June 19, 2018

Dear Members of Pennsylvania House of Representatives:

On behalf of our respective organizations we ask you to support House Bill 2248, legislation that would establish the Keystone Scholars Grant Program and the Keystone Scholars Grant Program Account within Pennsylvania Treasury. This self-funded tuition account program will promote access to postsecondary educational opportunities for each child born and/or adopted in Pennsylvania.

Our organizations take pride in providing members, consumers, and students financial tools and resources to prepare them for higher education opportunities. The Keystone Scholars Program is an initiative that complements our own financial education efforts and offers a new avenue for eligible families to safely grow their higher education savings. In return, Pennsylvania will recognize an improvement in its postsecondary attainment rate and the overall economy.

This savings initiative will deposit $100 of non-taxpayer dollars into the Keystone Scholarship Grant Program Account for every child beginning December 31, 2018. A child, once enrolled at an eligible educational institution may apply for a grant, which will equal the $100 investment that was made at the child’s birth, plus investment earnings since its establishment. To receive the grant, the child must be a legal resident when they were born or adopted and apply to receive the grant.

The program will invest a scholarship within the Guaranteed Savings Program (GSP) in Treasury’s PA 529 College Savings Program. Funding will be provided by Treasury’s investment earning surplus within the GSP. The legislation is designed to prevent the program from being underfunded and includes safeguards to protect taxpayers and ensure the longevity of the fund. Certain fee income, tax refunds, unclaimed property, and philanthropic contributions will also be pursued as supplemental funding sources.

We believe the Keystone Scholarship Grant Program reinforces a key principal that all families in the Commonwealth of Pennsylvania should have an opportunity to access higher education while changing the culture of saving and financial literacy.

Thank you for your consideration of House Bill 2248.

Sincerely,

Don Francis
President
Association of Independent Colleges & Universities

Patrick C. Conway
President & CEO
PA Credit Union Association

Peter Calcara
Vice President, Government Relations
PA Institute of Certified Public Accountants