

HB1290 Testimony

My name is Isabel Mercedes Cumming. I have lived and worked in Maryland since 1971 and I am a proud Baltimore City resident. In 2002, I was an Asst States Attorney with two young sons ages 4 and 6. I heard about the MD 529 prepaid tuition plan. In that plan my boys would be guaranteed the cost of tuition at the University of Maryland at College Park when they were ready for college. I saved every penny I had for the next five years. The cost was \$21,262 for my youngest son to get the 4-year prepaid plan and I managed to pay it off on December 18, 2006 over 16 years ago. In 2002, when I joined – the cost of tuition was \$2,658 a semester.

My youngest son ended up using only one semester of the plan in 2016. For the last six year, I received statements clearly showing that he had seven semesters left. I continued to keep the money in the account for my sons.

In 2021, I received a statement that my account was valued at \$43,065 which made perfect sense to me as I had several semesters left and UMd was now about \$6,000 a semester. The math was about right $-\$6,000 \times 7 = \$42,000$ and the money had been in the account for over 20 years.

In 2022, my older son who is active duty in the US Air Force got into a top cyber security graduate program here in Maryland. I left him know that he would be able to afford attending due to the 7 semesters we had left in the 529 plan for his brother.

I reached out to the plan in October 2022 to rollover the amount to the Investment Plan for his graduate school. That is when I learned for the first time that I could not do that because they were waiting for a forensic audit to be completed. Two weeks later when I called I was told there were calculation errors but they would be fixed shortly. I kept calling and it took a long time to ever get a human being.

Now I was starting to get very concerned, for 20 years I was a financial crimes prosecutor and prior to that an auditor. My issue was WHAT calculation? It was SIMPLE - the cost of UMd at College Park and I had seven semesters left. My 12/22 statement now showed no value but clearly shows 7 semesters available.

What I got was excuse after excuse, then lie after lie. Myself and many parents invested because this plan was backed by a Legislative Guarantee. NEVER would I have believed it was possible for me to be sitting here begging you stand by this plan so my son can finish his education. I am one of three prosecutors in Md that successfully prosecuted what is known as a Ponzi scheme in our state. In those schemes the first to pull their money got paid, the ones that did not lost their money. That just can't happen with our legislative guarantee.

My sons school bill was due in early February 2023. I was told in January that the only remedy I had to have any money for that bill was to ROLLOVER the principle – which has now dropped to \$15,554 and I would later get the interest when it was recalculated. On 1/9/23 – I had to do exactly that.

NOW my statement says my sons account is CANCELLED. It says I got a REFUND amount of \$15,554 (which is completely untrue-it was a rollover into the 529 Investment Plan) as for interest it says UNAVAILABLE. I have all these documents. I am a MD parent who believed in our MD529 program and the legislative guarantee AND I have watched my sons fund that is needed for his for education DISAPPEAR.

All documents clearly stated that I had seven semesters left – the \$15,000 that I have been given would just cover two semesters. Where is the money? Many of us like me need it now. On behalf of the many parents in this room and the many that could not be here. For the sake of our children – please stand behind your Guarantee and release the interest for our children's education.