratings represent composite scores of each plan's performance across four key pillars - Process, People, Parent, and Price. Morningstar awarded Bright Start "Positive" ratings across three categories and applauded Frerichs' office for its "strong oversight."

Bright Start is a 529 College Savings plan that can be used at eligible educational institutions, including public and private schools; two-year and four-year colleges and universities; technical and vocational schools; and registered apprenticeship programs. The investment grows tax-free when spent on qualified expenses.

Earlier this year, [Frerichs negotiated fees with TIAA for the Bright Start Plan](#) and implemented investment and technology enhancements. Since 2015, Frerichs has negotiated fee reductions more than \$100 million, ensuring more investment dollars go directly to college savings. Today, Bright Start is among the most affordable and highest-rated college savings plans in the country. These changes have helped the plans grow to more than 900,000 accounts with more than \$20 billion in assets.

Under Frerichs, Bright Start 529 has been recognized as among the nation's best 529 college savings plans by Time, Business Insider, Morningstar, Forbes and Savingforcollege.com. [Source: [Campbell, Tessa. "Best 529 Plan for 2024." Business Insider, 6/28/2024.](#) [McGurran, Brianna. "Best 529 Plans of 2024." Forbes Advisor, 7/1/2024.](#) [Lake, Rebecca. "Best 529 College Savings Plans for 2024." TIME Stamped, 5/8/2024.](#)]

[Research](#) shows a child is three times more likely to attend college if they know they have a dedicated college savings account. For more information, or to open an account, visit [BrightStart.com](#) and click on the college savings button. There is no minimum amount to open an account. The financial adviser-directed Bright Directions program continues under Union Bank and Trust as program manager.

For more information about the Treasurer's Office 529 College Savings programs, visit [www.illinoistreasurer.gov](#). To read Morningstar's report, click [here](#).

About the Illinois Treasurer

The Illinois State Treasurer's Office is a powerful economic engine that invests in people to drive prosperity, development and growth throughout the state. As State Treasurer, Michael Frerichs (FRAIR'iks) is the state's Chief Investment and Banking Officer and actively manages approximately \$60 billion. The investments help families pay for college and trade school; workers save for a dignified retirement; and local governments process bill payments more efficiently so they can pass along the savings to taxpayers. The office provides financial institutions money to loan to farmers, small business owners, and qualified individuals at below-market rates because better jobs create stronger communities. The office operates the state's largest consumer-protection initiative, the unclaimed property I-Cash program, which has returned a record-breaking \$2 billion since Frerichs was elected.

For more news about the State Treasurer's Office, please follow Treasurer Frerichs on Instagram at [ILTreasurer](#), [LinkedIn](#) and Facebook at [Invested in You – Treasurer Michael Frerichs](#). You can find our weekly newsletter [here](#).

About Bright Start

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 (except as provided in the Plan Description solely with respect to the FDIC-insured Bank Savings Underlying Investment) and there is the risk of investment loss. 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.

Upon completion of the transition, TIAA-CREF Tuition Financing, Inc., an SEC registered investment adviser, will be the Plan Manager for the Bright Start Direct-Sold College Savings Program. TIAA-CREF Individual & Institutional Services, LLC, member FINRA, will be the distributor for the plan.

An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.