

College Tuition Savings Plan Advisory Commission
Minutes of Meeting Held: April 5, 1999
State House, Room 103

The twenty fourth meeting of the College Tuition Savings Plan Advisory Commission (the Commission) was called to order at 9:37 a.m., with Chairman Senator Larsen presiding. The following Commission members were present which resulted in a quorum:

<u>Member</u>	<u>Represents</u>
Michael A. Ablowich	Budget Director, Office of Governor, Representing the Governor
Mike Cryans	Public Member from Hanover Appointed by the Governor
Richard A. Gustafson	President, New Hampshire College, Representing College and University Council
Sylvia Larsen	Senator from Concord
Ingrid Lemaire	Director of Public Relations, NH Higher Education Assistance Foundation
Edward MacKay	Vice Chancellor for Budget and Planning, University System of New Hampshire
Mary Milliken	Business Administrator, Representing Regional Community Technical College System
Andrew R. Peterson	Representative from Peterborough
Georgie A. Thomas	State Treasurer, Treasury Department
O. Alan Thulander	Representative from Frankestown

The following members were absent:

Martha Gooze	Public Member from Durham Appointed by the Governor
Edward Gordon	Senator from Bristol
Hannah M. McCarthy	President, Daniel Webster College, Representing Postsecondary Education Commission

The first item on the agenda was the minutes of January 12, 1999. Representative Alan Thulander made a motion to approve the minutes. Richard Gustafson seconded the motion. The minutes passed unanimously. The next item on the agenda was the minutes of the February 1, 1999 meeting. Ingrid Lemaire made a motion to approve the minutes. Richard Gustafson seconded the motion. The minutes passed unanimously. Raquel Colby of Rath, Young, and Pignatelli spoke on the Administrative Rules for the College Tuition Savings Plan. The areas of contention were expected to be telephonic meetings and a quorum of 5. Ms. Colby asked the Commission for a motion as to whether to submit the proposed rules as the final rules. Georgie

A. Thomas made the motion. Richard Gustafson seconded the motion. The motion passed unanimously. The next item discussed was the in state marketing plan presented by Elaine Fazakas and Eric Nottonso from Fidelity Investments. The discussion focused on increasing the penetration levels in the state to higher than savings or prepaid plans in other states. Fidelity plans to do this through paid media and promotional functions such as healthy child and kid packs. The concentration of paid media will be in May-June and August-September. Additions to the prepaid advertising list included Keene Sentinel and Valley News. Various promotional ideas were discussed with the focus of announcements about the plan to be centered around a birthday celebration for the Unique Plan on July 1, 1999.

Next on the agenda was a discussion of creating an additional Unique Plan that is designed to be sold by intermediaries. Ed Nigro of Fidelity presented a plan that would utilize Fidelity Intermediary funds packaged similarly to the regular Unique Plan. A large percentage of Fidelity sales are currently conducted through intermediaries. The Commission decided that the idea warranted further research. The Commission is reluctant to launch a second plan until the private letter ruling is received from the IRS. This second Unique Plan would require an amendment to the private letter ruling which the Commission is not prepared to do that at this time. Ed Nigro advised that the plan would not be available on a best case basis until the year 2000.

Senator Larsen advised the Commission that Senate Bill 204 regarding the endowment fund passed the Senate on April 1, 1999. Senator Larsen then asked if anyone had any other new business. Georgie Thomas stated that she wanted to tell the Commission that she, David Pearlman, and Abraham Claude from Fidelity met with Senator Judd Gregg regarding uniform treatment of financial aid. Examples were a roll over or changing of Beneficiary, reciprocity among various state plans and treatment of the plans in determining financial assistance under the education reauthorization act. She also wanted to hold bi-weekly telephonic meetings of the interested members of the Commission to keep up with the issues that need to be addressed before the full Commission. A motion was made by Georgie Thomas that the subcommittee be authorized to recommend actions for final approval by the full Commission. Ingrid Lemaire seconded the motion. The motion passed unanimously. The first telephonic meeting would be April 26, 1999 at 10:00 a.m. The next regular Commission meeting will be June 7th at 9:30 a.m. The commission adjourned at 11:40 a.m.