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Budget and Taxation Committee
Education, Business and
Administration Subcommittee

Pensions Subcommittee
Chair, Rules Committee

Joint Committees

Audit and Evaluation Committee

Children, Youth, and Families

Ending Homelessness

Fair Practices and
State Personnel Oversight

Joint Committee on Pensions

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony of Senator Joanne C. Benson

SB 959: Higher Education - Maryland 529 Program - Reform

Good afternoon Chair Guzzone, Vice Chair Rosapepe and members of The Budget and Tax Committee. I am here to present SB959 Higher Education - Maryland 529 Program - Reform

This bill is about trust. As citizens of Maryland, we must continue to uphold the values of integrity and faith with the financial institutions that we are involved in. Currently, we do not see these values being upheld in the program named, "Maryland 529". The financial future of our children was in the hands of this institution, which mismanaged the money belonging to Maryland parents of college students. Those who are not familiar with the unfortunate circumstances surrounding Maryland 529, many wonderful families of the great State of Maryland were unable to receive the benefits that the 529 Board said they were entitled. Imagine sending your child off to college to then, encounter a problem with your hard-earned investment, that was strategically planned out to set your child up for academic and financial stability to then no longer be accessible. This is a pressing issue that needs to be addressed because as many families could not afford to send their children off to college. I know how crucial the subject of education is for our children, and that is why we need to protect their future.

This legislation would abolish and repeal the Maryland 529 Board; stating that the State Treasurer is the successor to the Maryland 529 Board, giving the Office of the State Treasurer the responsibility for administering the Maryland 529 Program. In order to maintain and oversee the security of our investments, this transfers control of the Maryland 529 Board to the State Treasurer and phases out the pre-paid plan. This solution would be effective in creating a way to supervise the different programs of the Maryland 529 Board, the Maryland College Investment Plan, the Maryland Broker-Dealer College Investment Plan, and the Maryland ABLE Program. In the U. S Maryland is ranked in the top four with the highest college graduation rates at 40.9 percent. We can maintain our sterling record of successful college students who greatly contribute to the success of the State of Maryland by using the Office of the State Treasurer to administer the Maryland 529 Program.

Thus, I respectfully urge the committee to issue a favorable report for SB959.