



March 4, 2025

Subject: Testimony in Support of Article 10, Section 4 – Rhode Island Baby Bond Trust

Chair Abney and the Honorable Members of the House Finance Committee,

On behalf of SEIU 1199NE, which represents approximately 5,000 healthcare and service sector workers across Rhode Island—all of whom care for Medicaid recipients in one way or another—we strongly support Article 10, Section 4 of Governor McKee’s proposed budget, which would create the Rhode Island Baby Bond Trust.

This initiative would provide every child whose birth is covered by Medicaid or who is uninsured with a \$3,000 investment at birth. By the time they turn 18, this investment would grow to approximately \$12,000, giving them the opportunity to use these funds for education, homeownership, retirement savings, or starting a business—all of which must be done in Rhode Island.

For many of the families our members serve, economic insecurity is a daily reality. Medicaid recipients—who include working-class families, seniors, and people with disabilities—often lack access to generational wealth and financial security. The Baby Bond Trust is a proactive step toward addressing the racial wealth gap and creating pathways out of poverty for young Rhode Islanders.

In addition to lifting up working families, this initiative is also an investment in Rhode Island’s economy. Because Baby Bond funds must be used within the state, this policy ensures that Rhode Island will see a return on its investment—whether through home purchases, small business growth, or more Rhode Islanders earning degrees and entering the workforce with less debt. Connecticut has already passed similar legislation, recognizing that investments in the next generation strengthen communities and create a more stable economic future for all residents.

SEIU 1199NE respectfully urges the Committee to support Article 10, Section 4. Providing Rhode Island’s children with a financial foundation will not only improve their futures but will also strengthen the families and communities that our members serve every day.

Thank you for your consideration.

Sincerely,

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