

MAR 07 2024

SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO CONVENE A BABY
BONDS WORKING GROUP.

1 WHEREAS, intergenerational poverty undermines social and
2 economic wellness; and

3
4 WHEREAS, according to the 2009 paper "Childhood and
5 Intergenerational Poverty: The Long-Term Consequences of Growing
6 up Poor" by Robert L. Wagmiller, Jr., and Robert M. Adelman,
7 "individuals who grow up in poor families are much more likely
8 to be poor in early adulthood"; and

9
10 WHEREAS, Hawaii's high cost of living makes overcoming
11 intergenerational poverty difficult for working families; and

12
13 WHEREAS, according to the National Low Income Housing
14 Coalition's 2023 Out of Reach study, a minimum wage employee
15 must work one hundred seven hours per week to afford a one-
16 bedroom rental home at fair market rent in Hawaii; and

17
18 WHEREAS, the same study also found that a worker must earn
19 \$41.83 per hour to afford a two-bedroom rental unit without
20 being cost burdened; and

21
22 WHEREAS, the Massachusetts Institute of Technology's living
23 wage calculator estimates a livable wage for a Hawaii resident
24 who is a single adult and has no children to be \$27.33 per hour
25 and a single adult with one child to be \$51.83 per hour; and

26
27 WHEREAS, longstanding systemic inequality and its continued
28 effect on government policy has created unacceptable outcomes
29 across the spectrum of child well-being for children in
30 communities of color, including but not limited to Native
31 Hawaiian and other Pacific Islander, Filipino, Black, Hispanic,
32 Asian, and immigrant households; and

33



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1 WHEREAS, the COVID-19 pandemic and its economic fallout
2 further exacerbated entrenched disparities for children of color
3 and their families; and

4
5 WHEREAS, in 2021, Connecticut became the first state to
6 pass an initiative that invests directly in children born into
7 poverty known as "baby bonds"; and

8
9 WHEREAS, the program sets aside funds for each baby born in
10 Connecticut whose birth is covered by Medicaid, with those funds
11 to be held, managed, and invested by the Connecticut Office of
12 the Treasurer; and

13
14 WHEREAS, when participating children reach adulthood, they
15 are eligible to claim funds to be used for buying a home, paying
16 for higher education or job training, starting a business, or
17 saving for retirement; and

18
19 WHEREAS, Connecticut's baby bonds program is designed to
20 narrow the wealth gap and spur long-term economic growth for
21 Connecticut's families and economy; and

22
23 WHEREAS, a baby bonds program could significantly alleviate
24 intergenerational poverty in Hawaii; now, therefore,

25
26 BE IT RESOLVED by the Senate of the Thirty-second
27 Legislature of the State of Hawaii, Regular Session of 2024,
28 that the Department of Human Services is requested to convene a
29 working group to consider the creation of a baby bonds program
30 for Hawaii; and

31
32 BE IT FURTHER RESOLVED that the working group is requested
33 to consist of the following members:

- 34
- 35 (1) The Director of Human Services or the Director's
36 designee, to serve as Chairperson of the working
37 group;
 - 38
 - 39 (2) The Director of Taxation or the Director's designee;
 - 40
 - 41 (3) The Director of Finance or the Director's designee;
 - 42



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- 1 (4) One member from the Senate, to be appointed by the
2 President of the Senate;
- 3
- 4 (5) One member from the House of Representatives, to be
5 appointed by the Speaker of the House of
6 Representatives;
- 7
- 8 (6) The Executive Director of the University of Hawaii
9 Economic Research Organization or the Executive
10 Director's designee;
- 11
- 12 (7) One representative from a nonprofit public interest
13 organization specializing in public health, as invited
14 by the Chairperson;
- 15
- 16 (8) One representative from a nonprofit, public interest
17 organization specializing in anti-poverty policies for
18 low-income individuals, as invited by the Chairperson;
- 19
- 20 (9) One representative from a nonprofit public interest
21 organization specializing in advocacy for children, as
22 invited by the Chairperson; and
- 23
- 24 (10) Other relevant stakeholders as recommended by the
25 working group and invited by the Chairperson; and
- 26

27 BE IT FURTHER RESOLVED that the working group is requested
28 to:

- 29
- 30 (1) Develop recommendations for a baby bonds program that
31 reduces intergenerational poverty and wealth
32 inequality in the State;
- 33
- 34 (2) Suggest eligibility criteria for a baby bonds program
35 operated by the State;
- 36
- 37 (3) Coordinate with other stakeholders, agencies, and
38 programs within and outside of the State that are
39 working to implement baby bonds programs or reduce
40 intergenerational poverty; and
- 41



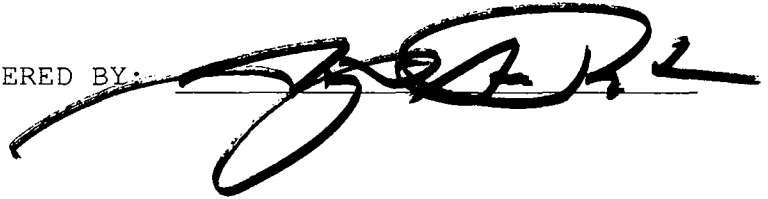
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1 (4) Perform an analysis of the Connecticut baby bonds
2 program to determine what aspects of the program may
3 be beneficial to incorporate into a baby bonds
4 initiative for Hawaii; and
5

6 BE IT FURTHER RESOLVED that the working group is requested
7 to submit a report of its findings and recommendations,
8 including any proposed legislation, to the Legislature no later
9 than twenty days prior to the convening of the Regular Session
10 of 2025; and
11

12 BE IT FURTHER RESOLVED that certified copies of this
13 Resolution be transmitted to the Governor, Lieutenant Governor,
14 Director of Human Services, Director of Taxation, Director of
15 Finance, and Executive Director of the University of Hawaii
16 Economic Research Organization.
17
18
19

OFFERED BY:

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and difficult to decipher, but appears to consist of several large loops and flourishes.