



Group launches initiative to encourage college savings

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— By Sean Murphy
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OKLAHOMA CITY — Low to moderate-income Oklahoma families would be able to save more money to send their children to college under an initiative launched Wednesday by a Tulsa-based anti-poverty agency.

The plan announced Wednesday by the Community Action Project of Tulsa calls for the use of public or private matching funds for low-income families who put money into state college savings accounts. “We know that the single most important thing we can do for many Oklahoma children is to help them save for college,” said David Reisdorph, a research coordinator for CAP and the coordinator of the group’s college savings campaign. “This campaign provides policy-makers an opportunity to study how the state’s Oklahoma College Savings Plan can work for low- and moderate-income families who may not currently be participating.”

The Oklahoma College Savings Plan, or 529 plans, were enacted by the Oklahoma Legislature several years ago and allow a deduction from annual state taxable income of up to \$10,000 per contributor each year.

But Reisdorph said many low-income families don’t have the ability to put money in these accounts and have little tax liability to serve as an incentive to contribute.

By developing a program to match funds, he said more families would be encouraged to contribute and youngsters could be empowered through learning to build assets.

“Children who have savings have ingrained in them savings habit ... and they’re more likely to save more, likely to move into home ownership, save for a business and invest in themselves and their communities,” Reisdorph said. “What we’re looking at is going beyond the financial asset in dollar terms alone and looking at behavior and breaking the cycle of poverty by having people become asset builders.”

Among those who attended Wednesday’s announcement were Jason Travis and Dena Squyres, 15-year-old sophomores at Sequoyah High School in Tahlequah. The two are part of a federal program called Savings for Education, Entrepreneurship and Downpayment administered by the Cherokee Nation that allows students to earn money and save for college, home ownership or starting a business.

Tera Shows, a teacher at Sequoyah High School, said students start their savings with \$1,000 from the Cherokee Nation as high school freshmen and can earn up to \$150 each year by achieving certain goals, like good grades and improved test scores.

“Their families and the students themselves can invest up to \$750 each year that will be matched by the Cherokee Nation,” Shows said. “The account has the ability to be a pretty good nest egg when they leave high school.”

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