



# PRESS RELEASE

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Contact: Gus Wales

Phone Number: (225) 922-2029

E-mail: [gwales@osfa.la.gov](mailto:gwales@osfa.la.gov)

## Louisiana's START Saving Program Receives High Marks for Affordability in Recent National Assessment

Louisiana's START Saving program was awarded high marks by nationally respected 529 plan "guru" Joe Hurley of [www.savingforcollege.com](http://www.savingforcollege.com) in a recent 529 Fee Study, due to its low fees and tax benefits.

The study, which compared the projected 10-year total costs for a \$10,000 investment, was conducted to provide investors with an overview of the costs among competing 529 plans.

Louisiana's plan was the least expensive of all 529 plans compared, with no fees at all for its least expensive option (the fixed return Louisiana Principal Protection Option) and a \$320 fee for the most expensive equities investment option.

The study assumed a \$10,000 investment, earning 5 percent annually, including the cost of underlying investments, management and administration fees and any annual account fees. Only options with returns traceable to market-traded securities were included; bank products or options with insurance components were excluded.

Louisiana's START Saving plan was given a 4.5 point rating on a 5 point scale. Due to the state's subsidizing, there is no cost to account owners above the underlying fund costs. Account owners pay no enrollment fee, no maintenance fee and no management fee.

Additionally, owners who opt for the Fixed Earning (Louisiana Principal Protection) option pay no underlying investment expenses. Owners who chose options which invest in the Vanguard LifeStrategy Fund pay investment expenses of approximately .25 - .26 percent. Those who invest in options using Vanguard Total Stock Market Fund Institutional Shares pay a fee averaging .06 percent and those who decide to invest in the Vanguard Total International Stock Index Fund have investment expenses of approximately .32 percent.

In addition to low fees, the START Saving plan provides account owners with a tax deduction of up to \$2,400 to \$4,800 per year, depending on marital status and tax filing status. The state also provides earning enhancements of between 2 and 14 percent on investments each year, depending on the account owner's federal adjusted gross income and the account owner's relationship to the beneficiary.

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