



**H.R. 5339, the *Freedom to Invest in Tomorrow's Workforce Act*, would allow 529 savings accounts to be used for workforce training, certification, and other credentialing program costs.** This **bipartisan** bill, introduced by Reps. Abigail Spanberger (D-VA) and Rob Wittman (R-VA), would provide valuable tax-advantaged resources for individuals pursuing alternative career pathways, mid-career changes, or career advancement. The Professional Certification Coalition is proud to support this legislation.

### **What are 529 Savings Plans?**

Every state sponsors a 529 savings plan ("529") to encourage higher education saving. The funds in a 529 account are exempt from federal taxes if used to pay for qualified education expenses.

Currently, 529s only allow students to pay for:

- Post-secondary two- and four-year college degrees and graduate or professional school;
- Career and technical education programs from Title IV accredited institutions; and
- Up to \$10,000/year in elementary and high school tuition

### **The Issue: 529s Currently Exclude Workforce Training and Credentialing Programs**

College may not be the right path for everyone. According to the National Skills Coalition, most of the American labor market is comprised of middle-skill jobs that require more than a high school education but not a bachelor's degree. Key industries struggle to find adequately trained workers to fill these jobs.

Even for those who have completed college, a key differentiator for obtaining a job at any skill level is a professional certification. These credentials provide workers the recognition they need to compete for jobs in the 21<sup>st</sup> century economy. They also open up important new avenues for professional growth and development and signal to employers and potential customers that certification-holders have met established standards for knowledge, specialized skills, and competencies in their fields.

### **The Solution: H.R. 5339 Helps More People Enter and Thrive in the 21<sup>st</sup> Century Workforce**

- H.R. 5339 provides opportunities for families to save for higher education and for professional development by amending the tax code to add obtaining or maintaining a "recognized post-secondary credential" as an eligible expense for a 529 plan.
- H.R. 5339 gives people **freedom** to use 529s to cover the costs of high-quality credential programs:
  - Tuition for participation in certification program;
  - Examination/testing fees charged by the program or by independent certification organizations;
  - Required books and equipment associated with certification program;
  - Tuition for continuing education courses;
  - Fees associated with renewal of certification;
  - Expenses associated with practice exams; and
  - Other charges by the certification organization required to obtain or maintain certification.

### **About the Professional Certification Coalition (PCC)**

The Professional Certification Coalition is a nonprofit association established to address legislation that affects private professional certification organizations, the professionals they credential, and the public and other stakeholders who rely on those credentials. The PCC has more than 100 organizational members, including professional certification organizations, professional societies, and service providers. The PCC's members collectively represent or certify millions of professionals across the country in a broad spectrum of fields, including construction, education, food safety, healthcare, hospitality, engineering, financial services, transportation, and information technology services, among many others. For more information, please visit <https://www.profcertcoalition.org>.