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SB 189 Maryland Saves Data Sharing Act
Senate Budget and Taxation Committee
January 25, 2023

Good afternoon Chairman Guzzone and members of the Senate Budget and Taxation Committee. I am Tammy Bresnahan, Senior Director of Advocacy for AARP MD. On behalf of our almost 900,000 members, we would like to thank you for the opportunity to speak in support of SB 189 Maryland Saves Data Sharing Act. We thank Senator Rosapepe for introducing SB 189.

SB 189 authorizes the Maryland Small Business Savings Board and its authorized contractors to receive tax information from the Comptroller regarding business entities who may participate in the Maryland Small Business Saving Program also known as Maryland Saves.

Maryland Saves is the state of Maryland's retirement savings program that provides Marylanders with an easy and automatic way to save for the future. Maryland Saves is available to Maryland workers whose employer do not offer a workplace retirement plan. Savers contribute to a convenient and portable Individual Retirement Account (IRA) that moves right along with them as they change jobs.

Nearly half of workers in Maryland do not have access to a retirement plan at work, according to a study released by AARP on September 15, 2022. Some 947,000 people — 43% of Maryland's private sector employees ages 18 to 64 — work for an employer that does not offer either a traditional pension or a retirement savings plan. Beginning with the launch of Maryland Saves, Marylanders will have more options available to help build financial security.¹

Maryland is one of 16 states that have enacted a state-facilitated payroll deduction retirement savings like Maryland Saves. A state-facilitated retirement savings programs providing a worker with a way to build financial security at work using payroll deduction. State-facilitated retirement savings programs provide a growing number of workers with a way to build financial security at work using payroll deduction.

Having access to a retirement plan at work is critical for building financial security later in life. And we know people are much more likely to save for retirement if they can do so automatically through their paycheck. That's why AARP Maryland worked hard to enact Maryland Saves in 2017 to help provide an easy pathway for workers to build a safety net and grow the savings they need for a more secure future and retirement.

¹ <https://states.aarp.org/maryland/marylandsaves>



AARP's research found that employees at small businesses are less likely to have access to a retirement plan than those at larger workplaces in Maryland. About 74% of workers at companies with fewer than 10 employees and 58% who work in companies with 10 to 24 employees lack access to a plan. Even among employers with more than 100 workers, fully 462,000 employees do not have access to an employer-sponsored retirement plan.²

According to Maryland Saves, having access to employer information will assist them in enrolling workers. We respectfully encourage the Senate Budget and Taxation Committee to issue a favorable report on SB 189. Thank you for allowing us the time to speak to you about this very important legislation. If you have questions, please don't hesitate to contact me at tbresnahan@arp.org or by calling me at 410-302-8451.

² <https://states.aarp.org/maryland/marylandsaves>