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## Rep. Kim Schofield and Sen. Anderson Introduce Resolutions to Create Baby Bonds Study Committees

*Filing comes as state level programs gain momentum across the country*

**(Atlanta, Georgia)** Yesterday, Georgia State Representative Kim Schofield (D, College Park) introduced a resolution creating a house study committee on the feasibility of a baby bonds program by which savings accounts are created for every Medicaid-eligible child born in Georgia. This committee would help lawmakers better understand the economic development benefits of Baby Bonds policies. Such a program would significantly reduce generational wealth disparities for vast regions of the state by investing small sums into accounts for each child that, upon adulthood, could only be used for purchases which generate wealth or lead to wealth generation such as home ownership, starting a business, job training, or higher education.

**Georgia State Representative Kim Schofield** addressed the filing, saying, “Let’s invest in Georgia’s future. We have [\\$11B in undesignated surplus](#). We’re discussing legalizing sports betting this session. These benefits should be reinvested in our youth across the state. We should be able to say to every single mother in this state, “we’ll make sure he has a shot. Every family needs a future to hope for.”

**Georgia State Senator Tonya Anderson**, who filed a companion resolution in the Senate, added, “There will be children from every county who receive this, and there’s new research that suggests it would add years onto the lives of Georgia’s citizens. This is the kind of investment that many places in our state never see.”

The resolution builds on research led by the Atlanta Wealth Building Initiative (AWBI) and Georgia Resilience and Opportunity Fund (GRO). GRO leads an effort to pilot a Baby Bonds program in Georgia. If fully funded, the pilot would be the first in the nation to return findings, heavily influencing legislation at the state and national levels. Studies estimate inequality costs Georgia [\\$11B in GDP loss](#). Internal modeling suggests a Baby Bonds policy here could create \$1.6B annual investment across the state - mostly outside of Metro Atlanta. The study committee will further assess the impact of the program for participants and the overall state economy.

**Amit Khanduri, Director of Programs, Baby Bonds**, for GRO remarked, “Imagine how much a family’s life changes when they know that their child has a real shot to build wealth. If we want people to stay in Georgia, buy homes here, start families here - this is how we do it. The best way to grow Georgia’s economy is to give people a real stake in it.”

Famed economist and architect of the “Baby Bonds” model, Darrick Hamilton, and [The New School Institute on Race, Power, and Political Economy](#) have joined the project as partners. **Darrick Hamilton** commented on the introduction of the legislation by saying, “It’s a simple tool - compounding interest. Georgia invests money that generates interest, and that money goes directly back into Georgia’s economy through home purchases, new businesses that create jobs, and higher wages and tax payments through education and job training.”

A study committee could also provide insight on building Black wealth - [a major concern in Atlanta](#) and one specifically addressed by AWBI [in their recent report](#). “When we released our framework for building Black wealth, our first recommendation was for leaders to support local and state efforts to launch a baby bonds program,” said **Dr. Alex Camardelle, AWBI Vice President of Policy and Research**. “By investing in Georgia’s future, we work toward narrowing the racial wealth divide not just for an individual but for our entire community.”

The bill comes as “baby bonds” legislation gains momentum nationally. Connecticut has implemented a program, and various state governments from Iowa to Nevada are exploring the model. Connecticut’s policy, in particular, has drawn national attention as State Treasurer Erick Russell recently announced that the state was garnering [7% returns through interest](#) on their program accounts.

On the national level, there are two significant proposals in the United States Congress. The first, [sponsored by United States Senator Cory Booker \(D, New Jersey\) and Congresswoman Ayanna Pressley](#), would seed \$1,000 into Child Trust Accounts for every child born, not just those eligible for Medicaid, and add up to \$2,000 a year - dependent on the household’s income. Another proposal, from Senator Bob Casey, nicknamed [401Kids](#), would deposit up to \$750 a year for middle to lower income families. Either proposal would represent a significant step towards closing the racial wealth divide.

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