

Legislature - First Session - 2019

Introducer's Statement of Intent

LB470

Chairperson: Senator Lou Ann Linehan

Committee: Revenue

Date of Hearing: February 06, 2019

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The fundamental promise of America is that everyone, regardless of who they are or where they grew up, has an opportunity to succeed. It's the promise that parents can create a better life for their children. It's the promise that barriers can be broken, and people can reach new heights. The important role that educational opportunity plays cannot be overstated. In order to promote educational opportunities among Nebraska's youth, LB 470 improves the 529 college savings program in two ways.

First, the bill eliminates the requirement that contributors be the registered participant of an account in order to get the tax incentive for contributing to the account. This change will eliminate the current practice of taxing grandparents and other family members, like aunts and uncles, for donating to a child's college savings account.

Second, the bill eliminates the cap on tax incentivized contributions. With the high and rising cost of tuition, lifting this tax burden on college savings accounts is an investment in the future of our students, an investment in the future of our state, and an investment in that American Dream.

This bill demonstrates the Legislature's strong commitment to make higher education attainable for all Nebraska students.

Principal Introducer: _____

Senator Andrew La Grone