



## Letter of Support

### House Bill 753 – Comptroller – Baby Bond Account Program Study House Appropriations Committee March 5, 2025

**What this bill does:** HB753, the Baby Bond Account Program Study, requires the Office of the Comptroller to conduct a feasibility and fiscal impact study of baby bonds in Maryland and report to the Governor and the General Assembly by June 1, 2026.

**Why this bill is important:** Black, Latino, Asian, and Indigenous households in Maryland often lag well-behind white households in almost every marker of wealth, from median income and home ownership to access to capital and savings. This racial wealth gap undermines the economic security for millions of Marylanders and goes well beyond just differences in income. According to the Urban Institute, the racial wealth gap is three times larger than the racial income gap.<sup>1</sup> Lack of access to capital can mean greater difficulty in obtaining a loan or buying a home, as well as a greater risk of debt. Without access to savings and wealth-building resources, many families are unable to escape poverty.

Baby bonds may be one way to address this persistent challenge and build a more equitable future. Since 2020, several state legislatures have explored the creation of state-funded trusts for newborns as a way to promote economic stability and reduce the racial wealth gap. These programs, which have now been adopted in Connecticut, California, and D.C., can provide initial seed capital for young people who might otherwise lack access.

One of my core priorities is to leverage the resources and expertise of the Office of the Comptroller to create opportunity for all Marylanders. This includes using data to create reports that inform policy decisions both internal and external to the Office. My office is eager to explore the fiscal impact and feasibility of proposals such as the creation of baby bonds that could narrow the racial wealth gap in Maryland. I am confident that my office can build on previous research, including our agency's previous report on newborn savings accounts, to report on the potential impact of baby bonds in Maryland and our ability to implement them.

I thank Delegate Edelson for introducing HB753, which is an important step in identifying ways to address income inequality in Maryland, and I urge a favorable report. If you have any questions, please do not hesitate to contact Matthew Dudzic, Director of State Affairs, at [MDudzic@marylandtaxes.gov](mailto:MDudzic@marylandtaxes.gov).

Brooke E. Lierman  
Comptroller of Maryland

<sup>1</sup> "Less Than Equal: Racial Disparities in Wealth Accumulation."

<https://www.urban.org/sites/default/files/publication/23536/412802-less-than-equal-racial-disparities-in-wealth-accumulation.pdf>

