



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS RELEASE

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## Treasurer Chiang, City of West Sacramento, and WUSD Partner Together to Give Kindergarten Students a Shot at an Affordable College Education

*Matching contributions from ScholarShare 529 figure prominently in community's ambition to help every child complete a post-secondary education*

**WEST SACRAMENTO, CA** – Standing before kindergarten students, parents, and faculty at Stonegate Elementary School, California State Treasurer John Chiang, West Sacramento Mayor Christopher Cabaldon, and Washington Unified School District (WUSD) Board President Norma Alcalá today announced a key component of the “West Sacramento Home Run Initiative,” providing a \$100 seed deposit into a city-sponsored 529 college savings account. The goal is to help create a college-bound culture in the city in order to increase college graduation rates among the city’s students.

The program is supported by Treasurer Chiang’s ScholarShare 529 savings plan — a nationally recognized and popular tax-advantaged college savings program that encourages families and friends to save for a young person’s future education. ScholarShare 529 accounts have been found to increase educational opportunities by reducing the financial barriers many students face to attend college.



“The California dream is rooted in ordinary people ignoring and then rising above the conventional expectations thrust upon them by others. Our partners in West Sacramento understand there are very few things that can be done to breathe powerful meaning into that golden dream than to make a college degree or trade certificate more accessible,” said Treasurer Chiang at the event. “For its sustained economic and social prosperity, California should invest in its future by opening and seeding a college savings account for every newborn. Our young people are California’s next innovators, entrepreneurs, and leaders, and providing them with an outstanding education, without saddling debt, is one of the best investments we can make as a state and as a country.”

Eligible students will receive a \$50 seed investment from the City of West Sacramento and a \$50 match from ScholarShare 529, with the proceeds being deposited into the participating family’s ScholarShare 529 account. Under this new leg of the Home Run Initiative, eligible students will have a ScholarShare 529 account opened in their name if:

- 1) They live in West Sacramento,
- 2) Have completed a high-quality Home Run certified preschool, and
- 3) Are enrolled in kindergarten at one of the seven elementary schools in the Washington Unified School District.

West Sacramento Mayor Christopher Cabaldon added, “The College Savings Account program reaffirms our commitment that every young person in our community is going to enroll and complete postsecondary education, whether that be a certificate, AA degree, apprenticeship or bachelors degree.”

The matching contributions to the college savings plan are just one piece of the city's ambitious Home Run Initiative, which started in November 2017 with financial support from Measure E, a local sales tax. The West Sacramento program also funds high-quality preschool, paid internships with local employers, online learning opportunities, and two semesters of fee-free college tuition. To date, the Home Run Initiative has provided high-quality education to 672 preschoolers, 58 paid internships for high school students, and ensured 230 graduates can attend college with fee-free tuition.

"Our school district is fully committed to ensuring all students are part of a learning environment focused on being college and career bound," said Linda C. Luna, WUSD Superintendent. "The College Savings Account program is proof of the investment our partners are making in our children but also symbolic of the importance to engage our students at a young age with the idea of preparing now for a successful future."

ScholarShare has been California's state-sponsored 529 plan since 1999, and, through its proven track record of success and strong track record on investment returns, has grown to nearly \$8.6 billion dollars, with over 310,000 open accounts. The plan was recently ranked number one in the nation for investment performance, among all direct-sold 529 plans, based on a three-year and five-year investment period, ending June 30, 2018, according to SavingforCollege.com.

According to Sallie Mae, only six in 10 parents have actually started saving for their children's higher education, and those who have saved often find themselves coming up short when the reality of college hits.

Aleecia Gutierrez, mother of three Stonegate Elementary School boys, believes, "West Sacramento's Homerun [Initiative] is a great offering for the kids of West Sacramento, all of you guys. It also shows our city's commitment to promoting higher education and making the path to college for our children...I think the program is also a great motivator for parents just like many investments, once the initial investment is made it's a lot easier to continue that investment and we can commit to that and really support our kids."

For a video of the event from Stonegate Elementary School, [click here](#).

### **About ScholarShare 529**

*ScholarShare 529 serves as California's official college savings plan. Administered by the ScholarShare Investment Board, ScholarShare 529 provides families with a valuable tool that offers a diverse set of investment options, tax-deferred growth, and withdrawals free from state and federal taxes when used for qualified higher education expenses, such as tuition and fees, books, certain room and board costs, computer equipment, and other required supplies. To open a ScholarShare 529 account or get more information about the plan, visit [www.ScholarShare529.com](http://www.ScholarShare529.com). For information about the ScholarShare Investment Board, visit [www.treasurer.ca.gov/scholarshare](http://www.treasurer.ca.gov/scholarshare), like ScholarShare 529 on Facebook at [www.facebook.com/scholarshare529](http://www.facebook.com/scholarshare529), and follow them on Twitter at [@ScholarShare529](https://twitter.com/ScholarShare529).*

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