

119TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

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

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IN THE SENATE OF THE UNITED STATES

Ms. KLOBUCHAR (for herself and Mr. MARSHALL) introduced the following bill; which was read twice and referred to the Committee on

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**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 of such Code is amended by re-  
15 designating subsection (f) as subsection (g) and by insert-  
16 ing after subsection (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.—The term ‘recognized postsec-  
13 ondary credential program’ means any program to  
14 obtain a recognized postsecondary credential if—

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

19 “(B) such program is listed in the public  
20 directory of the Web Enabled Approval Man-  
21 agement System (WEAMS) of the Veterans  
22 Benefits Administration, or successor directory  
23 such program,

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 and is—

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 Forces, or

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 Act of  
13 August 16, 1937 (commonly known as the ‘Na-  
14 tional Apprenticeship Act’; 50 Stat. 664, chap-  
15 ter 663; 29 U.S.C. 50 et seq.),

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

21 “(D) any recognized postsecondary creden-  
22 tial as defined in section 3(52) of the Workforce  
23 Innovation and Opportunity Act (29 U.S.C.  
24 3102(52)), provided through a program de-  
25 scribed in paragraph (2)(A).”.

1           (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to distributions made after the  
3 date of the enactment of this Act.