



## The Office Of State Treasurer Denise L. Nappier

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### News

**FOR IMMEDIATE RELEASE**

August 7, 2014

### **GOVERNOR MALLOY AND TREASURER NAPIER ANNOUNCE LAUNCH OF CHET BABY SCHOLARS**

NEW HAVEN, CT -- State Treasurer Denise L. Nappier today joined with Governor Dannel P. Malloy at the Friends Center for Children to launch CHET Baby Scholars.

CHET Baby Scholars will deposit \$100 into a CHET account for children born or adopted on or after January 1, 2014. A second deposit of \$150 will be made if family and friends add at least \$150 to the child's enrolled CHET account within four years. The deadline to participate is 12 months after the child's birth or adoption.

"The birth or adoption of a child is a joyous time, filled with promise. There's nothing like new life to give us hope for the future. What better way to start your child on the path to future success than to begin saving for his or her college education at the very start of their life's journey," said Treasurer Nappier. "The CHET Baby Scholars program has the potential to influence lifelong savings behavior and help families and children alike understand the importance of owning assets."

More detail is set forth in the press release, shown below.

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*(Please go to page two to view the press release.)*



STATE OF CONNECTICUT  
**GOVERNOR DANIEL P. MALLOY**

**GOVERNOR MALLOY AND TREASURER NAPIER ANNOUNCE  
LAUNCH OF CHET BABY SCHOLARS**

*State Will Contribute to Savings Accounts for Newborns*

(NEW HAVEN, CT) – Governor Daniel P. Malloy, together with State Treasurer Denise L. Nappier, visited the Friends Center for Children today to announce the launch of the CHET Baby Scholars program, which will help Connecticut families start saving for college as soon as their children are born.

Governor Malloy introduced legislation establishing the CHET Baby Scholars Fund within the Office of the State Treasurer to encourage savings for newly-born and adopted children.

“Studies have shown that children with a college savings account, of any amount, are seven times more likely to attend and graduate from college than those with no account,” said Governor Malloy. “By encouraging hardworking families to save for college right from the start, this program – in addition to investments in the Connecticut State College and University System – will help us build a future where all of our students have access to high-quality educational opportunities.”

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The legislation establishing CHET Baby Scholars adds the option for Connecticut taxpayers to direct a portion of their tax refund either to the CHET Baby Scholars Fund or to individual CHET accounts set up for their children or other beneficiaries.

The new initiative also excludes the value of a CHET account in determining financial aid at state colleges and universities, and from consideration of other state-funded, means-tested programs. These exclusions will ensure that families struggling to make ends meet while saving for a child’s educational future won’t be unfairly penalized.

Parents can apply to open a CHET account and complete an enrollment form at [www.aboutchet.com](http://www.aboutchet.com).

### **About CHET**



The CHET 529 college savings plan, of which Treasurer Nappier is Trustee, is managed by TIAA-CREF Tuition Financing, Inc. and The Hartford. It was established in 1997, and has grown to more than \$2.2 billion in assets and more than 100,000 accounts. More than \$815 million in qualified withdrawals have been taken to cover college costs for approximately 25,700 students.

The State of Connecticut offers CHET to help families save for future college costs. Funds deposited into a CHET account have tax advantages and can be used at accredited colleges and universities across the country, including vocational and technical schools, and some colleges abroad.

Connecticut residents are allowed to deduct 529 contributions from their state income taxes -- up to \$5,000 for an individual or up to \$10,000 for a married couple filing jointly. As with all 529 plans, investment earnings are exempt from state and federal taxes if used for qualified educational expenses.

CHET is an investment vehicle, not merely a savings plan. It offers investment options, allowing participants to select an option or combination of options that best fit their higher education saving needs and investment philosophy. Options vary depending on the age of the beneficiary and the participant's tolerance for risk.

For more information about CHET, visit [www.aboutchet.com](http://www.aboutchet.com) or call the customer service center at (866) 314-3939.

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