



Fiscal Score HR 7115

Jumpstart Program

Representative Riley Moore (WV-2) asked the Fiscal Lab to score this draft legislation that would establish a “Jumpstart Program” that would allow individuals to create a Jumpstart account. This legislation does not yet have a bill number. A Jumpstart account would be a new form of 529 account, which could be used to pay for qualified trade or occupational educational expenses and costs associated with practicing certain trades and occupations including the purchase of tools and equipment. Contributions to such accounts would receive the same tax treatment as traditional 529 accounts.

The Fiscal Lab’s analysis examined all available data to estimate the potential budgetary effects of Jumpstart accounts. The Fiscal Lab estimates that revenue lost would fall below its de minimis level of \$100 million per year (\$1 billion per 10-year period), as the change in the take-up rate of Jumpstart Program relative to existing 529 programs would be minimal.

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	Fiscal Years (Millions of dollars)											
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2026 – 2030	2026 – 2035
Total Increase or Decrease (-) in Deficit	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0
On Budget	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0
Off Budget	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0
Direct Spending (Outlays)	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0
Revenues	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0	~ 0

Notes: “~” denotes values below \$100 million per year

Jumpstart Program for Saving for Apprenticeship and Trade Occupation Training and Other Purposes.

Final Score: Unscored—for 2026 to 2035

Summary: Currently, the Fiscal Lab does not have access to microdata that would be required to conduct this analysis and score this potential request. However, given the data Fiscal Lab is able to access, we believe the revenue loss of this bill would be minimal and would fall below the Fiscal Lab’s threshold of \$100 million per year or \$1 billion for a 10-year window. This amount reflects the limited availability of detailed 529 data, as such information is not a distinct IRS line item, and cannot be clearly tracked for recent data. Generally, 529 programs are primarily used by wealthier individuals as a potential tax shelter.

Existing 529 saving programs cover qualified expenses such as “tuition and required fees, room and board (capped), books, supplies, equipment, and additional expenses of special needs beneficiaries at higher education institutions, as well as fees, books, supplies, and equipment required for participation in a registered apprenticeship. In addition, up to \$10,000 can be withdrawn for a given beneficiary in a given year and used for tuition expenses at elementary or secondary schools.”¹

The primary change the Jumpstart Program introduces is the use of savings accounts to cover expenses relating to the tools, equipment, establishment, or operations for new businesses. Currently, existing 529 programs only include the cost of equipment for registered apprenticeship programs that are certified by the Department of Labor or a state apprenticeship agency recognized by the Department of Labor.

Data previously collected by the Survey of Consumer Finances and aggregated by the Federal Reserve indicate that existing 529 savings accounts are most likely held by wealthier households. Table 1 and Table 2 show that current 529 plans are largely held by those with income or wealth percentiles above the 90th percentile.

Table 1: Percent of households with a 529 savings account, by income percentile

Year	2007	2010	2013
All Households	3.1	2.2	2.5
Usual Income Percentiles			
0 – 49.9	0.5	0.1	0.3
50 – 89.9	3.8	2.3	2.9

¹ Congressional Research Service provided an understanding of 529 plans and highlighted qualified expenditures on what funds in 529 savings accounts can be used for. Brendan McDermott, *Tax-Preferred College Savings Plans: An Introduction to 529 Plans* (Congressional Research Service, February 27, 2024).

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Year	2007	2010	2013
90 – 94.9	12.5	9.5	7.9
95 – 100	14.8	14.9	16

Table 2: Percent of households with a 529 savings account, by wealth percentile

Year	2007	2010	2013
All Households	3.1	2.2	2.5
Usual Wealth Percentiles			
0 – 49.9	0.6	0.5	0.3
50 – 89.9	4.5	2.1	3.4
90 – 94.9	7.1	9.0	8.8
95 – 100	12.8	12.7	11.2

Additionally, as shown in Table 3, households of lower income percentiles have relatively small levels of 529 savings. Given these already small levels, the expansion of 529s is unlikely to have a major budgetary effect.

Table 3: Average balance of 529 savings accounts, conditional on ownership

Year	2007	2010	2013
All Households	\$44,100	\$63,000	\$55,900
Usual Wealth Percentiles			
0 – 49.9	\$24,400	\$13,800	\$32,700
50 – 89.9	\$20,100	\$20,800	\$25,600
90 – 94.9	\$39,500	\$49,600	\$26,900
95 – 100	\$103,500	\$127,700	\$119,300

Finally, 529 savings accounts are the most dominant type of 529 programs, with prepaid tuition plans making up a minor component of 529 programs based upon account balances and number of accounts. It is unlikely that the Jumpstart savings accounts would impact a change to the distribution of savings versus prepaid tuition accounts, so any potential impact of changes to the distribution is ignored.

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Overall, it is the Fiscal Lab's belief that the overall impact to loss of revenues through the Jumpstart Program accounts would be minimal.

Additional Notes: None

Modeling Used: None

Source(s): [Tax-Preferred College Savings Plans: An Introduction to 529 Plans | Congress.gov | Library of Congress](#)

[FRB: FEDS Notes: Saving for College and Section 529 Plans](#)

[Release: 529 Plan Program Statistics, December 2024 | Investment Company Institute](#)

For more information, contact doug.branch@fiscallab.org.