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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to treat certain postsecondary credentialing expenses as qualified higher education expenses for purposes of 529 accounts.

IN THE HOUSE OF REPRESENTATIVES

Mr. WITTMAN introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to treat certain postsecondary credentialing expenses as qualified higher education expenses for purposes of 529 accounts.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Freedom to Invest in
5 Tomorrow’s Workforce Act”.

1 **SEC. 2. CERTAIN POSTSECONDARY CREDENTIALING EX-**
2 **PENSES TREATED AS QUALIFIED HIGHER**
3 **EDUCATION EXPENSES FOR PURPOSES OF**
4 **529 ACCOUNTS.**

5 (a) IN GENERAL.—Section 529(e)(3) of the Internal
6 Revenue Code of 1986 is amended by adding at the end
7 the following new subparagraph:

8 “(C) CERTAIN POSTSECONDARY
9 CREDENTIALING EXPENSES.—The term ‘quali-
10 fied higher education expenses’ includes quali-
11 fied postsecondary credentialing expenses (as
12 defined in subsection (f)).”.

13 (b) QUALIFIED POSTSECONDARY CREDENTIALING
14 EXPENSES.—Section 529 is amended by redesignating
15 subsection (f) as subsection (g) and by inserting after sub-
16 section (e) the following new subsection:

17 “(f) QUALIFIED POSTSECONDARY CREDENTIALING
18 EXPENSES.—For purposes of this section—

19 “(1) IN GENERAL.—The term ‘qualified post-
20 secondary credentialing expenses’ means—

21 “(A) tuition, fees, books, supplies, and
22 equipment required for the enrollment or at-
23 tendance of a designated beneficiary in a recog-
24 nized postsecondary credential program, or any
25 other expense incurred in connection with en-
26 rollment in or attendance at a recognized post-

1 secondary credential program if such expense
2 would, if incurred in connection with enrollment
3 or attendance at an eligible educational institu-
4 tion, be covered under subsection (e)(3)(A),

5 “(B) fees for testing if such testing is re-
6 quired to obtain or maintain a recognized post-
7 secondary credential, and

8 “(C) fees for continuing education if such
9 education is required to maintain a recognized
10 postsecondary credential.

11 “(2) RECOGNIZED POSTSECONDARY CREDEN-
12 TIAL PROGRAM.—For purposes of this subpara-
13 graph, the term ‘recognized postsecondary credential
14 program’ means any program to obtain a recognized
15 postsecondary credential if—

16 “(A) such program is included on a State
17 list prepared under section 122(d) of the Work-
18 force Innovation and Opportunity Act (29
19 U.S.C. 3152(d)),

20 “(B) such program is listed in the
21 WEAMS Public directory (or successor direc-
22 tory) maintained by the Department of Vet-
23 erans Affairs,

24 “(C) an examination (developed or admin-
25 istered by an organization widely recognized as

1 providing reputable credentials in the occupa-
2 tion) is required to obtain or maintain such cre-
3 dential and such organization recognizes such
4 program as providing training or education
5 which prepares individuals to take such exam-
6 ination, or

7 “(D) such program is identified by the
8 Secretary, after consultation with the Secretary
9 of Labor, as being a reputable program for ob-
10 taining a recognized postsecondary credential
11 for purposes of this subparagraph.

12 “(3) RECOGNIZED POSTSECONDARY CREDEN-
13 TIAL.—The term ‘recognized postsecondary creden-
14 tial’ means—

15 “(A) any postsecondary employment cre-
16 dential that is industry recognized, including—

17 “(i) any postsecondary employment
18 credential issued by a program that is ac-
19 credited by the Institute for Credentialing
20 Excellence, the National Commission on
21 Certifying Agencies, or the American Na-
22 tional Standards Institute,

23 “(ii) any postsecondary employment
24 credential that is included in the
25 Credentialing Opportunities On-Line

1 (COOL) directory of credentialing pro-
2 grams (or successor directory) maintained
3 by the Department of Defense or by any
4 branch of the Armed Services, and

5 “(iii) any postsecondary employment
6 credential identified for purposes of this
7 clause by the Secretary, after consultation
8 with the Secretary of Labor, as being in-
9 dustry recognized,

10 “(B) any certificate of completion of an
11 apprenticeship that is registered and certified
12 with the Secretary of Labor under the National
13 Apprenticeship Act (29 U.S.C. 50),

14 “(C) any occupational or professional li-
15 cense issued or recognized by a State or the
16 Federal Government (and any certification that
17 satisfies a condition for obtaining such a li-
18 cense), and

19 “(D) any recognized postsecondary creden-
20 tial as defined in section 3(52) of the Workforce
21 Innovation and Opportunity Act (29 U.S.C.
22 3102).”.

23 (c) EFFECTIVE DATE.—The amendments made by
24 this section shall apply to distributions made after the
25 date of the enactment of this Act.