

116TH CONGRESS  
1ST SESSION

# S. 1623

To amend the Internal Revenue Code of 1986 to allow for distributions from 529 accounts for expenses associated with registered apprenticeship programs.

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## IN THE SENATE OF THE UNITED STATES

MAY 22, 2019

Mr. DAINES (for himself, Mr. BOOKER, Ms. MURKOWSKI, Ms. WARREN, and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to allow for distributions from 529 accounts for expenses associated with registered apprenticeship programs.

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 “Expanding Access to  
5 Apprenticeships Act”.

1 **SEC. 2. DISTRIBUTIONS FROM 529S FOR REGISTERED AP-**  
 2 **PRENTICESHIP PROGRAMS.**

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

6 “(C) CERTAIN EXPENSES ASSOCIATED  
 7 WITH REGISTERED APPRENTICESHIP PRO-  
 8 GRAMS.—The term ‘qualified higher education  
 9 expenses’ shall include expenses for—

10 “(i) books, supplies, and equipment  
 11 required for the enrollment or attendance  
 12 of a designated beneficiary in an appren-  
 13 ticeship program registered and certified  
 14 with the Secretary of Labor under section  
 15 1 of the National Apprenticeship Act (29  
 16 U.S.C. 50),

17 “(ii) transportation in connection with  
 18 such enrollment or attendance, and

19 “(iii) obtaining an industry certifi-  
 20 cation (or other credential) in connection  
 21 with such enrollment or attendance or in  
 22 connection with the completion of such  
 23 program.”.

24 (b) TREATMENT AS ENROLLMENT AT ELIGIBLE  
 25 EDUCATIONAL INSTITUTION.—Subsection (e) of section

1 529 of the Internal Revenue Code of 1986 is amended by  
 2 adding at the end the following new paragraph:

3           “(6) TREATMENT OF REGISTERED APPREN-  
 4 TICESHIP PROGRAMS.—Solely for purposes of this  
 5 section, the term ‘eligible educational institution’ in-  
 6 cludes an entity operating an apprenticeship pro-  
 7 gram registered and certified with the Secretary of  
 8 Labor under section 1 of the National Apprentice-  
 9 ship Act (29 U.S.C. 50), and an individual partici-  
 10 pating in such a program shall be treated as enrolled  
 11 in or attending an eligible educational institution.”.

12           (c) TREATMENT OF ROOM AND BOARD COSTS FOR  
 13 PARTICIPANTS IN REGISTERED APPRENTICESHIP PRO-  
 14 GRAMS.—Subparagraph (B) of section 529(e)(3) of the In-  
 15 ternal Revenue Code of 1986 is amended by adding at the  
 16 end the following new clause:

17           “(iii) SPECIAL RULE FOR INDIVID-  
 18 UALS PARTICIPATING IN REGISTERED AP-  
 19 PRENTICESHIP PROGRAMS.—In the case of  
 20 an individual who is enrolled in or attend-  
 21 ing an apprenticeship program described in  
 22 subparagraph (C)(i) for any period (and  
 23 who is not, but for subclause (I), an eligi-  
 24 ble student (as defined in section  
 25 25A(b)(3)) for such period)—

1           “(I) for purposes of clause (i),  
2           such individual shall be treated as an  
3           eligible student for such period,

4           “(II) clause (ii) shall not apply,  
5           and

6           “(III) the amount treated as  
7           qualified higher education expenses by  
8           reason of clause (i) for such period  
9           shall not exceed the sum of the  
10          monthly housing stipends which would  
11          be payable to such designated bene-  
12          ficiary for months during such period  
13          under section 3313(g)(3)(B)(i) of title  
14          38, United States Code, if such bene-  
15          ficiary were entitled to educational as-  
16          sistance under chapter 33 of such title  
17          38.

18          The Secretary shall publish, at the appro-  
19          priate time determined by the Secretary,  
20          the monthly housing stipend amount de-  
21          scribed in subclause (III) with respect to  
22          each ZIP code area of the United States.”.

1       (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to distributions paid after Decem-  
3 ber 31, 2019.

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