

[First Reprint]

SENATE JOINT RESOLUTION

No. 81

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED MAY 31, 2018

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

Co-Sponsored by:

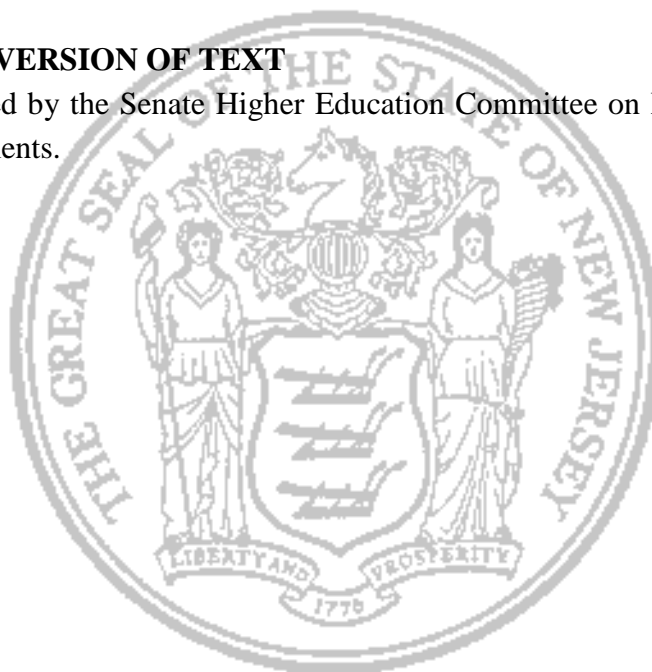
Senator Ruiz

SYNOPSIS

Urges Congress to enact legislation allowing distributions from 529 plans to be used for expenses associated with registered apprenticeship programs.

CURRENT VERSION OF TEXT

As reported by the Senate Higher Education Committee on March 7, 2019, with amendments.



(Sponsorship Updated As Of: 5/31/2019)

1 **A JOINT RESOLUTION** urging ¹**【the President and】**¹ the United
2 States Congress to ¹introduce and¹ enact ¹**【the “529 Opening**
3 **Paths To Invest in Our Nation’s Students Act.”】** legislation
4 allowing distributions from 529 plans for certain purposes.¹
5
6 **WHEREAS**, The registered apprenticeship system, administered by the
7 United States Department of Labor, is a unique training system that
8 combines technical education with structured on-the-job learning in
9 order to meet the needs of America’s skilled workforce; and
10 **WHEREAS**, Registered apprenticeship programs span a wide range
11 of industries and career pathways from traditional fields such as
12 construction and manufacturing to emerging industries in
13 healthcare, energy, and homeland security; and
14 **WHEREAS**, Apprenticeship programs provide invaluable benefits
15 and opportunities to students including, but not limited to, on-
16 the-job skills training, an assigned mentor, receipt of a nationally
17 recognized industry credential, incremental wage increases, and
18 excellent job placement rates; and
19 **WHEREAS**, Apprenticeship programs likewise benefit the state and
20 national economies by providing a skilled workforce in essential
21 trades and technical careers, often fields with high demand and
22 unmet workforce need; and
23 **WHEREAS**, Participation in an apprenticeship program can launch
24 an individual’s successful lifelong career, while helping to close
25 the skills gap and fulfill industry needs; and
26 **WHEREAS**, Nationwide, registered apprenticeship programs have
27 grown by 42 percent since 2013, and more than 190,000
28 individuals entered the apprenticeship system in 2017; and
29 **WHEREAS**, In New Jersey alone, there are currently more than
30 7,000 individuals in active apprenticeships, and 94 new programs
31 were added in 2017; and
32 **WHEREAS**, Qualified tuition programs, known as 529 college
33 savings plans, are important tools for families that make college
34 more affordable by allowing the use of tax-free distributions for
35 qualified higher education expenses; however, 529 plans
36 currently do not benefit students who enroll in registered
37 apprenticeship programs; and
38 **WHEREAS**, On July 25, 2017, Congressmen Patrick Meehan and
39 Donald Norcross introduced H.R.3395, the “529 Opening Paths
40 to Invest in Our Nation’s Students Act” (“529 OPTIONS Act”),
41 which would ¹**【enable】** have enabled¹ students enrolled in
42 registered apprenticeship programs to utilize funds from a 529
43 college savings plan; and

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SHI committee amendments adopted March 7, 2019.

1 **WHEREAS**, The 529 OPTIONS Act ¹, if enacted,¹ would ¹**[amend]**
 2 have amended¹ the Internal Revenue Code to allow tax-free
 3 distributions from 529 college savings plans to be used for: (1)
 4 books, supplies, and equipment required for enrollment in a
 5 registered apprenticeship program; (2) child care costs in
 6 connection with such enrollment; and (3) costs associated with
 7 obtaining an industry certification or other credential in
 8 connection with an apprenticeship program; and

9 **WHEREAS**, Congressman Donald Norcross, the U.S. Representative
 10 for New Jersey’s First Congressional District and an electrician
 11 by trade, has touted the importance of apprenticeship programs
 12 and called on Congress to pass the 529 OPTIONS Act in order to
 13 level the playing field for students and future workers who start
 14 their careers in apprenticeships; and

15 ¹**WHEREAS**, The 115th United States Congress, the session of
 16 Congress during which H.R.3395 was introduced, expired at the
 17 end of 2018, and legislation similar to H.R.3395 has not been
 18 introduced in the current Congress, which commenced at the
 19 beginning of 2019; and¹

20 **WHEREAS**, It is in the public interest of the nation and the State of
 21 New Jersey to enact legislation that will expand the use of 529
 22 college savings plans to support individuals who seek a skills-
 23 based education and start their careers through an apprenticeship
 24 program; now, therefore,

25
 26 **BE IT RESOLVED** *by the Senate and General Assembly of the*
 27 *State of New Jersey:*

28
 29 1. The Governor and the Legislature of the State of New Jersey
 30 respectfully urge ¹**[the President and]**¹ the United States Congress
 31 to ¹introduce and¹ enact ¹**[the “529 Opening Paths To Invest in Our**
 32 **Nation’s Students Act”]** legislation similar to H.R.3395 of the
 33 115th United States Congress¹ in order to allow distributions from
 34 qualified tuition programs (529 plans) to be used for expenses
 35 associated with registered apprenticeship programs.

36
 37 2. Copies of this resolution, as filed with the Secretary of State,
 38 shall be transmitted by the Clerk of the General Assembly or the
 39 Secretary of the Senate to the President of the United States, the
 40 Majority and Minority Leaders of the United States Senate, the
 41 Speaker and Minority Leader of the United States House of
 42 Representatives, and every member of Congress elected from this
 43 State.

44
 45 3. This joint resolution shall take effect immediately.