

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 41

(Senator Rosapepe)

Budget and Taxation

Economic Matters

Maryland Small Business Retirement Savings Board - Membership - Alteration

This bill adds the Comptroller, or the Comptroller’s designee, as a member of the Maryland Small Business Retirement Savings Board.

Fiscal Summary

State Effect: None. Adding the Comptroller, or Comptroller’s designee, as a member to the Maryland Small Business Retirement Savings Board does not affect State finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Chapters 323 and 324 of 2016 established the Maryland Small Business Retirement Savings Board as program fiduciaries to administer the Maryland Small Business Retirement Savings trust and program, known as MarylandSaves. The purpose of the program is to promote greater retirement savings for Maryland private sector employees in a convenient, voluntary, low-cost, and portable manner. Private-sector employers participating in MarylandSaves must establish a payroll deposit retirement savings arrangement that allows employee participation in the program. Employers who participate in MarylandSaves or otherwise offer a retirement savings arrangement to their employees as specified under the law are exempt from the State’s annual filing fee for corporations and business entities.

The Maryland Small Business Retirement Savings Board has 11 members, 2 of whom are ex officio (the Treasurer and Secretary of Labor, or their respective designees); the Governor, President of the Senate, and Speaker of the House each appoint 3 members, who serve staggered four-year terms. The appointing authorities may remove a member of the board for incompetence or misconduct, and the board must elect a chair from among the members. All expenses, including employee costs, for the board are paid by the trust or program; however, administrative fees assessed on employee accounts to fund the program may not exceed 0.5% of total assets in the trust. Members of the board and its staff must (1) act solely in the interest of the program participants, as specified in law and (2) establish and annually review a written investment policy that includes a risk management and oversight program, as specified in law.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 825 (Delegate Pena-Melnyk) - Economic Matters.

Information Source(s): Comptroller's Office; Maryland Department of Labor; Department of Legislative Services

Fiscal Note History: First Reader - January 10, 2025
rh/mcr Third Reader - January 31, 2025

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