

HB3691: Support Children's Savings Accounts

Senator Lightford – McGuire – McCann – Cunningham – Collins, Harmon, Castro, Hunter, Steans, Silverstein, Tracy, Link, Muñoz, Aquino, Holmes, Bush, Martinez, Biss, Hutchinson, Morrison, Van Pelt, Koehler, Trotter, Jones

Reps. Gabel – Tabares – Welch – Pritchard – Hammond, Mussman, Greenwood, Mah, Stratton, Conroy, D. Burke, Hernandez, Zalewski, Wallace, Evans, Chapa LaVia, Soto, Fine, Davis, Ford, Harper, C. Mitchell, Hoffman, Walsh, Stuart, Yingling, Lang, Guzzardi, D'Amico, Conyears-Ervin, Mayfield, Cassidy, DeLuca, Unes, Costello, Batinick, Manley, Thapedi, Williams, Feigenholtz, Slaughter, Sims, Sente

All children should have the opportunity to thrive. A Children's Savings Account (CSA) program provides both the hope and the means to expand educational and economic opportunity for Illinois families. With a CSA provided at birth, every child will start off on the right foot.

CSAs Create a Pathway to a College Degree for More Children



Low & Moderate
Income **Children**



with **College Savings**
of just \$1 - \$499



Are **3X** more likely to
Attend College



And **4X** more likely to
Graduate College

CSAs Support Early Childhood Development & Maternal Health



Accumulating savings within a household positively affects a parent's outlook on their child's future. This **real hope for the future** has been shown to reduce maternal depression symptoms and support early childhood development. Children given a CSA at birth score better on socio-emotional development indicators than their counterparts who did not receive a CSA.

CSAs Build Financial Stability for Families & Communities

Result in Financially Capable Children: Children enrolled in a CSA program and receiving financial education scored significantly higher on financial capability tests than those receiving only the education.

Promote Saving Behavior: CSAs give families the opportunity to practice the skills that lead to financial well-being.

Create Economic Stability: CSAs increase the number of qualified workers available for jobs that require postsecondary education – resulting in a more competitive economy for Illinois.

Program Features

Automatic: A 529 college savings account would be opened automatically at birth for every child born in Illinois.

Initial Seed: The Illinois State Treasurer, serving as the account custodian, would seed each new account with an initial investment of \$50.

Savings Incentive: After the initial deposit, low- and moderate-income families would be encouraged to save through savings incentives – a one-to-one dollar match up to \$75 per year.

A National Movement

Seven states have created a CSA program with others in development.

These states have leveraged both public and private investments to build a sustainable savings program.

Questions: Contact Jody Blaylock, Heartland Alliance, at 904.563.0882 or jblaylock@heartlandalliance.org

The Following Organizations Support HB3691:

Center for Changing Lives
Center for Economic Progress
Center for Financial Services Innovation (CFSI)
CFED
Chinese American Service League
Community Organizing and Family Issues (COFI)
Community Renewal Society
Cornerstone Family Christian Center
EverThrive Illinois
Family-Centered Social Policy Program, New America
Habitat for Humanity of Champaign Inc.
Health & Medicine Policy Group
Heartland Alliance for Human Needs & Human Rights
Heartland Human Care Services
Illinois Action for Children
Illinois Asset Building Group (IABG)
Ladder Up
LIFT
National Association of Social Workers – Illinois Chapter
National Council of Jewish Women – Illinois State Policy Advocacy Network
Northwest Side Housing Center
Partners in Community Building, Inc.
Peoria Friendship House
POWER-PAC (a project of COFI)
Project IRENE
Sargent Shriver National Center on Poverty Law
The Ounce of Prevention Fund
Voices for Illinois Children
United Way of Metropolitan Chicago
United Way of Illinois
Washington University in St. Louis
Woodstock Institute

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