

The image features a young couple with a newborn baby on the left side, and an older man in a wheelchair on the right side. The couple is smiling and looking at the camera. The man is wearing glasses and a white shirt, and the woman is wearing a white shirt. The baby is wearing a white onesie and a headband. The older man is wearing a plaid shirt and is sitting in a wheelchair. The background is white with an orange vertical bar on the left side.

Maryland529

Annual Report Summary and Highlights

FOR ACCOUNT HOLDERS

For the Fiscal Year
Ended June 30, 2022

Maryland Prepaid College Trust

Maryland College Investment Plan

Maryland ABLE

ANNUAL REPORT SUMMARY AND HIGHLIGHTS

Continued participation in the
Maryland 529 plans in fiscal year 2022

Dear Friends,

This past year has been filled with changes as well as challenges for Maryland 529.

As you review this year's annual report summary, you may notice a new format. As a result of recent accounting changes issued by the Governmental Accounting Standards Board (GASB), you will see the inclusion of Maryland ABLE financials and investment options with the Maryland Senator Edward J. Kasemeyer Prepaid College Trust (MPCT) and the Maryland Senator Edward J. Kasemeyer College Investment Plan (MCIP) as well as combined financial reports inclusive of all three plans.

During the fiscal year, program management changed for Maryland ABLE and the MPCT. On January 31, 2022, the program manager for Maryland ABLE, Sumday Administration, LLC, was purchased by Vestwell Holdings, Inc. (Bank of New York Mellon Corporation is an existing shareholder of Vestwell Holdings, Inc.). In spite of the acquisition, all existing Sumday and BNY employees continue to service the Maryland ABLE program. In November 2021, Maryland 529 announced Intuition College Savings Solutions, LLC as the new Program Manager of the MPCT. The transition of program management offered new enhancements for Account Holders including the elimination of the MPCT enrollment fee for new online enrollments, an enhanced online experience, and paperless statements.

But along with these changes, Maryland 529 has also faced some challenges. Earnings calculation issues in the Maryland Prepaid College Trust (MPCT) impacted certain Account Holders who needed to take a distribution and resulted in a temporary suspension in the addition of interest earnings on MPCT distributions. Additionally, market volatility impacted investment performance in all three plans. The fiscal year started strong as the economy continued to recover from the pandemic-induced downturn; however, stocks declined considerably in the last half of the fiscal year as a result of Russia's invasion of Ukraine, elevated inflation, and the Fed's interest rate increases.

Despite these challenges, the Maryland 529 plans remain in strong fiscal health, with over \$9.9 billion for 284,399 unique beneficiaries for all three programs and Maryland 529 remains committed to help Marylanders continue to save for education and disability-related expenses.

Thank you for making college and disability-related savings a priority for you and your family and participating with Maryland 529.

Sincerely,

The Maryland 529 Board

2022 Snapshot

Prepaid College Trust

Contributions from Account Holders	\$36.7 million
Investments	\$1.1 billion
Accounts	27,683
Funded Status	140%

College Investment Plan

Contributions from Account Holders	\$883 million
Investments	\$7.8 billion
Beneficiaries	270,428
Average Account Balance	\$20,056

Maryland ABLE

Contributions from Account Holders	\$23.1 million
Assets Under Management	\$50.5 million
Beneficiaries	4,937
Average Account Balance	\$10,237

Maryland 529 Board

Nancy K. Kopp*

Board Chair, State Treasurer

Dereck E. Davis*

State Treasurer

Peter Franchot

State Comptroller

Carol Beatty

Secretary, Maryland Department of Disabilities

James D. Fielder, Jr., Ph.D.

Secretary of Higher Education

Jay A. Perman, MD

Chancellor, University System of Maryland

Mohammed Choudhury

State Superintendent of Schools

Capathia P. Campbell**

Public Member

David Erculiani***

Public Member

Samuel N. Gallo***

Public Member

Jessica McClain

Public Member

Joanna Pratt

Public Member

Peter Tsirigotis

Board Chair, Public Member

Rev. Dr. Lisa M. Weah**

Public Member

*Treasurer Kopp left the Maryland 529 Board in December 2021. Treasurer Davis joined the Board in January 2022.

**Rev. Dr. Weah left the Maryland 529 Board in December 2021. Ms. Campbell joined the Board in December 2021.

***Mr. Gallo left the Board in June 2022. Mr. Erculiani joined the board in July 2022.



MARKET COMMENTARY

Market performance has a direct effect on the overall performance of investments in the Maryland Senator Edward J. Kasemeyer College Investment Plan, the Maryland Senator Edward J. Kasemeyer Prepaid College Trust and the Maryland ABLE plan. The following is designed to provide a summary of market performance for the period ended June 30, 2022.*

*This discussion is provided by T. Rowe Price and is not a comprehensive discussion of all stock and bond market performance. It is also not a comprehensive discussion of risks associated with the Maryland Senator Edward J. Kasemeyer College Investment Plan, the Maryland Senator Edward J. Kasemeyer Prepaid College Trust and Maryland ABLE. For more detailed discussion of these risks, see the Plans' Disclosure Statements.

Maryland 529 Total Assets Exceeded \$9.9 billion for 279,626 Beneficiaries

*Participants in the Maryland 529 Plans contributed over **\$942 million** over the past fiscal year.*

Read the 2022 Annual Report by visiting Maryland529.com

Elevated Inflation, Geopolitical Uncertainty Send U.S. Stocks Tumbling

U.S. stocks turned lower in the 12 months ended June 30, 2022, with many major indexes falling into correction territory—a decline of 10% or more—during the period. At the start of the fiscal year, investors were generally optimistic as the economy continued to recover from the pandemic-induced downturn and corporate earnings growth remained strong. Sentiment was also buoyed by the passage of bipartisan federal infrastructure spending legislation in mid-November. However, the spread of the delta and omicron variants of the coronavirus and growing expectations that the Federal Reserve would soon begin to taper its monthly asset purchases periodically weighed on the market in late 2021. This volatility gave way to a broad sell-off, as stocks declined considerably in the first half of 2022. Investors shunned riskier assets in response to Russia's invasion of Ukraine, elevated inflation exacerbated by rising commodity prices, and the Fed's interest rate increases that started in mid-March. Market participants were also concerned about inflation's impact on consumer spending and corporate profits, particularly as some high-profile companies and major retailers disappointed with their financial results or projections.

Although they still declined, U.S. large-cap stocks generally held up better than mid- and small-cap counterparts during the year, according to various Russell indices, as an uncertain economic outlook left investors wary of the prospects for smaller companies. Value stocks fared better than growth stocks across all market capitalizations, in part, because prices for growth stocks had run up more considerably during the post-pandemic economic recovery and, therefore, were more vulnerable to a pronounced pullback.

Sector performance was widely mixed across the S&P 500 Index. Energy led all sectors and produced extraordinary gains, driven by a recovery in demand during the back half of 2021 and, more prominently, due to surging oil and natural gas prices in 2022. Many nations sanctioned Russia and made efforts to reduce reliance on Russian energy exports because of its invasion of Ukraine, which worsened existing supply and demand imbalances. On the other hand, the communication services and consumer discretionary sectors posted the steepest losses as investors anticipated the negative effects of inflation and rising interest rates on future earnings, particularly in these sectors.

Outside the U.S., stocks in developed markets also posted large losses, lagging domestic markets. The MSCI EAFE Index—which measures the performance of stocks in Europe, Australasia, and the Far East—declined by 17.33%. European equities were battered by several headwinds, including elevated inflation, tightening monetary policy from major central banks, and the extreme uncertainty that accompanied Russia's invasion of Ukraine. Among developed markets, Japanese shares were a notable laggard, as the impacts of supply chain disruption and inflation weighed heavily on the nation's export-oriented economy. Within developing markets, stocks in Latin America bucked the broader trend of negative returns, driven by gains in oil and commodity-rich markets, including Colombia, Argentina, and Chile. A sharp downturn in Chinese shares hampered developing markets stocks in Asia. Chinese equities were volatile through much of the period, spurred by concerns over the country's property sector and an uncertain outlook for economic growth amid renewed pandemic-related restrictions. Shares in Hong Kong also declined precipitously amid heightened geopolitical tensions and economic uncertainty.

U.S. Bonds Turn Lower Amid Rising Recession Risks and Tighter Monetary Policy

In a highly unusual market environment, U.S. investment-grade bonds declined alongside riskier assets, as yields rose across the U.S. Treasury yield curve. (Bond prices and yields move in opposite directions.) The Bloomberg U.S. Aggregate Bond Index, which measures the performance of taxable U.S. investment-grade bonds, posted a loss of 10.29%. Accelerating inflation and robust job creation in the U.S. led the Fed to quickly pivot from an accommodative monetary policy stance. In addition to winding down its asset purchases and announcing a gradual reduction of its balance sheet, the central bank raised the federal funds target rate three times during the period—bringing it to a range of 1.50% to 1.75% in June—and indicated that aggressive rate hikes were likely to follow. After the fiscal year ended, on July 28, 2022, the Fed enacted its second consecutive rate increase of 75 basis points (0.75%), bringing the new range to 2.25% to 2.50%.

Although Treasuries performed poorly on an absolute basis, they held up better than other investment-grade issues. Higher-quality corporate debt declined more substantially as rising rates and a worsening outlook for earnings weighed on the sector. Lower-rated high yield bonds were especially punished amid heightened risk aversion as market participants recalibrated their expectations for interest rate policy in the months and years ahead. Names levered to energy constituted a notable outlier within high yield debt, as surging oil and gas prices lent strength to the sector.

Overseas, bonds in developed markets generated acute losses and underperformed domestic debt, as interest rates in many developed countries increased amid elevated inflation. Losses to U.S. investors were exacerbated by a stronger U.S. dollar versus many other currencies. Elevated inflation readings in Europe were a consistent cause for concern and worsened significantly following Russia's invasion of Ukraine, which threatened to cause extreme imbalances in supply and demand, particularly for energy. These risks put pressure on the European Central Bank (ECB) to pivot away from its accommodative stance. Following the ECB's June policy meeting, a press release emphasized above-target inflation and suggested at least two 25-basis-point hikes at the next two meetings, with a larger move possible in September. After the reporting period ended, the central bank did, in fact, raise interest rates by 50 basis points. The increase was both higher than expected and the first such increase in 11 years, as the ECB signaled a clear intention to combat runaway inflation. The Bank of Japan, conversely, has been a notable holdout from the broader hawkish turn, keeping rates near zero and maintaining a supportive bond-purchasing program throughout the period.

A steep downturn in emerging markets debt over the past year was driven by a confluence of exogenous and idiosyncratic factors, chief among these being Russia's war in Ukraine and heightened economic and geopolitical uncertainty in China. The aggressive pace of monetary tightening and a historically strong U.S. dollar have also been major headwinds. Local currency and dollar-denominated bonds turned sharply lower, particularly through the first half of 2022, as central banks in many countries raised interest rates to combat inflation and defend weakening currencies.

MARYLAND PREPAID COLLEGE TRUST HIGHLIGHTS

The Prepaid College Trust allows families to lock in payments that are based in part on current Tuition and Mandatory Fees at Maryland's public colleges. The Board pools and invests those payments and commits to pay future Tuition benefits when eligible students attend college, whether they attend a Maryland public college or nearly any other public or private college in the country.

There were 1,152 new enrollments that were received from July 1, 2021 through June 30, 2022 bringing the total number of Accounts to 27,683. Contributions from new and existing Account Holders exceeded \$36.7 million including fees for the fiscal year. Nearly \$73.6 million was paid in Tuition benefits for 5,219 Beneficiaries.

Changes in Net Position

We have prepared the Prepaid College Trust's financial statements in accordance with the standards issued by the Governmental Accounting Standards Board (GASB). Financial statements provide information about the operation of the

Trust as a whole and present a view of the Trust's finances as of and for the year ended June 30, 2022.

Fiduciary funds are used to report assets in a trustee or agency capacity for other and therefore cannot be used to support the government's own programs. The Trust reports its investments, Account Holder contributions and Account Holder distributions in its fiduciary fund.

Enterprise funds are used to report activities for which a fee is charged for goods and services. The Trust reports the administrative activities to support operations in its enterprise fund.

For the fiscal year ended June 30, 2022, the Trust's fiduciary activities had a change in fiduciary net position of (\$169.9) million. The change was mainly the result of decrease in fair value of investments. The Trust's enterprise activities had a change in net position of (\$24) thousand. The change was mainly the result of higher operating expenses compared to operating revenues.

Fiduciary Fund (in thousands)

	June 30, 2022	June 30, 2021
ADDITIONS		
Tuition Contracts	\$36,765	\$37,746
Net investment income	(133,009)	31,456
Total	(96,244)	69,202
DEDUCTIONS		
Tuition Benefits	73,656	70,274
Total	73,656	70,274
Change in Fiduciary Net Position	(\$169,900)	(\$1,072)

Enterprise Fund (in thousands)

	June 30, 2022	June 30, 2021
OPERATING REVENUES		
Administrative Fees	\$5,356	\$5,049
Total	5,356	5,049
OPERATING EXPENSES		
Administrative Expenses	5,396	4,532
Total	5,396	4,532
OPERATING GAIN/LOSS	(40)	517
NON-OPERATING REVENUES		
Investment Income	16	6
Total	16	6
Change in Net Position	(\$24)	\$523

MARYLAND PREPAID COLLEGE TRUST

Investment Earnings and Tuition Increases

Net Investment Gains

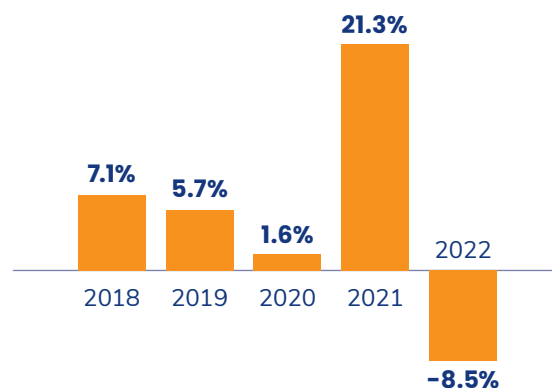
During the fiscal year ended June 30, 2022, the Trust continued to invest contract payments received into its increasingly diversified investment portfolio. The investment balances as of June 30, 2022, and June 30, 2021, are shown below:

Investments (in thousands)

	2022	2021
Intermediate Duration Fixed Income	\$229,056	\$246,922
Senior Secured Loans	55,243	56,792
High Yield Fixed Income	55,374	62,877
Emerging Market Debt	45,681	59,087
Private Credit	5,001	0
Domestic Large Cap Core	78,601	126,157
Domestic Mid Cap Core	77,780	61,449
Domestic Small Cap Value	17,482	55,402
Low Volatility US Equity	53,341	69,309
Developed Markets Equity – Large Cap Core	51,669	72,760
Developed Markets Equity – Large Cap Growth	37,521	57,474
Developed Markets Equity – Large Cap Value	47,262	53,507
Developed Markets Equity – Small Cap	41,010	72,307
Emerging Markets Equity	45,242	65,295
Private Real Estate	153,338	163,877
Global Private Infrastructure	58,979	0
Private Equity	62,779	49,215
Total Investments	\$1,115,359	\$1,272,429

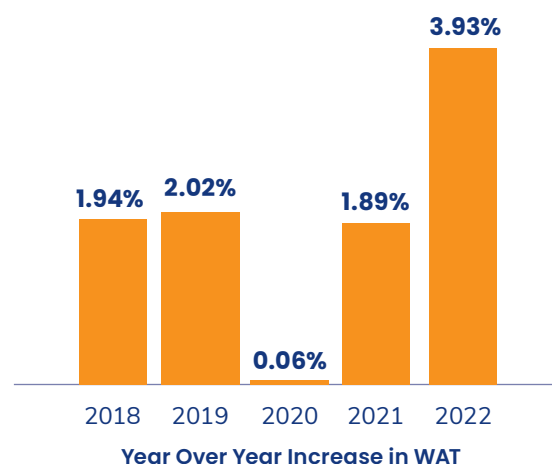
Investment Returns

The rate of return on the Prepaid College Trust's investments, was a loss of -8.5% for the fiscal year. The chart below shows the rate of return on the Trust's investments for the past five fiscal years:



Tuition Increases

The Weighted Average Tuition (WAT) at Maryland's public 4-year colleges increased by 1.89% for the 2021-2022 Academic Year and 3.93% for the 2022-2023 Academic Year. Tuition assumptions were unchanged with the Board assuming 3% increases for the next four years and then 5% thereafter. The fee increase assumption was also maintained at 6%. Weighted Average Tuition increases for the past five fiscal years are shown in the chart below:



MARYLAND PREPAID COLLEGE TRUST

Actuarial Status and Tuition Benefit Payment

The Prepaid College Trust is in Good Standing

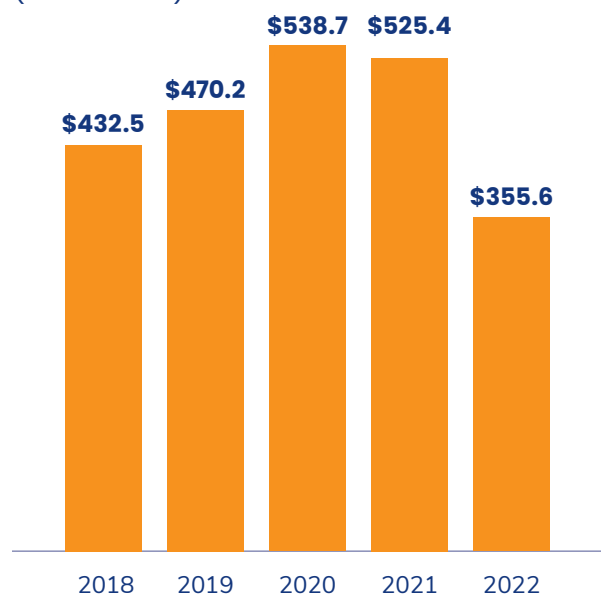
Each year, an actuarial valuation of the Prepaid College Trust is conducted. The purpose of this valuation and resulting Soundness Report is to compare the future value of the Trust's assets with its future liabilities, which are discounted to reflect their present value.

As of June 30, 2022, the Trust was 140% funded with an actuarial surplus of \$355.6 million. This is a decrease from last year as a result of unfavorable investment experience.

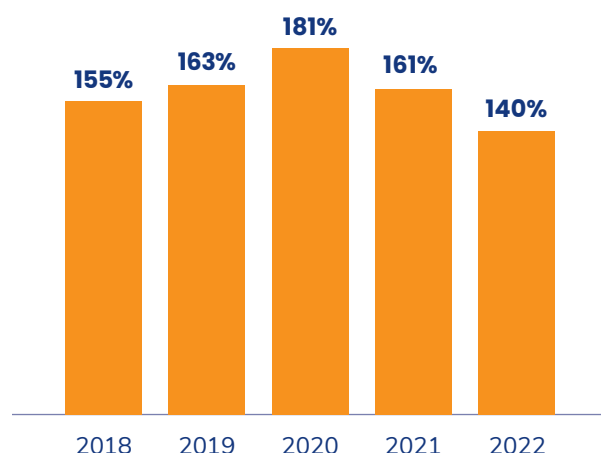
As part of the yearly evaluation of the investment strategy of the Trust, the Board elected to not revise future assumptions used in the calculations. Assumptions related to increases in Tuition were maintained at 3% for the next three Academic Years beginning 2022-2023, and then will be 5% for the following five years. Assumptions concerning increases in fees were maintained at 6%.

The key measures of soundness for the past five fiscal years are included in the following chart:

Actuarial Surplus (in millions)



Funded Ratio

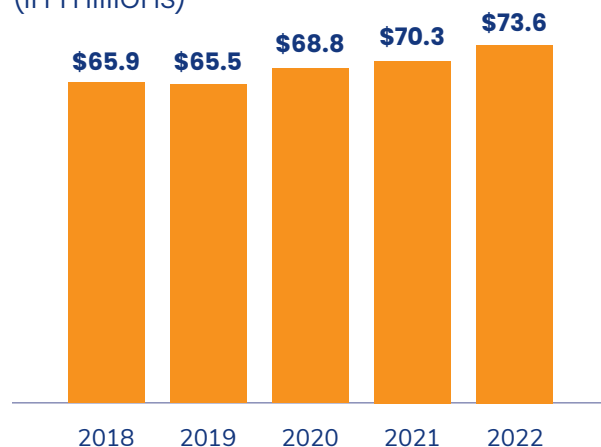


Students Use Tuition Benefits at College Nationwide

As of June 30, 2022, 5,219 students had claimed their benefits for the 2021-2022 Academic Year. Approximately 57% of these students were attending Maryland public colleges. Another 43% of Beneficiaries are attending a wide variety of private and out-of-state colleges across the country. This is the sixth year in a row the number of students attending Maryland public colleges exceeded the number of students attending private or out-of-state colleges.

Total Tuition benefits paid during the past five fiscal years are as follows:

(in millions)



MARYLAND COLLEGE INVESTMENT PLAN HIGHLIGHTS

Investment Return vs. Benchmark: For the 12-month period ended June 30, 2022, the Maryland College Investment Plan generated negative absolute returns. Performance among the various portfolios relative to their respective benchmarks was mixed. Most of the portfolios underperformed their benchmark, while some portfolios, such as the Bond and Income portfolio, delivered performance in line with, or slightly better than, their respective benchmarks. Security selection was a notable driver of underperformance for the year, particularly for those portfolios which invest in the Blue Chip Growth Fund. On the other hand, the inclusion of real assets stocks in the portfolio, which provide exposure to diversifying sectors outside the benchmark, had a positive impact on relative returns. Stock selection within certain market segments also benefited relative performance, most notably among

U.S. mid- and small-cap growth stocks. Longer-term performance in all the portfolios remained solid. Since inception, eight of the 12 non-index portfolios either outperformed or performed in line with their respective benchmarks, while only four trailed. Performance among the six index portfolios, which consist only of passively managed index funds, was also mixed. The Equity Index 500 Portfolio, Global Equity Market Index Portfolio, the Inflation Focused Bond Portfolio, and the Extended Equity Index Portfolio underperformed their respective benchmarks. The Social Index Equity Portfolio and U.S. Bond Index Portfolio performed in line with their respective benchmarks. We encourage Account Holders to periodically review the performance of their investments on our website. Returns are updated each day after the close of trading on the New York Stock Exchange.

The Maryland College Investment Plan was
1 of only 12 plans to receive a “Silver” rating
by Morningstar, Inc. in 2022, as the College Investment Plan continues to receive a high rating from Morningstar.

Plans with a Silver rating are among the best-in-class options and follow many of the industry’s best practices, according to Morningstar analysts.¹

¹Morningstar analysts reviewed 54 plans for its 2022 ratings (11/02/22) of which 12 plans received a “Silver” rating. To determine a plan’s rating, Morningstar’s analysts organized their research around four key pillars: Process, People, Parent, and Price. Plans were then assigned forward-looking ratings of “Gold,” “Silver,” “Bronze,” “Neutral,” and “Negative.” Each year, certain of the industry’s smallest plans are not rated. [Visit this site](#) for additional information about Morningstar’s methodology.

Analyst Ratings are subjective in nature and should not be used as the sole basis for investment decisions. Analyst Ratings are based on Morningstar analysts’ current expectations about future events and therefore involve unknown risks and uncertainties that may cause Morningstar’s expectations not to occur or to differ significantly from what was expected. Morningstar does not represent its Analyst Ratings to be guarantees.

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The Maryland College Investment Plan is managed and distributed by T. Rowe Price and offers families the opportunity to choose from a variety of investment options ranging from conservative to aggressive with no commissions, loads, sales charges, enrollment fees or annual account fee. Account Holders choose how much they wish to invest, starting with as little as \$25.

Changes in Fiduciary Net Position

There was a decrease in net position of \$776 million for the Plan for fiscal year 2022. Net additions to net position resulted from 37,567 new Accounts, \$883 million in Account Holder contributions to portfolios, and -\$1 billion in net investment income. Net deductions from the Plan's net position include \$624.6 million in distributions to Account Holders and \$30 million in rollovers to other 529 plans.



MARYLAND COLLEGE INVESTMENT PLAN

Investment Earnings by Portfolio

The investment earnings for each portfolio are listed below. Please read the 2022 Annual Report for explanations of performance versus the benchmark for each individual portfolio, as well as for the composition of each benchmark.

Performance Comparison as of June 30, 2021

Portfolio	1-Year Return %	Weighted Benchmark %*	Annualized Since Portfolio Inception Return %	Weighted Benchmark %*	Inception Date
Portfolio 2042	-16.78%	-15.03%	-14.43%	-12.46%	5/26/2021
Portfolio 2039	-16.98%	-15.05%	5.95%	6.44%	5/31/2018
Portfolio 2036	-16.12%	-14.68%	8.61%	8.81%	11/30/2015
Portfolio 2033	-15.12%	-13.88%	9.43%	9.36%	12/31/2012
Portfolio 2030	-14.05%	-13.08%	9.18%	9.06%	12/31/2009
Portfolio 2027	-12.91%	-12.22%	6.42%	6.08%	6/30/2006
Portfolio 2024	-8.43%	-7.87%	6.72%	6.44%	10/31/2003
Portfolio 2021	11.75%	10.38%	6.13%	5.94%	11/26/2001
Portfolio for Education Today	-4.83%	-4.14%	3.26%	3.35%	11/26/2001
Equity Index 500 Portfolio	-10.78%	-10.62%	10.53%	10.77%	3/29/2018
Equity Portfolio	17.02%	-15.07%	6.96%	6.96%	11/26/2001
Extended Equity Market Index Portfolio	-28.04%	27.90%	5.39%	5.75%	3/29/2018
Global Equity Market Index Portfolio	-15.24%	-14.84%	7.42%	7.83%	6/30/2006
Social Index Equity Portfolio	N/A	N/A	-17.60% ¹	-17.54%	3/23/2022
Balanced Portfolio	-15.00%	-13.78%	6.14%	5.94%	11/26/2001
Bond and Income Portfolio	-10.28%	-10.29%	4.80%	3.67%	11/26/2001
Inflation Focused Bond Portfolio	-0.40%	0.38%	2.16%	2.35%	10/31/2003
U.S. Bond Index Portfolio	-10.49%	10.29%	1.15%	1.09%	3/29/2018
U.S. Treasury Money Market Portfolio	0.01%	0.08%	0.34%	0.54%	12/31/2009

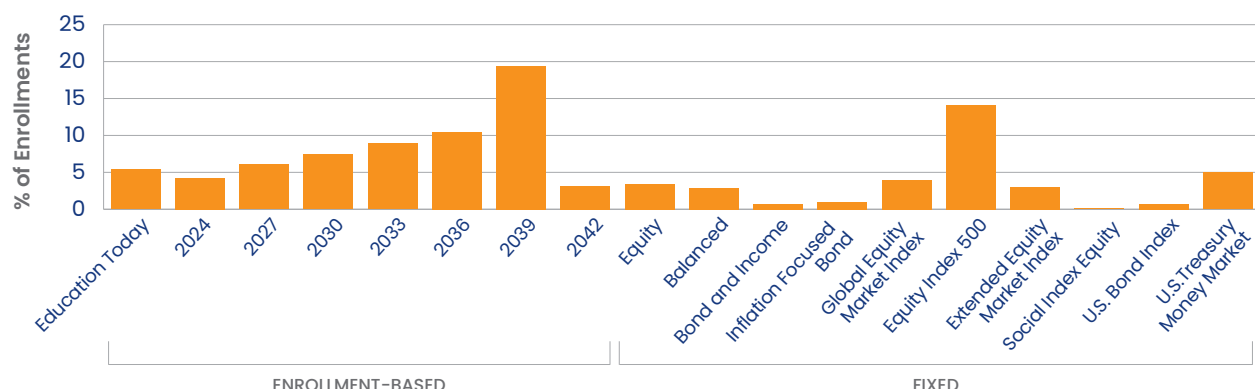
*Benchmark performance commenced on November 30, 2001, for the portfolios with an inception date of November 26, 2001. Benchmark performance for all other portfolios commenced on the same date as the portfolio's inception date.

¹ Return is cumulative.

Investment Portfolio Selections

Trends in investment selection by new Account Holders show that, during the fiscal year, the enrollment-based Portfolios, with investment mixes that adjust automatically to be more conservative over time, continue to be a popular choice and were selected for approximately two-thirds of new Accounts. Portfolio 2039 was selected for approximately 19% of new Accounts. The most popular fixed Portfolio, Equity Index 500 Portfolio, was selected for approximately 14% of new Accounts.

PORTFOLIO SELECTION



MARYLAND ABLE HIGHLIGHTS

The Maryland ABLE Act provided the opportunity for State residents to open their Accounts with Maryland ABLE and receive State tax advantages for contributions to an Account. Specifically, an individual may deduct up to \$2,500 per Beneficiary from their income for contributions made to a Maryland ABLE Account. Contributions in excess of \$2,500 annually may be carried forward and deducted in the next 10 succeeding taxable years. Additional Federal and Maryland State tax benefits include tax-deferred growth and tax-free earnings provided the funds are used for Qualified Disability Expenses (“QDEs”). QDEs are broadly defined and specific to the individual Account Holder. Anything from transportation to employment training, assistive technology, health services, legal fees or housing may be considered a QDE.

On June 30, 2022, the Maryland ABLE Program had over \$48.9 million in assets under management demonstrating a 39% increase in its AUM from the previous fiscal year-end. There were 1,283 Account Holders added to the Program, an increase of 21%, from the previous fiscal year. At the end of FY22, there were 4,473 total Account Holders. Maryland ABLE allows for people with qualifying disabilities from other states to enroll in its ABLE program. At the end of

FY22, there were 161 Account Holders from 33 different states outside of Maryland and the District of Columbia who had selected Maryland as their ABLE provider. Four percent of the overall AUM for the Maryland ABLE program can be attributed to the account balances from these out of state Account Holders.

Profile Of Account Holders

People with a developmental or intellectual disability continue to represent the largest number of Account Holders in the Maryland ABLE program. Seventy-nine percent (79%) of Maryland ABLE Account Holders selected the developmental or intellectual disability diagnosis codes compared to a nationwide average of 69% across all ABLE programs. These two disability codes continue to be the predominate types of disabilities for Account Holders nationwide.

This year, the average age for a Maryland ABLE Beneficiary was 39 years old and the age range for all Account Holders spanned from 6 months to 93 years of age. In FY 2022 approximately one quarter of all Account Holders were between the ages of 21-30 years old. The distribution of the age of Maryland ABLE Account Holders continues to shift each year.



Account Demographics

Average Account balances across the state continued to increase in FY22. This fiscal year, Montgomery County Account Holders held the highest average Account balance with \$14,282. Both Dorchester and St. Mary's County residents maintained average Account balances of approximately \$12,100 in FY22.

Maryland ABLE Account Holders reside in every county across the state of Maryland. Forty seven percent (47%) of current Account Holders reside in Baltimore, Montgomery, or Howard counties.

AVERAGE MARYLAND ABLE ACCOUNT BALANCE

\$10,237

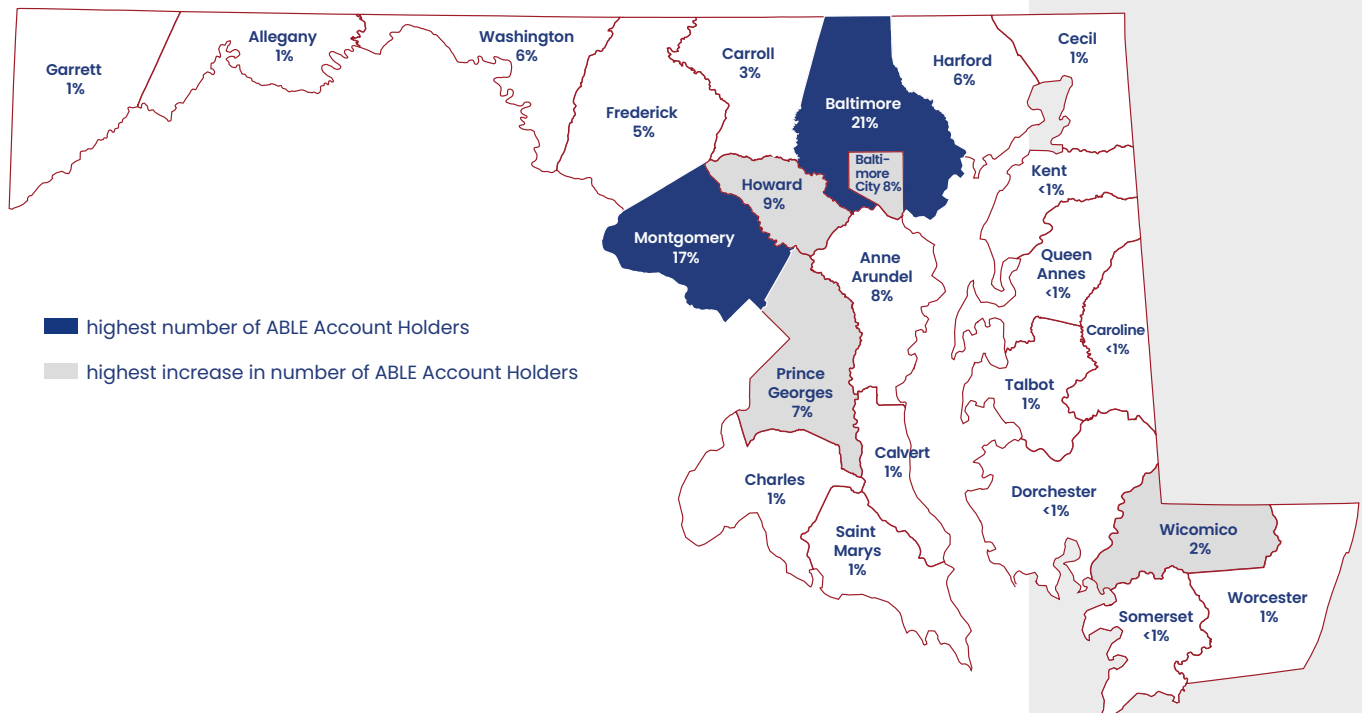
Percentage of Maryland Counties with average balances that exceed national average

70%

Greater than the national account average by more than

\$1,451

PERCENTAGE OF ACCOUNT HOLDERS BY COUNTY



MARYLAND ABLE

Financial Highlights

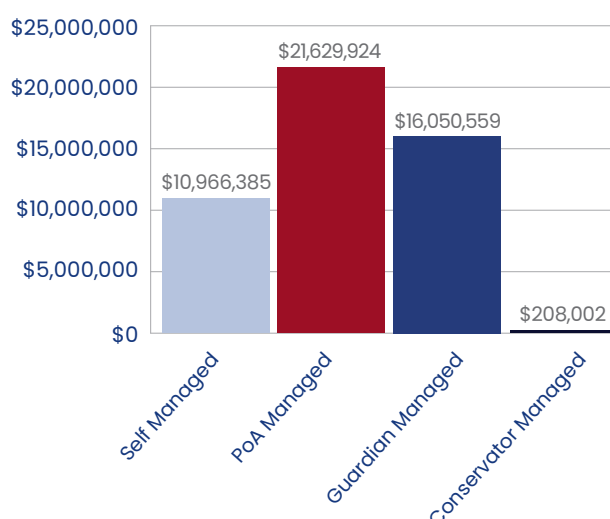
The Maryland ABLE plan offers people with qualifying disabilities the opportunity to choose from a variety of saving and investment options that include a CASH savings option, and investment portfolios ranging from the newly offered fixed income portfolio, launched in December 2021, to conservative, moderate and aggressive investment options. Account Holders are able to choose as many of the savings and investment portfolios as they wish to invest their money as well as how much they wish to contribute, starting with as little as \$25.

Contributions

Contributions by Maryland ABLE Account Holders increased 16% in FY22. Total contributions to the Maryland ABLE program in FY22 totaled over \$23.2 million.

Forty seven percent of Maryland ABLE accounts are managed by a Power of Attorney, selected by the Beneficiary. This group of account managers includes agencies who provide supports and services to people with disabilities in Maryland who serve as Social Security SSI Representative Payees for those individuals through our Entity as Authorized Legal Representative (ALR) program. These agencies, acting as Power of Attorney on behalf of the Beneficiary, make contributions to the Beneficiary's ABLE account to help them maintain unprotected assets below the SSI asset limit.

DOLLARS MANAGED BY TYPE



ABLE to Work

There was a 54% increase year over year in the number of people who made ABLE to Work contributions, contributions allowed over and above the annual contribution limit for qualified working Account Holders. Six hundred and one Beneficiaries made ABLE to Work contributions totaling over \$900,700 during FY22, a 34% increase in money contributed over the previous fiscal year.

Rollovers

The federal Tax Cuts and Job Act of 2019 provided the opportunity for ABLE Account Holders to rollover money from a Qualified Tuition Program (also known as college savings or 529 accounts) limited to up to \$16,000 per year¹ and subject to the ABLE account's annual contribution limit.

One hundred twenty-six ABLE Beneficiaries transferred approximately \$1.22 million from 529 college savings plans throughout the country into their Maryland ABLE Accounts during FY22.

ABLE Account Holders are permitted to open an account in any state that is open for national enrollment, such as Maryland. This year, Maryland ABLE received rollovers for 25 new accounts from other state ABLE programs amounting to just over \$315,690 in contributions. These are significant increases from last fiscal year when there were only 2 rollovers totaling \$32,000.

¹The annual contribution limit to an ABLE account will increase to \$17,000 on January 1, 2023.

Distributions

Maryland ABLE Account Holders received over \$6.1 million in distributions during FY22. Distributions increased by 17% this fiscal year and the average distribution per Account was \$903 in FY22, approximately \$67 more than the total national average distribution from an ABLE Account this year. Seventy-nine percent (79%) of Maryland ABLE Account Holders took one or less distribution per month in FY22. The majority of the distributions from Maryland ABLE Accounts were to the Account Holder's linked bank account or to the linked TrueLink pre-paid card.

Changes In Net Position

For the fiscal year ended June 30, 2022, the program reported additions of \$23.2 million, deductions of \$6.3 million and net position of \$48.9 million.

The chart below presents the condensed Statements of Changes in Fiduciary Net Position for the years ended June 30.

Statements of Net Position as of June 30, 2022 and 2021 (amounts in thousands)		
	FY 2022	FY 2021
ASSETS		
Current Assets	\$120	\$62
Total Current Assets	120	62
LIABILITIES		
Current Liabilities	54	32
Total Current Liabilities	54	32
NET POSITION		
Unrestricted	66	30
Total Net Position	\$66	\$30

Summary of Performance Comparison and Asset Distribution

The Cash Option and the Investment Options were launched in December 2017. The Fixed Income Option was launched in December 2021. Each Investment Option is invested in low-cost index mutual funds that replicate the risk and return characteristics of the index they track.

The investment earnings for each portfolio are listed below.

PORTFOLIO

	Program Market Value as of 6/30/22 (in thousands)	1-Year Return	3-Year Return Annualized	Inception to Date Return Annualized	Inception Date
Cash	\$28,027	0.0%	0.3%	0.7%	11/1/17
Conservative	\$3,323	-9.4%	1.2%	2.0%	11/1/17
Moderate	\$8,433	-13.5%	2.4%	3.0%	11/1/17
Aggressive	\$8,934	-15.6%	4.2%	4.4%	11/1/17
Income	\$132	N/A	N/A	N/M	12/1/21
Total Investments	\$48,849				

N/A is Not Applicable due to investment period shorter than that indicated

N/M is Not Meaningful due to short time horizon



Please read each plan's Disclosure Statement in full before deciding to enroll in that program. If you or your Beneficiary live outside of Maryland, check with your state to learn if it offers tax or other state benefits, such as financial aid, scholarship funds, and protection from creditors, that are only available for investments in the home state's plan. The Disclosure Statement contains investment objectives, risks, Fees and expenses, and other information that you should read and consider carefully before investing. Tax benefits may be conditioned on meeting certain requirements, such as residency, purpose for or timing of distributions, or other factors, as applicable. T. Rowe Price Investment Services, Inc., Distributor/Underwriter, Maryland College Investment Plan.

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