



PROFESSIONAL
CERTIFICATION
COALITION

July 31, 2019

The Honorable Charles Grassley
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Re: Professional Certification Coalition Support for S. 379

Dear Chairman Grassley and Ranking Member Wyden:

The Professional Certification Coalition (PCC) writes to express our strong support for S. 379 and encourages the Senate Finance Committee to consider the legislation as expeditiously as possible. This legislation will allow individuals to have greater flexibility in pursuing educational and career opportunities and will help more people enter and thrive in the workforce.

The PCC is a nonprofit association founded in 2018 to address legislative initiatives that affect professional certification programs and those holding private certification credentials. The PCC currently has more than 115 organizational members, including non-governmental professional certification organizations, professional societies, and service providers. The PCC's members – which collectively represent or certify millions of professionals across the country – reflect a wide spectrum of professions, including healthcare, engineering, HR, financial services, and IT services, among many others.

S. 379 would amend the Internal Revenue Code to permit beneficiaries to use funds in 529 plans for expenses associated with postsecondary credentials, which include professional certificates or certifications. By enabling individuals to use 529 funds to cover certification-related education and examinations, S. 379 would greatly expand the reach of 529 benefits to cover a much broader and more diverse group of individuals seeking to enter the workforce or advance in their occupations, including the 50% of Americans whose educational attainment levels never included college, according to Census data. Certifications and other postsecondary credentials are pathways to opportunity and to career growth across fields, from entry level restaurant service jobs (i.e., certifying safe food handling knowledge) to mid-career certifications that allow individuals to advance in fields such as human resources and information technology, to certifications that reflect attainment of highly specialized knowledge, such as for professional engineers and chartered financial analysts.

As you and your colleagues begin to consider S. 379, we also encourage the Committee to expand upon the introduced version of S. 379 to also include expenses necessary to obtain or maintain certification or licensure credentials that are separate from preparatory educational and training programs. Specifically, we recommend the following amendments to the legislation:

1. S. 379 Should Permit Use of 529 Funds for Expenses, Fees, and Costs Related to Certification Exams and Certification Maintenance

In most cases, to earn a certification credential, a candidate must pass an examination that is developed and administered by a separate organization from any program that provided the candidate's preparatory training or education. Whether the certification is in a blue-collar industry (such as the widely recognized ASE certification for automotive technicians) or is obtained only after years of graduate and professional education and training (such as with specialty medical certifications for physicians), the recognition conferred by a certification is widely respected in substantial part because it is conferred independently and reflects attainment of knowledge and skill standards developed by subject matter experts in the field. In addition, maintaining a certification credential often requires credential holders to pass periodic recertification examinations and/or complete approved continuing education credits.

As introduced, S. 379 would not cover these types of certification-related expenses. The PCC believes it is important to expand the coverage of S. 379 to include costs beyond the educational programs that prepare individuals for initial certification. We therefore propose amending S. 379 to provide that 529 funds may be used not only for expenses related to certificate or certification programs, but also for **examinations and certification maintenance, including but not limited to practice exams, test preparation materials, exam fees, continuing education fees, and renewal dues**. The revised provision in the bill would read as follows:

(i) IN GENERAL.—In the case of a designated beneficiary who is enrolled in or attending a program to obtain a recognized postsecondary credential or occupational license or who has completed such a program, the term ‘qualified higher education expenses’ includes expenses similar to the expenses described in subparagraph (A) which are required for such program or which are required for the designated beneficiary to prepare for, obtain, or maintain an examination-based recognized postsecondary credential, including any fees in connection with obtaining or maintaining a recognized postsecondary credential, if such fees are charged by an organization that issues a certificate or certification that is widely recognized in the industry.

Expanding the scope of S. 379 to include these expenses would ease the financial burden on individuals seeking to apply for or maintain certification in a wider array of occupations and professions. In addition, under this proposed amendment, investing in 529 plans would have continued relevance and value to individuals who seek opportunities for career growth or to obtain a credential allowing them to switch careers, even if they have already completed college.

2. The Use of the Word “Program” in S. 379 Should be Expanded Beyond Local Programs

S. 379 defines local approved “programs” for which 529 funds may be used in reference to section 122(d) of the Workforce Innovation and Opportunity Act. The PCC proposes to expand the bill's definition of “program” as follows:

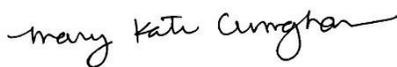
(II) when used with respect to obtaining such a credential, the term “program” means a program which is included, and is offered by a provider which is included, on the list described in section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d)) or a program that meets the training or educational prerequisites to qualify an individual to take an examination developed or administered by an organization that issues a certificate or certification that is widely recognized in the industry, where such examination is required to obtain or maintain a recognized postsecondary credential.

Expanding the definition of “program” in this way would include accredited institutions, online training programs, or courses offered nationally to prepare individuals for certification exams, rather than just local or regional training programs. This would ensure that 529 beneficiaries will have more options as they seek to pursue their chosen professions.

The PCC supports S. 379 because of the benefits it offers those seeking to utilize 529 plan funds for certification programs offered outside of traditional post-secondary educational programs and institutions. For the reasons described in this letter, the PCC also advocates broadening the scope of S. 379 to include other expenses related to obtaining or maintaining certification, to reduce the financial barriers for those seeking opportunities in one of the many occupations that value certification credentials. The PCC will continue to advocate in support of S. 379 and encourages you and your colleagues in Congress to support this effort.

If you have any questions regarding this letter, please feel free to reach out to us using the contact information provided below.

Sincerely,



Mary Kate Cunningham
Vice President, Public Policy
ASAE: The Center for Association
Leadership



Denise Roosendaal
Executive Director
Institute for Credentialing Excellence

cc: Senator Amy Klobuchar, Senator Tammy Baldwin, Senator Tammy Duckworth,
Senator Dianne Feinstein, Senator Joe Manchin