



PRIZED-LINKED SAVINGS: POLICY AND PRACTICE

CFED Conference
September 21, 2012

MARYLAND CASH CAMPAIGN

- CASH = Creating Assets Savings and Hope
- Mission: Promote programs, products, and policies that improve the financial stability of working families.
- State-wide network of VITA sites and financial education groups
- Role = capacity building and training, coordination of financial education, research and policy



WORKING FROM EVERY ANGLE

○ Policy

- Passed legislation in 2010 to allow credit unions to offer PLS.
- Legislation could not be implemented due to last minute killer amendment.
- Passed legislation in 2012 to allow banks and credit unions to offer PLS

○ Practice

- In 2011, ran raffle promotion at tax time for savings bonds.
- In 2012, ran new promotion with a raffle and scratch off ticket.
- Greatly upgraded training, site support, and on-going encouragement.
- Made it fun!



ENGAGING OUR BASE

○ Policy

- Kept interested parties in the loop
- Stayed solution oriented
- Diffused tensions
- Compromised

○ Practice

- Co-led savings bond promotion with local partner (Baltimore CASH)
- Energized VITA sites by offering more support and cash
- Expanded sites offering bonds to 17 sites in 5 counties



THE 2012 PROMOTION

- Customized scratch off tickets were made.
- 1 in 3 was a winner.
- \$5 and \$10 prizes
- Simple. Buy a bond, get a scratch-off ticket.
- Chance to win *instantly*.
- Another chance to win \$500 raffle at the end of tax season.



Above: Poster made for VITA sites advertising the scratch off promotion



WHY SCRATCH OFF TICKETS?

- They're Fun!
- Familiar
- Chance to win instantly
- Cash prize appeals to everyone
- Many small prizes = more motivating than one big prize with less chances to win



Sample scratch off ticket



KEEPING IT LEGAL

- Ran promotion as a sweepstakes (no purchase necessary) to stay compliant with state and county raffle laws.
- Anyone could obtain a free entry form by requesting one in person at CASH offices.
- Pro bono counsel was a huge asset, necessary for board approval.



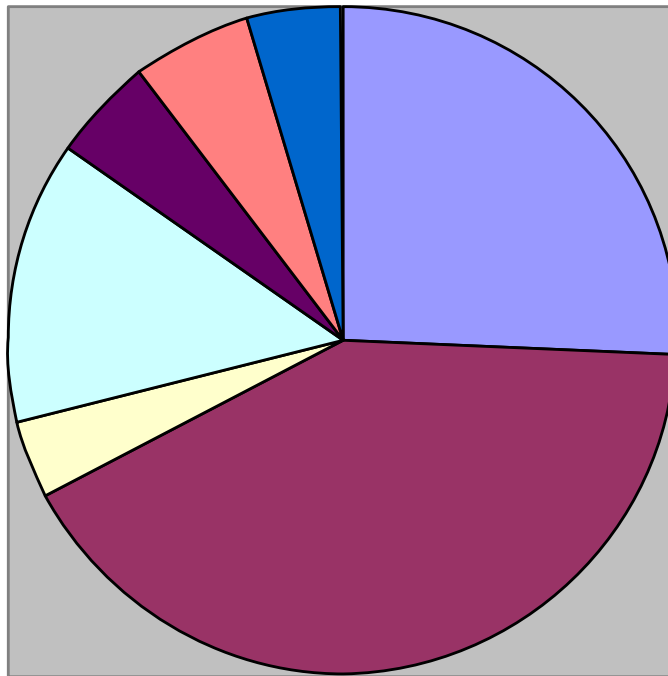
2012 RESULTS

	Maryland CASH	Baltimore CASH	Total
Sites	7	10	17
Buyers	70	170	240
Registrants	75	244	319
Savings Amount	\$15,550	\$34,250	\$49,800



TAXPAYER MOTIVATIONS

Why did you buy a bond today? (181 responses)



	Respondents
Smart Way to Save	78
My Kid's Future	124
Refund Larger then Expected	12
Someone Asked Me about it Today	42
Parents Taught me to Save	15
Recession	18
Chance to Win	13

