



MARYLAND STATE TREASURER
Dereck E. Davis

Testimony of the Maryland State Treasurer’s Office

Senate Bill 315: Maryland Environmental Service – Membership of Board of Directors – Alterations

Position: Favorable

Senate Education, Energy, and the Environment Committee

January 28, 2025

Senate Bill 315 recognizes a reality that the State Treasurer’s Office (STO) has faced in recent years – constrained resources. In addition to fulfilling various Constitutional and statutory responsibilities related to banking, debt management, and insurance, the Treasurer serves on 21 State boards and commissions. For the reasons discussed below, STO respectfully requests a favorable report on Senate Bill 315, which will substitute the Secretary of Planning for the Treasurer on the Board of Directors for the Maryland Environmental Service (MES Board).

Expanded Portfolio

[Chapter 113](#) of the Acts of 2023 abolished the Maryland 529 Board, transferring the Maryland 529 Program under STO. That transfer, coupled with the staff resources that STO is dedicating to integrating the agency and addressing the Program’s issues, significantly added to STO’s workload. While STO has resolved many of the initial operational challenges, the Treasurer remains the sole Trustee under the plans, requiring much more time than STO had previously dedicated to supporting the Treasurer as a member of the Maryland 529 Board.

Limited Staff Resources

Only a handful of STO employees have the experience and capacity to serve as designees for the Treasurer. Meeting obligations vary from bimonthly to periodically every few years

(see “State Treasurer’s Board Responsibilities” chart below). Aside from official meetings, several of the boards require STO to expend a substantial amount of staff resources in between meetings to coordinate briefings with other agencies and public officials, collect background information, and prepare for votes and discussion. The Treasurer’s two most time-consuming board responsibilities are the Board of Trustees of the Maryland State Retirement and Pension System, for which the Treasurer serves as Chair, and the Board of Public Works.

For illustrative purposes, one employee serves as the Treasurer’s Liaison to the Board of Public Works – itself a full-time job and one that is shared by multiple staff in one of the other member’s offices. In addition to BPW-related responsibilities, the staff person serves as the Treasurer’s designee for the MES Board and one other board that is not affected by this bill. STO estimates that, in terms of meetings and preparation, the staff person dedicates approximately 7 hours per month to MES. This is in addition to the time that the Treasurer spends attending the meetings or receiving updates from the staff person. Removal of the Treasurer and his designee from this board will allow this staff person to dedicate approximately one day of working time each month to other responsibilities.

Nexus to STO’s Core Responsibilities

STO recently undertook a review of the Treasurer’s board commitments to identify those that reflected the weakest nexus to the Office’s core responsibilities. After much consideration, STO determined that the MES Board was among those commitments with the least strong connection to the Office’s other work. Removing obligations related to the MES Board will allow the Treasurer and staff to focus on other mission-critical responsibilities.

2024 Legislation

During the 2024 session, the General Assembly passed departmental legislation ([Senate Bill 777/House Bill 918](#)) that alleviated some of the Treasurer’s membership responsibilities. As introduced, the bills would have removed the Treasurer from the MES Board without identifying a replacement member. Senate Bill 315, in contrast, builds upon the prior legislation by substituting the Secretary of Planning for the Treasurer, thereby preserving the current Board structure while alleviating STO’s workload.

For the foregoing reasons, STO requests that the Committee give Senate Bill 315 a favorable report. Please contact Laura Atas, Deputy Treasurer for Public Policy (latas@treasurer.state.md.us), with any questions.

State Treasurer's Board Responsibilities

Board of Public Works	Bi-monthly
Capital Debt Affordability Committee	October (3 meetings)
Commission on State Debt	April
Board of Trustees of the Maryland State Retirement and Pension Systems	Monthly
Board of Revenue Estimates	March, September, December
Maryland Environmental Services Board	Monthly
Maryland Supplemental Retirement Board	Monthly
Maryland Small Business Retirement Savings Board	Quarterly
Maryland Health and Higher Education Facilities Authority	Monthly
Maryland Green Purchasing Committee	Quarterly
Maryland Efficient Grant Application Council	Quarterly
Financial Education and Capability Commission	Required to meet at least twice yearly
Procurement Improvement Council	Quarterly
IWIF Board	Quarterly
eMaryland Marketplace Advantage Steering Committee	As needed
Revenue Bond Advisory Board (DHCD)	Monthly
Revenue Monitoring Committee	Monthly
Hall of Records Commission	Semi-annually
Board of State Canvassers	Periodically during election years (After a presidential primary election, a State general election, or a general or special general election that includes a candidate for Congress)
Governor's Salary Commission	Periodically every four years
21st Century Financial Systems Enterprise (21CFSE)	As needed