

Baby Bonds on target: State anti-poverty initiative shooting for 15,600 enrollees

BY PAUL HUGHES | REPUBLICAN-AMERICAN May 14, 2024

HARTFORD – Nearly \$43 million is being invested in the futures of the first 13,300 babies enrolled in the pioneering Connecticut Baby Bonds program, including more than 1,000 children in Waterbury.

State Treasurer Erick Russell reported Tuesday that enrollment in the anti-poverty, wealth-building initiative is nearing its projected annual target of 15,600 children.

“We’re pretty much right on pace,” he said.

Under the Connecticut Baby Bonds program, the treasurer’s office is setting aside \$3,200 each in state-managed trust accounts for every child whose birth is covered under HUSKY, the state Medicaid program.

State officials estimate each of these babies could potentially receive an estimated \$11,000 to \$24,000 later in life to use to buy a home, start a business, get an education or job training, or even save for retirement.

Any children whose birth is covered under the HUSKY program are automatically enrolled in the Connecticut Baby Bonds.

Russell provided an update on enrollment during a news conference at Wheeler Health in Hartford to announce a collaboration with the 16-member Community Health Center Association of Connecticut to raise awareness of Connecticut Baby Bonds. Gov. Ned Lamont and Hartford Mayor Arunan Arulampalam joined Russell.

Russell reported that 13,300 babies have been enrolled in Connecticut Baby Bonds from its launch last July 1 through March 31. There are approximately 15,600 births covered by HUSKY annually. This equates to 40% of all births in Connecticut.

State officials reported babies born to parents living in 166 of the state’s 169 cities and towns have been automatically enrolled in Connecticut Baby Bonds through March 31.

The five largest cities with populations over 100,000 accounted for nearly 40% of those enrollments – 1,334 in Bridgeport; 1,087 in Hartford; 1,051 in Waterbury; 898 in New Haven; and 654 in Stamford.

Another 107 cities and towns had between 10 and nearly 600 enrollments, including 180 in Torrington, 138 in Naugatuck and 48 in Watertown. State officials did not provide figures for any communities with less than 10 enrollments for privacy reasons, or identify the three towns with no enrollments.

Russell said the expectation is that children from every town and city will eventually be enrolled in Connecticut Baby Bonds.

Partnership announced Wednesday with the Community Health Center Association of Connecticut is an ongoing effort to inform expectant parents about Connecticut Baby Bonds.

The 16 federally qualified health centers provide primary medical, behavioral health and dental care to more than 420,000 people across hundreds of locations in the state, including thousands of children, said Deb Poulon, chief strategy officer of the Community Health Center Association of Connecticut.

The state government appropriated \$381 million to fund the Connecticut Baby Bonds Trust for the first 12 years. State leaders will have the interim to figure out future funding.

The Department of Social Services is collaborating with the treasurer's office on identifying eligible newborns whose birth are covered by HUSKY. The department works with birthing hospitals and a network of community partners to enroll children born inside and outside of hospital settings.

If a woman is covered under HUSKY during her pregnancy, her newborn is automatically enrolled in HUSKY. Coverage may be granted retroactively if a newborn is later determined to be eligible for HUSKY

The treasurer's office is estimating that the value of the initial \$3,200 investment for each Baby Bonds account will grow to between \$11,000 and \$24,000, depending on when claims are filed for approved uses. The permitted uses of the tax-exempt funds are starting or investing in a Connecticut business, buying a home in Connecticut, paying for higher education or job training, or saving for retirement.

Beneficiaries that meet the eligibility requirements can make a claim for funds between the ages of 18 and 30. To be eligible, participants must be Connecticut residents and complete a financial literacy course prescribed by the treasurer's office. Residency is only required at the time of the claim.

If no valid claim is submitted before a beneficiary's 30th birthday, or a beneficiary dies before then, the balance of his or her account is retained by the Connecticut Baby Bond Trust.

