



**HB 753 - Comptroller - Baby Bond Account Program Study**  
**House Appropriations Committee**  
**March 3<sup>rd</sup>, 2025**  
**SUPPORT**

Chair Barnes, Vice-Chair Chang, and members of the Appropriations Committee thank you for the opportunity to submit testimony in support of *House Bill 753*. This bill would commission a study to assess the feasibility and impact of implementing a state baby bond account program in Maryland.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

Since 2020, we have been actively engaged in establishing a state-level Baby Bond Account Program, as well as working with our national partners on federal Baby Bond initiatives. As staff to the Financial Education and Capability Commission, co-chaired by Delegate Stein and Senator Brooks, we have worked to advance Baby Bonds, which was formally recommended to the Maryland General Assembly in the Commission's 2021 report.

A Baby Bond Account Program would expand access to educational and career opportunities by providing young adults with funds for higher education, vocational training, or certifications to reduce student loan debt. Maryland faces significant wealth gaps, particularly along racial and socioeconomic lines. Many low-income families struggle to save for down payments or invest in businesses and the Baby Bond Account Program would provide seed money to help individuals build long-term wealth building opportunities. More homeownership, business development, and local investments lead to a stronger middle class, higher tax revenues, reduced income inequality, and a more robust state economy.

CASH has also been the non-profit administrator for the Baltimore Young Families Success Fund; Baltimore City and Mayor Scott's first Guaranteed Income initiative. The research evaluation revealed several key outcomes:

- **Increased Financial Stability:** Participants reported reduced financial stress, better ability to meet basic needs, and improved economic resilience.
- **Employment and Education:** Many participants pursued job training or higher education opportunities, reducing financial barriers to career advancement.
- **Child and Family Development:** Families reported increased stability, leading to better outcomes for children, including improved early childhood education and stronger family bonds.

This bill would ensure that Maryland adopts a data-driven approach to a Baby Bond Account Program in Maryland.

***For these reasons, we urge a favorable report HB 753.***

**References/Helpful Links:**

*Creating Assets, Savings and Hope*



1. Prosperity Now Baby Bonds Brief: <https://prosperitynow.org/sites/default/files/resources/A-Brighter-Future-With-Baby-Bonds.pdf>
2. Prosperity Now Baby Bonds Legislative Toolkit: <https://prosperitynow.org/resources/baby-bonds-legislative-toolkit>
3. Urban Institute 2021 study on the effects of Baby Bonds: <https://www.urban.org/urban-wire/baby-bonds-would-reduce-racial-wealth-inequities-heres-what-policymakers-need-know>
4. BYFSF GI Pilot Program Dashboard: <https://guaranteedincome.us/baltimore>
5. BYFSF One Year Interim Brief: <https://static1.squarespace.com/static/64f8b31cbb263222a1487bd6/t/667c323d79dfcd2d6b1d844d/1719415361392/baltimore-mgi-report-6.26.24.pdf>

*Creating Assets, Savings and Hope*