

# GOVERNOR'S PRESS OFFICE

CONTACT: David Farmer, 287-2531  
(cell) 557-5968  
Joy Leach, 287-2531  
(cell) 837-4885

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FOR IMMEDIATE RELEASE

## **NextGen College Investing Plan<sup>®</sup> Celebrates 10th Anniversary During College Savings Month**

AUGUSTA – Governor John E. Baldacci issued a proclamation today naming September 2009 as College Savings Month in Maine. The Governor spoke at a brief ceremony marking the 10<sup>th</sup> anniversary of Maine's college savings plan, the NextGen College Investing Plan<sup>®</sup>.

Launched a decade ago, NextGen is the fifth-largest college savings plan in the nation, with more than \$4.4 billion in assets.

"September is back to school and it is also time to take action on college savings," Baldacci said. "With NextGen firmly established and ever-evolving over the past 10 years, our citizens have the best opportunity and a firm foundation to help pay for a college education. Being able to save for college tuition now can be a big help later in life."

The Governor presented the proclamation to Beth Bordowitz, CEO of the Finance Authority of Maine, during a ceremony at the State House. Also in attendance was Tammy and Christopher Creswell, NextGen account owners who live in St. Albans. The Creswell's two children for whom the college savings accounts were opened also attended the ceremony.

NextGen was created by the Maine Legislature in 1999 as a qualified tuition program, and is designed to help families prepare for higher education expenses.

"NextGen is a successful program that has become even more vital as college tuitions rise," said Bordowitz. "FAME is proud to play a role in helping so many Maine students reach their college dreams."

NextGen is a Section 529 plan administered by FAME, with Merrill Lynch as the program manager. NextGen's earnings are state and federal income-tax-deferred, and are tax-free so long as the withdrawals are used for qualified higher education expenses.

Governor Baldacci noted that among other NextGen benefits to residents, the Harold Alfond College Challenge enables Mainers to easily augment their savings for their children's education. This first-in-the-nation program provides a \$500 grant for every Maine newborn to start a NextGen savings account for future college expenses. There are no income limits to participate in the program.

Other NextGen benefits for Mainers currently include:

- A one-time \$200 initial matching grant to help Maine families with adjusted gross incomes of \$75,000 or less open their NextGen account;
- Up to \$250 per year, per beneficiary, tax deduction for Maine taxpayers who make contributions to a NextGen plan;
- Waiver of the annual account maintenance fee;
- Direct deposit available for Maine income tax refunds;
- For Maine workers, Life-long Learning Accounts that provide employer-matched individual NextGen accounts to help employees upgrade their skills and education while meeting the demands of businesses for a skilled workforce; and
- Annual need based scholarships for qualifying Maine students.

For more information on the NextGen Plan, go to <http://www.famemaine.com/NextGen/home.asp> or call FAME at 1-800-228-3734.

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**NextGen is a Section 529 plan administered by FAME. Merrill Lynch is the program manager and underwriter. Before investing you should carefully consider the investment objectives, charges, expenses and risks of investing in the NextGen Plan. You should also consider whether your or the designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's 529 plan. Request a Program Description from your Maine bank or financial advisor, or call FAME at 1-800-228-3734 and read it carefully.** Merrill Lynch, Pierce, Fenner & Smith Incorporated is a registered broker-dealer, Member SIPC, and a wholly owned subsidiary of Bank of America Corporation. Bank of America Corporation has a substantial economic interest in BlackRock, Inc. Investment products:

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