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529 PLANS

## **Editorial: Bill would allow 529s plans to pay for vocational training and certification**

Jan 7, 2020



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Most parents of school-age children are familiar with 529 plans — those tax-advantaged savings accounts that can be used to fund qualified higher education expenses. The plans allow a saver to put aside money or purchase credits at participating colleges and

universities to help pay future tuition costs and mandatory fees. Some versions of 529s plans also may be used to cover the costs of room and board. But what happens if your child decides he or she wants to forgo college and instead become a construction site manager, an airplane technician or some other type of skilled worker?

Last month, Virginia Reps. Abigail Spanberger, D-7th, and Rob Wittman, R-1st, cosponsored HR 5339, The Freedom to Invest in Tomorrow's Workforce Act. The bill would allow individuals to use their 529 savings accounts to cover the costs of certain workforce training and credentialing programs. In addition, according to Spanberger's website, "The bill would allow students to use their 529 funds to pay for associated costs related to certification exams and maintaining certification credentials."

It's no secret that the nation is experiencing an unprecedented shortage of skilled labor. The U.S. economy is booming. Finding enough qualified tradesmen like carpenters and electricians has become a challenge for businesses, construction firms and even homeowners who need simple repairs or remodeling work done. A 2019 study from the National Federation of Independent Business found that 35% of small-business owners can't fill job openings and nearly 90% can't find qualified applicants for open positions. According to Wittman, one of the reasons that businesses across America are facing such a severe talent shortage "is due to a lack of vocational education and technical training."

This bill could help address those problems by allowing students who would rather learn a skilled trade than attend traditional college to use their 529 plans to pay for training and certification. The plan is endorsed by both Virginia529 and the Professional

Certification Coalition, which represents more than 100 organizations. We too support this refreshingly bipartisan and sensible piece of legislation.

— *Robin Beres*