

# SENATE BILL 351

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By: **Senators Rosapepe and Klausmeier**

Introduced and read first time: January 30, 2019

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Workgroup to Study Prize-Linked Savings Accounts**

3 FOR the purpose of establishing the Workgroup to Study Prize-Linked Savings Accounts;  
4 providing for the composition, chair, and staffing of the Workgroup; prohibiting a  
5 member of the Workgroup from receiving certain compensation, but authorizing the  
6 reimbursement of certain expenses; requiring the Workgroup to study and make  
7 recommendations regarding certain matters relating to prize-linked savings  
8 accounts; requiring the Workgroup to report its findings and recommendations to  
9 the Governor and the General Assembly on or before a certain date; providing for the  
10 termination of this Act; and generally relating to the Workgroup to Study  
11 Prize-Linked Savings Accounts.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

13 That:

14 (a) There is a Workgroup to Study Prize-Linked Savings Accounts.

15 (b) The Workgroup consists of the following members:

16 (1) two members of the Senate of Maryland, appointed by the President of  
17 the Senate;

18 (2) two members of the House of Delegates, appointed by the Speaker of  
19 the House;

20 (3) one member appointed by the Governor;

21 (4) the Director of the State Lottery and Gaming Control Agency, or the  
22 Director's designee; and

23 (5) the following members, appointed jointly by the President of the Senate

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 and the Speaker of the House:

2 (i) two members representing nonprofit community organizations,  
3 antipoverty organizations, financial literacy organizations, or consumer rights  
4 organizations;

5 (ii) one member representing credit unions; and

6 (iii) one member representing banking associations.

7 (c) The President of the Senate and the Speaker of the House shall jointly  
8 designate the chair of the Workgroup.

9 (d) The Department of Economics at the University of Maryland, College Park  
10 Campus shall provide staff for the Workgroup.

11 (e) A member of the Workgroup:

12 (1) may not receive compensation as a member of the Workgroup; but

13 (2) is entitled to reimbursement for expenses under the Standard State  
14 Travel Regulations, as provided in the State budget.

15 (f) The Workgroup shall:

16 (1) consider past research into prize-linked savings account programs both  
17 within and outside the United States;

18 (2) consider available information regarding differences in how  
19 jurisdictions have designed their prize-linked savings account programs;

20 (3) consider the likely demographics, including race, age, gender, and  
21 socioeconomic status, of the participants in a Maryland prize-linked savings account  
22 program;

23 (4) consider whether the existence of a prize-linked savings account  
24 program would affect the likelihood and extent that Marylanders would participate in other  
25 forms of gambling;

26 (5) consider the primary goal of prize-linked savings account programs,  
27 which is to encourage individuals, especially those with low-to-moderate incomes, to  
28 increase their use of savings accounts, certificates of deposits, and other savings vehicles;

29 (6) examine whether and how Maryland should create a prize-linked  
30 savings account program administered by the State Lottery and Gaming Control Agency;

31 (7) assess whether and how credit unions, savings associations, and other

1 depository institutions should bid on the deposits obtained by the State Lottery and Gaming  
2 Control Agency as part of the program; and

3 (8) review existing State statutory and regulatory policies and definitions  
4 and determine revisions to facilitate the creation of a prize-linked savings account program  
5 administered by the State Lottery and Gaming Control Agency.

6 (g) The Workgroup may:

7 (1) hold public meetings across the State to conduct its duties; and

8 (2) invite nationwide experts to testify about prize-linked savings  
9 accounts.

10 (h) On or before December 31, 2019, the Workgroup shall submit a report on its  
11 findings and recommendations, including legislative proposals, to the Governor and, in  
12 accordance with § 2-1246 of the State Government Article, the General Assembly.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
14 1, 2019. It shall remain effective for a period of 1 year and, at the end of June 30, 2020, this  
15 Act, with no further action required by the General Assembly, shall be abrogated and of no  
16 further force and effect.