

**OPENING REMARKS OF THE HONORABLE RUBEN HINOJOSA**  
**HOUSE FINANCIAL SERVICES**  
**CAPITAL MARKETS SUBCOMMITTEE**  
**“SECTION 529 TUITION SAVINGS PLANS”**  
**JUNE 2, 2004**

Chairman Baker and Ranking Member Kanjorski,

Thank you for holding this hearing today on Section 529 Tuition Savings Plans.

Education is truly the key to success. The Section 529 Tuition Savings Plans enable my constituents to put aside and invest funds towards the education of their children without the fear of being taxed if they withdraw those funds for education purposes.

The 529 plans are very important, especially in light of the fact that we here in Congress and the Federal government have not been providing the funds necessary to ensure that current and future generations receive at least an adequate education, much less an excellent one. Some, if not many, are indeed being left behind.

We need to ensure that proposals to create Life Savings Accounts will not detract from the education goals of the Section 529 Plans.

Mr. Chairman, my district, the 15<sup>th</sup> district in Texas, contains the metropolitan statistical area with the lowest per capita rate in the United States. Many of my constituents fall below the poverty rate.

Forbes magazine's recent survey tells the two-faced tale of the McAllen area - - tremendous job growth coupled with the lowest rates of higher education. We face the challenge of keeping teens in school and encouraging higher education. Whatever actions we take here in Congress must be aimed towards that goal. I understand that the focus of today's hearing is on the SEC's jurisdiction and the disclosure of Section 529 Plans' fees, but we need to also look at the larger picture.

Mr. Chairman, I yield back the remainder of my time.