

# Maryland 529

## MISSION

Maryland 529's mission is to provide simple and convenient options that encourage Marylanders to save in advance for educational and disability-related expenses.

## VISION

A state in which all people, by saving in advance, will be able to meet their educational and life goals for themselves and their families.

## KEY GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

### Goal 1. Raise awareness and participation in the Maryland Prepaid College Trust (MPCT) and the Maryland College Investment Plan (MCIP).

#### Obj. 1.1 Communicate the benefits of the Maryland 529 Plans to adults ages 25-44 with children ages 0-12 in the State of Maryland.

| Performance Measures   | 2018 Act. | 2019 Act. | 2020 Act. | 2021 Act. | 2022 Act. | 2023 Est. | 2024 Est. |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <sup>1</sup> Number of impressions through television advertising  | 2,100,000 | 3,670,899 | 4,455,605 | 6,622,726 | 5,276,786 | 5,500,000 | 5,650,000 |
| <sup>1</sup> Number of impressions through radio advertising       | 1,500,000 | 6,424,299 | 2,446,700 | 2,692,000 | 3,977,000 | 4,100,000 | 4,250,000 |
| Number of impressions through digital advertising (in millions)    | 15.2      | 5.1       | 15.0      | 26.0      | 50.4      | 55.0      | 60.0      |
| <sup>2</sup> Number of emails delivered through email marketing    | 455,581   | 163,476   | 144,761   | 1,360,762 | 1,459,123 | 1,500,000 | 1,550,000 |
| Number of new prospect mailers delivered to households in Maryland | 8,836     | 0         | 0         | 0         | 0         | 0         | 0         |
| Number of community outreach events attended by Maryland 529       | 258       | 226       | 141       | 60        | 74        | 85        | 100       |
| Number of new users to Maryland529.com                             | 477,151   | 404,250   | 561,074   | 740,149   | 731,712   | 750,000   | 775,000   |

#### Obj. 1.2 Achieve measurable increases in college savings among Maryland families.

| Performance Measures  | 2018 Act. | 2019 Act. | 2020 Act. | 2021 Act. | 2022 Act. | 2023 Est. | 2024 Est. |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Number of accounts in the MPCT  | 36,605    | 31,922    | 32,394    | 30,946    | 31,268    | 32,000    | 33,500    |
| Number of unique beneficiaries enrolled in the MPCT                                       | 32,868    | 27,560    | 26,760    | 25,577    | 20,733    | 21,000    | 22,000    |
| <sup>3</sup> Number of students eligible to use MPCT benefits                             | 3,783     | 4,232     | 4,232     | 3,580     | 14,693    | 15,500    | 17,000    |
| Number of students enrolled in the MPCT attending a Maryland public college or university | 2,179     | 2,539     | 2,539     | 2,151     | 2,239     | 2,400     | 2,650     |
| Number of accounts in the MCIP  | 273,922   | 303,605   | 333,930   | 367,221   | 392,344   | 417,000   | 439,000   |
| Number of unique beneficiaries enrolled in the MCIP                                       | 199,180   | 215,828   | 233,277   | 254,049   | 270,428   | 295,000   | 322,000   |
| <sup>4</sup> Average age of beneficiary at opening of an MCIP account                     | 12        | 8         | 10        | 8         | 8         | 8         | 8         |
| Percentage of MCIP accounts set up for Automated Monthly Contributions (AMC)              | 46%       | 44%       | 43%       | 42%       | 40%       | 42%       | 43%       |
| Average account balance in MCIP   | \$21,054  | \$20,829  | \$19,124  | \$23,541  | \$20,056  | \$21,000  | \$22,500  |
| <sup>5</sup> Average monthly account contribution to MCIP                                 | \$187     | \$178     | \$385     | \$419     | \$423     | \$425     | \$427     |
| Total Annual Contributions (in millions) for both plans                                   | \$615     | \$691     | \$753     | \$855     | \$883     | \$915     | \$940     |

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**Goal 2. Raise awareness and participation in the Save4College State Contribution Program.**

**Obj. 2.1** Increase enrollment in the Save4College State Contribution Program by low-income households earning less than \$50,000 as an individual/\$75,000 as a couple.

**Obj. 2.2** Increase enrollment in the Save4College State Contribution Program in Baltimore City and Prince George's County, the two lowest average household income counties in the metro Baltimore/Washington, DC corridor.

| Performance Measures   | 2018 Act. | 2019 Act. | 2020 Act. | 2021 Act. | 2022 Act. | 2023 Est. | 2024 Est. |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Number of total program applications   | 16,088    | 23,984    | 30,447    | 34,817    | 25,747    | 29,600    | 34,000    |
| <sup>6</sup> Number of eligible applicants who received a State contribution   | 13,381    | 8,515     | 10,649    | 12,424    | 9,202     | 11,000    | 13,000    |
| <sup>6</sup> Number of eligible applicants with household income of less than \$50,000 as an individual/\$75,000 as a couple who received contribution | 8,244     | 3,983     | 4,708     | 5,196     | 2,451     | 4,000     | 5,500     |
| Number of unique beneficiaries who received a State contribution   | 9,200     | 13,422    | 17,001    | 19,716    | 14,721    | 16,000    | 18,000    |
| Average contribution per beneficiary   | \$688     | \$757     | \$733     | \$554     | \$500     | \$525     | \$600     |
| <sup>6</sup> Number of State contribution applicants from Baltimore City who received contribution   | 5,550     | 1,828     | 1,967     | 1,987     | 1,337     | 1,600     | 1,900     |
| <sup>6</sup> Number of State contribution applicants from Prince George's County who received contribution   | 452       | 506       | 760       | 889       | 632       | 750       | 900       |
| Number of webpage views - maryland529.com/save4college   | 73,876    | 81,451    | 97,201    | 131,859   | 56,913    | 70,000    | 85,000    |
| <sup>7</sup> Number of broadcast/cable television advertising impressions  | 9,218     | 3,520,000 | 5,103,648 | 3,142,174 | 2,306,914 | 2,500,000 | 2,750,000 |
| <sup>7</sup> Number of broadcast radio advertising impressions   | 890       | 6,328,000 | 2,446,700 | 1,240,000 | 1,791,000 | 1,900,000 | 2,100,000 |
| Number of impressions through digital advertising (in millions)  | 10        | 3         | 5         | 8         | 5         | 6         | 7         |

**Goal 3. Raise awareness and participation in the Maryland Achieving a Better Life Experience (ABLE) Program.**

**Obj. 3.1** Inform people with disabilities, their families, and the organizations that provide them with support about the benefits of the ABLE program.

| Performance Measures  | 2018 Act. | 2019 Act. | 2020 Act. | 2021 Act. | 2022 Act. | 2023 Est. | 2024 Est. |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total number of attendees at presentations/expos                      | 2,866     | 15,070    | 14,205    | 3,920     | 14,847    | 15,000    | 15,225    |
| Total number of presentations/expos                                   | 90        | 160       | 131       | 93        | 131       | 150       | 175       |
| Number of attendees at presentations/expos to statewide organizations | 1,895     | 11,098    | 10,907    | 3,487     | 11,553    | 12,225    | 12,500    |
| Number of presentations/expos statewide                               | 45        | 152       | 124       | 88        | 126       | 145       | 170       |
| Number of attendees at presentations/expos at national conferences    | 284       | 388       | 451       | 433       | 315       | 325       | 350       |
| Number of presentations/expos at national conferences                 | 3         | 8         | 7         | 5         | 5         | 5         | 5         |
| Total number of email accounts  | 3,085     | 13,572    | 17,060    | 28,237    | 32,607    | 35,000    | 38,000    |
| Number of unique visits to the Maryland ABLE website                  | 1,077     | 9,263     | 13,147    | 15,777    | 52,068    | 53,500    | 55,000    |

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Obj. 3.2 Achieve measurable increases in the Maryland ABLE program.

| Performance Measures                                      | 2018 Act. | 2019 Act. | 2020 Act. | 2021 Act. | 2022 Act. | 2023 Est. | 2024 Est. |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Number of unique beneficiaries                            | 572       | 1,433     | 2,328     | 3,490     | 4,773     | 5,500     | 6,200     |
| Total assets under management (in millions)               | \$2       | \$8       | \$17      | \$35      | \$49      | \$55      | \$60      |
| Percentage of account holders that are Maryland residents | 98%       | 96%       | 97%       | 97%       | 97%       | 97%       | 97%       |

## NOTES

- <sup>1</sup> Starting in 2019, data is reported as number of "impressions" instead of number of "households" and "listeners" due to changes in media reporting.
- <sup>2</sup> Starting in 2021, data includes monthly emails to plan account holders, in addition to general prospects who request to be on the email distribution list.
- <sup>3</sup> Starting in FY 2022, the number of beneficiaries is significantly higher as it reflects beneficiaries whose accounts are eligible for benefits distribution at any time. Prior year data reflects beneficiaries who were eligible and took distributions that fiscal year only.
- <sup>4</sup> Accounts set up in the date range and funded as of fiscal year end. Prior to 2020, calculations were estimates.
- <sup>5</sup> Calculation for 2020 and beyond uses the number of accounts that had a contribution. Prior calculations were based on taking the total gross contributions and dividing that by the total number of accounts at the end of the month.
- <sup>6</sup> The metric was changed to report number of "applicants" in 2019. Prior, the metric included total number of applications.
- <sup>7</sup> Starting in 2019, data is reported as number of "impressions" instead of number of advertising spots due to changes in media reporting.

## Maryland 529

### Summary of Maryland 529

|                                     | <b>2022<br/>Actual</b> | <b>2023<br/>Appropriation</b> | <b>2024<br/>Allowance</b> |
|-------------------------------------|------------------------|-------------------------------|---------------------------|
| Number of Authorized Positions      | 27.00                  | 15.00                         | 15.00                     |
| Number of Contractual Positions     | 0.29                   | 2.24                          | 2.24                      |
| Salaries, Wages and Fringe Benefits | 1,807,587              | 2,218,955                     | 2,276,798                 |
| Technical and Special Fees          | 15,948                 | 143,866                       | 136,708                   |
| Operating Expenses                  | 15,944,029             | 15,393,998                    | 14,565,079                |
| Non-Budgeted Fund Expenditure       | 17,767,564             | 17,756,819                    | 16,978,585                |
| Total Expenditure                   | 17,767,564             | 17,756,819                    | 16,978,585                |

## Maryland 529

### R60H00.41 Maryland Senator Edward J. Kasemeyer Prepaid College Trust

#### Program Description

Maryland 529 is an independent State agency. Maryland 529 offers two flexible 529 plan options for families to save for college. The Prepaid College Trust allows families to lock in future college tuition at today's prices and is backed by a Maryland legislative guarantee. The Maryland Senator Edward J. Kasemeyer College Investment Plan is managed by T. Rowe Price, offers a variety of different investment options and can be started with as little as \$25 through automatic investment. These plans are the only 529 plans to offer Maryland taxpayers an income tax deduction and both plans can be used toward qualified educational expenses at nearly any college in the country. More information can be found at <http://maryland529.com>.

#### Appropriation Statement

|  | 2022<br>Actual | 2023<br>Appropriation | 2024<br>Allowance |
|--|----------------|-----------------------|-------------------|
| Number of Authorized Positions             | 25.00          | 13.00                 | 13.00             |
| Number of Contractual Positions            | 0.29           | 2.24                  | 2.24              |
| 01 Salaries, Wages and Fringe Benefits     | 1,541,234      | 1,940,868             | 1,991,150         |
| 02 Technical and Special Fees              | 13,535         | 124,504               | 120,018           |
| 03 Communications                          | 95,751         | 70,642                | 78,823            |
| 04 Travel                                  | 14,276         | 24,000                | 24,000            |
| 07 Motor Vehicle Operation and Maintenance | 15,638         | 14,400                | 14,040            |
| 08 Contractual Services                    | 3,562,361      | 3,950,901             | 3,075,759         |
| 09 Supplies and Materials                  | 3,829          | 10,000                | 10,000            |
| 10 Equipment - Replacement                 | 19,604         | 10,000                | 10,000            |
| 13 Fixed Charges                           | 152,668        | 178,455               | 179,584           |
| Total Operating Expenses                   | 3,864,127      | 4,258,398             | 3,392,206         |
| Total Expenditure                          | 5,418,896      | 6,323,770             | 5,503,374         |
| Non-Budgeted Fund Expenditure              | 5,418,896      | 6,323,770             | 5,503,374         |
| Total Expenditure                          | 5,418,896      | 6,323,770             | 5,503,374         |
| <b>Non-Budgeted Fund Expenditure</b>       |                |                       |                   |
| R60701 Application Fees                    | 1,127,814      | 1,298,643             | 1,127,814         |
| R60702 Program Contributions               | 4,228,104      | 3,160,212             | 3,720,521         |
| R60704 Transfer from Reserve Account       | 62,978         | 1,864,915             | 655,039           |
| Total                                      | 5,418,896      | 6,323,770             | 5,503,374         |

## Maryland 529

### R60H00.43 Save4College State Contribution Program

#### Program Description

The Save4College State Contribution Program provides monetary State contributions to college savings accounts for Maryland residents based on specific income and contribution eligibility requirements.

#### Appropriation Statement

|   | 2022<br>Actual | 2023<br>Appropriation | 2024<br>Allowance |
|---|----------------|-----------------------|-------------------|
| 12 Grants, Subsidies, and Contributions | 11,970,500     | 10,979,500            | 10,979,500        |
| Total Operating Expenses                | 11,970,500     | 10,979,500            | 10,979,500        |
| Total Expenditure                       | 11,970,500     | 10,979,500            | 10,979,500        |
| Non-Budgeted Fund Expenditure           | 11,970,500     | 10,979,500            | 10,979,500        |
| Total Expenditure                       | 11,970,500     | 10,979,500            | 10,979,500        |
| <b>Non-Budgeted Fund Expenditure</b>    |                |                       |                   |
| R60705 Save4College Contributions       | 11,970,500     | 10,979,500            | 10,979,500        |

## Maryland 529

### R60H00.45 Maryland Achieving a Better Life Experience Program

#### Program Description

The Maryland Achieving a Better Life Experience (ABLE) Program allows individuals to set aside funds for individuals with disabilities. The funds can be used to supplement the costs of eligible disability-related expenses and in general enhance the overall health, financial well-being and independence of individuals with disabilities. The state grant portion is typically \$300,000. The remaining funding comes from program fees, carryover funding from prior years, and a portion of revenue from the Maryland Prepaid College Trust.

| <b>Appropriation Statement</b>             | <b>2022<br/>Actual</b> | <b>2023<br/>Appropriation</b> | <b>2024<br/>Allowance</b> |
|--|------------------------|-------------------------------|---------------------------|
| Number of Authorized Positions             | 2.00                   | 2.00                          | 2.00                      |
| 01 Salaries, Wages and Fringe Benefits     | 266,353                | 278,087                       | 285,648                   |
| 02 Technical and Special Fees              | 2,413                  | 19,362                        | 16,690                    |
| 03 Communications                          | 590                    | 1,250                         | 1,250                     |
| 04 Travel                                  | 4,688                  | 10,000                        | 10,000                    |
| 07 Motor Vehicle Operation and Maintenance | 750                    | 1,800                         | 2,160                     |
| 08 Contractual Services                    | 90,776                 | 129,340                       | 169,540                   |
| 09 Supplies and Materials                  | 0                      | 250                           | 0                         |
| 13 Fixed Charges                           | 12,598                 | 13,460                        | 10,423                    |
| Total Operating Expenses                   | 109,402                | 156,100                       | 193,373                   |
| Total Expenditure                          | 378,168                | 453,549                       | 495,711                   |
| Non-Budgeted Fund Expenditure              | 378,168                | 453,549                       | 495,711                   |
| Total Expenditure                          | 378,168                | 453,549                       | 495,711                   |
| <b>Non-Budgeted Fund Expenditure</b>       |                        |                               |                           |
| R60703 State Grant for ABLE Program        | 378,168                | 453,549                       | 495,711                   |

### 3 Year Position Summary

| Classification Title   | FY 2022<br>Positions | FY 2022<br>Expenditures | FY 2023<br>Positions | FY 2023<br>Appropriation | FY 2024<br>Positions | FY 2024<br>Allowance |
|--|----------------------|-------------------------|----------------------|--------------------------|----------------------|----------------------|
| <b>R60 - Maryland 529</b>  |                      |                         |                      |                          |                      |                      |
| <b>R60H0041 - Maryland Senator Edward J. Kasemeyer Prepaid College Trust</b> |                      |                         |                      |                          |                      |                      |
| Accountant Advanced  | 2.00                 | 64,605                  | 1.00                 | 67,526                   | 1.00                 | 67,526               |
| Accountant II  | 2.00                 | 16,395                  | 0.00                 | 0                        | 0.00                 | 0                    |
| Admin Officer II   | 2.00                 | 29,497                  | 0.00                 | 0                        | 0.00                 | 0                    |
| Admin Officer III  | 1.00                 | 1,428                   | 0.00                 | 0                        | 0.00                 | 0                    |
| Administrator I  | 2.00                 | 59,429                  | 2.00                 | 113,757                  | 2.00                 | 113,757              |
| Administrator IV   | 0.00                 | 27,962                  | 1.00                 | 89,630                   | 1.00                 | 89,630               |
| Asst Attorney General VII  | 1.00                 | 0                       | 0.00                 | 0                        | 0.00                 | 0                    |
| Asst Attorney General VIII   | 0.00                 | 0                       | 1.00                 | 123,911                  | 1.00                 | 123,911              |
| Computer Network Spec Mgr  | 1.00                 | 0                       | 1.00                 | 66,671                   | 1.00                 | 66,671               |
| Exec Assoc III   | 1.00                 | 54,320                  | 0.00                 | 0                        | 0.00                 | 0                    |
| Exec IX  | 1.00                 | 0                       | 1.00                 | 188,893                  | 1.00                 | 188,893              |
| Fiscal Accounts Clerk II   | 4.00                 | 12,922                  | 0.00                 | 0                        | 0.00                 | 0                    |
| Fiscal Services Admin I  | 1.00                 | 25,801                  | 0.00                 | 0                        | 0.00                 | 0                    |
| Office Services Clerk  | 2.00                 | 31,594                  | 1.00                 | 32,873                   | 1.00                 | 32,873               |
| Prgm Mgr I   | 1.00                 | 0                       | 1.00                 | 62,493                   | 1.00                 | 62,493               |
| Prgm Mgr II  | 1.00                 | 88,091                  | 1.00                 | 92,059                   | 1.00                 | 92,059               |
| Prgm Mgr Senior II   | 2.00                 | 206,941                 | 1.00                 | 123,911                  | 1.00                 | 123,911              |
| Prgm Mgr Senior III  | 0.00                 | 39,056                  | 1.00                 | 134,820                  | 1.00                 | 134,820              |
| Procurement Officer II   | 1.00                 | 0                       | 1.00                 | 92,431                   | 1.00                 | 92,431               |
| <b>Total R60H0041</b>  | <b>25.00</b>         | <b>658,041</b>          | <b>13.00</b>         | <b>1,188,975</b>         | <b>13.00</b>         | <b>1,188,975</b>     |
| <b>R60H0045 - Maryland Achieving a Better Life Experience Program</b>        |                      |                         |                      |                          |                      |                      |
| Administrator III  | 1.00                 | 71,624                  | 1.00                 | 74,859                   | 1.00                 | 74,859               |
| Prgm Mgr Senior I  | 1.00                 | 97,266                  | 1.00                 | 101,652                  | 1.00                 | 101,652              |
| <b>Total R60H0045</b>  | <b>2.00</b>          | <b>168,890</b>          | <b>2.00</b>          | <b>176,511</b>           | <b>2.00</b>          | <b>176,511</b>       |
| <b>Total R60 Maryland 529</b>  | <b>27.00</b>         | <b>826,931</b>          | <b>15.00</b>         | <b>1,365,486</b>         | <b>15.00</b>         | <b>1,365,486</b>     |