

News Release

For Immediate Release

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Governor Heineman Proclaims September as College Savings Month in Nebraska

Lincoln, Neb. (September 13, 2012) – Gov. Dave Heineman today proclaimed September to be College Savings Month in Nebraska, joining other states to promote the value of saving early for college and to encourage families to take advantage of tax benefits through state-sponsored 529 college savings plans.

The College Savings Month proclamation was issued in a ceremony in the Warner Chamber of the State Capitol. Attending the ceremony were State Treasurer Don Stenberg and David Cota, senior managing director of First National Bank of Omaha, the program manager for Nebraska's college savings program.

More than 53,000 families in Nebraska and more than 190,000 nationwide are saving for their children's higher education through the Nebraska Educational Savings Trust (NEST). State-sponsored 529 savings plans take their name from Section 529 of the U.S. Internal Revenue Code.

"We are very proud of the college savings plans we offer and of the service we provide to Nebraskans as well as families across the United States. We are also proud of the fact that in the last year Nebraska's college savings plans have been recognized nationally by two prominent rating organizations," Treasurer Stenberg said.

"These national ratings have truly put NEST at the top of the industry," said David Cota, senior managing director of First National Bank of Omaha, program manager for the Nebraska Educational Savings Trust. "I am proud of the work the NEST team and the State of Nebraska have done to make this happen."

Treasurer Stenberg urged Nebraskans to begin saving early for their children's and grandchildren's college education through NEST, noting that four out of ten families of college-bound children today are not putting money aside for college. "In these difficult economic times, saving for college may be one of the wisest investments families can make," he said.

Stenberg invited families to learn more about college savings by taking part in the second annual NESTFEST, free outdoor festivals with entertainment, food, and activities scheduled for Oct. 6 in Gothenburg, Norfolk, and Scottsbluff and Oct. 13 in Grand Island.

In May, two plans in the NEST program—the NEST Direct College Savings Plan and the NEST Advisor College Savings Plan—received the highest rating possible from the nationally recognized website, savingforcollege.com. The website's highest "5-Cap" rating was given for both resident and non-resident accounts in the two plans. The website said the two plans offered "outstanding

flexibility, attractive investments, and additional economic benefits (such as generous state tax incentives) that for some people, at least, will provide a substantial boost to their savings.”

Nebraska’s two other plans also received high ratings from the website. The TD Ameritrade College Savings Plan received 4.5 Caps for resident accounts and 4 Caps for non-resident accounts. The State Farm College Savings Plan received 4 Caps for both resident and non-resident accounts.

Also, the variety of options available through the Nebraska program was recognized nationally in December 2011 when Kiplinger’s Personal Finance magazine named NEST the “Best College Savings Plan” for Fund Selection. It was the fourth time Kiplinger’s had included Nebraska’s 529 program in its “Best College Savings Plan” listing.

A 529 plan is a tax-advantaged investment plan designed to encourage saving for the future higher education expenses of a designated beneficiary. Withdrawals from 529 plans for qualified education expenses, including tuition, books and some board and room expenses, are free from federal income tax. In Nebraska’s program, account holders who are Nebraska taxpayers are eligible for up to \$5,000 a year in state tax deductions.

The Nebraska Educational Savings Trust is made up of four savings plans – the NEST Direct College Savings Plan, the NEST Advisor College Savings Plan, the TD Ameritrade 529 College Savings Plan, and the State Farm College Savings Plan. First National Bank of Omaha is the program manager, and the State Treasurer is the program trustee. All investments are approved by the Nebraska Investment Council.