



April 11, 2024

Re: In Support of H 7851- An Act Relating to Public Finance – Rhode Island Baby Bond Trust

Chairman Abney, Vice Chairs Slater and Marszalkowski, and members of the House Finance Committee.

Thank you for the opportunity to share our support H 7851- An Act Relating to Public Finance – Rhode Island Baby Bond Trust and our thanks to Representative Giraldo and his esteemed co-sponsors for their introduction of this bill, which would create the Rhode Island Baby Bond Trust to provide investment funds to children born to families with public health insurance or no insurance living in Rhode Island.

The Rhode Island Coalition for Children and Families (RICCF) is comprised of forty-three member organizations that provide and/or advocate for services and resources to support and strengthen families; to address policy and practice for behavioral and physical health, special education, juvenile justice, family, and sexual violence, and to support and care for foster youth. We strive to build and maintain a strong and effective human services workforce.

State baby bonds represent a powerful tool to create a more equitable and promising future for all. Baby bonds empower families by ensuring newborns have a financial foundation from the very beginning of their lives. These bonds provide a lifeline for families, allowing parents to plan for their children's futures with confidence. For families facing financial challenges, baby bonds offer a critical support system that can help alleviate the burdens of economic uncertainty.

The potential impact of state baby bonds is significant. They hold the power to disrupt the cycle of poverty, offering a tangible path to prosperity for the next generation. Research has shown national implementation of baby bonds could significantly reduce the racial wealth gap, shrinking it from 91 percent to 25 percent.¹

These bonds are designed to provide targeted assistance to communities, especially those that are predominantly Black and Latine, aiming to address the systemic injustices and inequalities they often bear. Investing in state baby bonds means investing in the future of our communities. State baby bonds offer a pathway to break the cycle of poverty and create a more prosperous Rhode Island for generations to come. These funds can make a meaningful difference in a child's ability to access higher education, secure stable housing, or start a business that supports their community.

For all these reasons, we urge your support of H7851. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Cary Kuban-Elger".

¹ https://www.morningstar.com/content/dam/marketing/shared/pdfs/Research/wp_Policy_Baby_Bonds_final.pdf

Tanja Kubas-Meyer
Executive Director