

**Maryland 529
MEETING MINUTES**

**November 27, 2017
1:00 PM – 2:00 PM**

Conference Call: 1-866-247-6034

Board Members/Designees Present

Nancy K. Kopp, State Treasurer and
Board Chair
Geoffrey Newman, Secretary of Higher
Education's Designee
Steven Serra, Superintendent of
School's Designee
Carol Beatty, Secretary of Maryland
Department of Disabilities
Carol Coughlin
Justin Hayes, Maryland Comptroller's
Designee
Keith Persinger
Pamela Purcell, Chancellor of University
System of Maryland's Designee
Charles Tharp

Staff, Representatives and Guests

Erin Layton, Interim-Executive Director
and Director of Investments and
Cash Management
Bernadette Benik, Deputy
Treasurer
Meghan Marek, Assistant Attorney
General

Board Members/Designees Absent

Dr. Lisa Weah

Maryland 529

Treasurer Kopp called the meeting to order.

- Maryland 529 and ABLE Budgets

Ms. Layton presented the budgets for Maryland 529 and Maryland ABLE. She reminded the Board that the budgets are preliminary for Fiscal Year 2019 and that final budgets would be approved by the Board toward the end of the current fiscal year. As the Board had reviewed earlier drafts of these budgets at its October meeting, Ms. Layton highlighted the adjustments including the personnel and contractual services items.

The Board discussed the projected deficit and Ms. Layton explained that some expenses are only anticipated to occur once and that it is not projected that a deficit would run annually.

After discussion and upon motion duly made and seconded, it was unanimously

RESOLVED, that Board adopts the Maryland 529 budget as submitted.

Ms. Layton next reviewed the budget for ABLE. The Board discussed the revision of marketing expenses to instead fund an ambassador program. Secretary Beatty explained that the Special ABLE Committee had discussed this thoroughly and had supported the program.

The Board also discussed certain funding sources for ABLE, including those currently with the Maryland Higher Education Commission.

After discussion and upon motion duly made and seconded, it was unanimously

RESOLVED, that Board adopts the ABLE budget with the noted technical corrections.

- State Contribution Question

Ms. Marek presented the question of whether account holders with no Maryland taxable income should be considered eligible for the State Contribution Program. Counsel discussed how the Maryland Code left open the possibility of two interpretations, one in which an account holder had to have some amount of taxable income, and one where no taxable income was required.

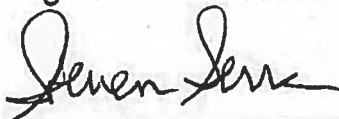
The Board discussed the legislation's intent of providing a source of college funding for low to moderate income account holders. The Board recognized, however, that the Comptroller's office would likely be unable to certify the income level of an account holder if that account holder did not file State taxes as they had no taxable income.

After discussion and upon motion duly made and seconded, it was unanimously

RESOLVED, that Board adopts a reading of the statute in which the program people with no Maryland taxable income are eligible for the State Contribution Program (which is open to individuals with less than \$50,000 or \$75,000 for single or joint filers, respectively) and in those extraordinary cases, a notarized statement of financial status shall be considered evidence of income.

The Board meeting was concluded in at approximately 2:00 pm.

Approved:



Steve Serra
Board Secretary

Date: 8-8-18

EXHIBIT LIST

1. FY '19 Budget Notes
2. FY '19 Updated Budget – Maryland 529
3. FY '19 Updated Budget – Maryland ABLE
4. State Contribution Ambiguity Memo