



## Board Meeting Minutes

May 10, 2024

10:30 a.m.

Location: Video Conference

Board Members Participating: Josh Gotbaum- Chair, Sen. Benjamin Brooks, Sen. Jim Rosapepe, Jerry Dawson, Paul Green, Phyllis Borzi, Laura Atas, Stuart Cohen, Marco Priolo

Staff: Glenn Simmons, Chris Cullen, Meagan Magagna

Others in Attendance: Angela Antonelli (CRI), Ellen Breslow (AKF), Courtney Eccles (Vestwell), Matt Golden (Vestwell), Desiree Hung, Kimberly Giusti Olson (Pew), Kevin Ruiz (AON), John Scott (Pew), Courtney Zinter

The chair called the meeting to order at approximately 10:35AM

### Chair's Report

Program Chair, Josh Gotbaum informed everyone about the updates in the program, progress is ongoing, and we are still receiving recognition for the innovations included in our program design. Unlike similar programs, MarylandSaves provides a \$300 incentive instead of a penalty, which has shown positive results. However, there are challenges with getting employers to begin making payroll contributions for their employees after the business is registered. This problem is not unique to our program and more work needs to be done to improve employer participation.

18 months in, we have fewer Savers than other states, but our Savers are saving more on average. Since our aim is to promote long-term savings, we are coordinating a multi-state initiative in collaboration with Pew, BlackRock, and other state programs to enhance our understanding of why our Savers are making withdrawals in an effort to minimize withdrawals and opt-outs as much as possible. Our focus for the upcoming year will be dedicated to studying savers in more depth.

1. On the marketing front, our focus will shift more toward dedicating additional resources to direct marketing rather than brand marketing.
2. A new program rule will be implemented: in addition to completing the MarylandSaves registration process, businesses must be making payroll contributions to their employees' accounts in order to qualify for the 2025 SDAT \$300 Annual Report Filing Fee waiver.

### Executive Director Report

Glenn Simmons reported that the CY 23 audit is currently in progress and on track to be completed by next month. The FY25 Operating Budget has been drafted, submitted to the Audit

and Finance committee, and is scheduled for review at the upcoming ad hoc meeting next Monday (May 13<sup>th</sup>). Once approved by the committee, the proposed budget will be shared with the full board via email for approval. Glenn is seeking board approval by the end of May and will follow up with all board members accordingly.

The number of funded accounts and the average account balances continue to grow at a steady rate. The data file obtained from the Comptroller's office appears to be of higher quality compared to list of businesses that was used to launch the program as evidenced by a 34% increase in employer registrations six weeks after the first message was sent via the new list compared to the same time frame in 2022. This messaging was from Comptroller Brooke Lierman, which also increased our response rate. Glenn has engaged in discussions with the Comptroller's staff, indicating that we will receive our updated data file by June or July. This will allow us to begin our fall messaging about qualifying for next year's SDAT Fee waiver two months sooner than last year, which should lead to an increase in employer registrations.

As more data about our registered employers and savers becomes available, we will use it to refine our marketing and communications tactics. We will also continue to monitor our program's enrollment statistics relative to the other state programs. Surprisingly, we have shown strength, which is attributed to our increased focus on direct marketing. To enhance our efforts, we plan to concentrate further on direct marketing strategies. However, a challenge arises when employers register but encounter difficulties in submitting payroll. Further research will be conducted to address this issue, although our statistics show higher numbers in comparison to other states.

### **Marketing and Communications Update**

Chris Cullen discussed the importance of strategy in our direct marketing efforts. Our focus will remain on maximizing direct marketing tactics. Additionally, we plan to engage our partners, including chambers etc., in webcasts, in-person events, newsletter articles and working with the Comptroller's office to produce Broadcast PSAs that feature messages from Comptroller Lierman and possibly Governor Moore.

### **Audit and Finance Committee Update**

Jerry Dawson gave a brief summary on the Audit and Finance Committee activities and reported that the financials are in order and operations continue to operate within the approved budget.

The meeting was adjourned at 11:40 a.m.