



# Vermont Office of the State Treasurer

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Learn more about baby bonds!



# BABY BONDS EMPOWERING FUTURE VERMONTERS

Supporting the health and economic well-being of our families and communities.



Recently Passed in:

Connecticut

Washington, D.C.

## SUPPORTING VERMONT'S MOST VULNERABLE:

The policy would cover all children born on Medicaid (Dr. Dynasaur/SCHIP) on or after July 1, 2024.

## SEEDING A BRIGHT FUTURE:

The Treasurer will deposit \$3,200 for every child born on Medicaid into an omnibus account, managed by the State Treasurer's Office, until the child reaches age 18.

Individuals will be able to claim their money at any time between ages 18 and 30. By age 18, the initial \$3,200 investment is estimated to grow to \$11,500. By age 30, the initial investment is estimated to grow to \$24,500.

## COST OF PROGRAM:

There are about 2,000 babies born each year on Medicaid in Vermont. A \$3,200 investment for each child would amount to a **\$6.4 million annual State appropriation.**

## ELIGIBLE EXPENDITURES:



Buying a home in Vermont.



Starting or investing in a business in Vermont.



Postsecondary education or job training.



Saving for retirement.

This policy is a **direct investment in our state's future and our state's efforts to retain young Vermonters**, and with a higher percentage of births on Medicaid, Baby Bonds **disproportionally benefits Vermont's rural communities.**

## FUNDING:

**This funding mechanism does not require any new fees or taxes for Vermonters.** Annually, the State Treasurer transfers a prescribed percentage of Unclaimed Property funds to the State's General Fund. The Treasurer proposes using this amount (known as the Unclaimed Property General Fund Transfer) to fund the Vermont Baby Bonds program deposits and administrative costs each year.