HB2237: Support Children’s Savings Accounts

Rep. Gabel – Welch – Ortiz, Bristow, Batinick, Edly-Allen, Villanueva, Didech, Guzzardi, Cassidy, Mah, Stuart, Greenwood

Sen. McGuire – Harmon – Bush – Collins – Martinez, Bennett, Villivalam, Cunningham, Crowe, Castro, Belt, Lightford, Sandoval, Muñoz, Hutchinson, Peters, Hunter, Sims

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.

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.

Program Features

Automatic: An omnibus 529 college savings account would be opened automatically for the children born or adopted in Illinois that year.

Initial Seed: The Illinois State Treasurer, serving as the account custodian, would seed each new account with an initial investment of $50. Families must “claim” the seed deposit by the child’s 10th birthday.

Savings Incentives: After the initial deposit, low- and moderate-income families would be encouraged to save through incentives, which the Treasurer’s Office can develop in partnership with funders and local communities.

A National Movement

Seven states have created a CSA program for all children in their state, 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 HB2237:

Center for Changing Lives
Chicago Commons
COFI/POWER-PAC
Economic Awareness Council
Equal Voice Action
EverThrive Illinois
Heartland Alliance for Human Needs & Human Rights
Illinois Action for Children
Illinois Asset Building Group (IABG)
Illinois Black Chamber of Commerce
Metropolitan Planning Council
North Lawndale Employment Network
North West Side Housing Center
Office of the Illinois State Treasurer
The Ounce
Project IRENE
Sargent Shriver National Center on Poverty Law
Voices for Illinois Children
Woodstock Institute
YWCA Metropolitan Chicago

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