

STAND. COM. REP. NO.

414

Honolulu, Hawaii

, 2025

FEB 11

RE: H.B. No. 324
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Human Services & Homelessness, to which was referred H.B. No. 324 entitled:

"A BILL FOR AN ACT RELATING TO BABY BONDS,"

begs leave to report as follows:

The purpose of this measure is to establish the Baby Bonds Working Group to develop a plan for the creation of a baby bonds program for the State to address intergenerational poverty and wealth inequality in Hawaii.

Your Committee received testimony in support of this measure from the Democratic Party of Hawai'i Education Caucus and one individual. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that intergenerational poverty undermines economic and social well-being, making it difficult for families to achieve financial stability, particularly in Hawaii, where the high cost of living creates significant barriers. Your Committee further finds that Connecticut has a successful Baby Bonds Program, which invests in children born into poverty to support future financial independence. By establishing a working group that examines matched savings opportunities, this measure aims to develop a plan for initiatives that would help break cycles of poverty, promote wealth-building opportunities, and

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create long-term economic growth for future generations in the State.

Your Committee notes that the State does have existing savings programs, including the individual development account program and HI529-Hawaii's College Savings Program. Your Committee therefore finds that it would be beneficial to expand the working group's focus to include strategies to improve participation or utilization of existing asset-building programs.

Accordingly, your Committee has amended this measure by:

- (1) Changing the name of the working group to the "Wealth Building Working Group";
- (2) Expanding the scope of the working group to include reviewing other existing asset-building programs;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 324, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 324, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Human Services &
Homelessness,



LISA MARTEN, Chair



