

115TH CONGRESS  
1ST SESSION

# H. R. 999

To amend the Internal Revenue Code of 1986 to expand access to Coverdell education savings accounts.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 2017

Mr. WALBERG (for himself and Mr. KILDEE) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to expand access to Coverdell education savings accounts.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Helping Families Save  
5 for Education Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

8 (1) College costs have increased tremendously  
9 over the past decade. When adjusted for inflation,  
10 the average published price for in-State students at

1 public 4-year universities is 34 percent higher than  
2 it was a decade ago and more than twice as high as  
3 it was 20 years ago. The price of private nonprofit  
4 4-year institutions has increased 24 percent during  
5 the last 10 years and 51 percent during the last 20  
6 years.

7 (2) Federal financial aid for students has also  
8 increased rapidly but failed to mitigate the issues of  
9 rising college costs. Between the 2005–2006 aca-  
10 demic year and the 2015–2016 academic year, the  
11 amount of Federal financial aid in the form of Pell  
12 Grants, Federal student aid, campus based aid, vet-  
13 erans educational benefits, and tax credits increased  
14 from \$82.4 billion to \$158.3 billion or by 92 per-  
15 cent. The Federal Government’s share of total stu-  
16 dent aid is 66 percent.

17 (3) Students continue to borrow more than they  
18 can afford. During the 2014–2015 academic year,  
19 approximately 61 percent of students who earned  
20 bachelor’s degrees from public and private nonprofit  
21 institutions at which they began their studies grad-  
22 uated with debt. These students borrowed an aver-  
23 age of \$28,100, an increase of 8.9 percent compared  
24 to 5 years ago and an increase of 18.1 percent com-  
25 pared to 10 years ago.

1 **SEC. 3. EXPANSION OF COVERDELL EDUCATION SAVINGS**  
2 **ACCOUNTS.**

3 (a) INCREASE IN AGE LIMITATION OF BENEFICIARY  
4 AFTER WHICH CONTRIBUTIONS TO ACCOUNT CANNOT  
5 BE MADE.—Section 530(b)(1)(A)(ii) of the Internal Rev-  
6 enue Code of 1986 is amended by striking “age 18” and  
7 inserting “age 22”.

8 (b) INCREASE IN ANNUAL DOLLAR LIMITATION ON  
9 CONTRIBUTIONS TO ACCOUNT.—Section 530(b)(1)(A)(iii)  
10 of such Code is amended by striking “\$2,000” and insert-  
11 ing “\$10,000”.

12 (c) EFFECTIVE DATES.—

13 (1) INCREASE IN AGE LIMITATION.—The  
14 amendments made by subsection (a) shall apply to  
15 contributions made after the date of the enactment  
16 of this Act.

17 (2) INCREASE IN ANNUAL DOLLAR LIMITATION  
18 ON CONTRIBUTIONS.—The amendments made by  
19 subsection (b) shall apply to contributions made in  
20 taxable years ending after the date of the enactment  
21 of this Act.

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