

# ENDNOTES

<sup>1</sup> LAURA SULLIVAN ET AL., N.J. INST. FOR SOC. JUST., MAKING THE TWO NEW JERSEYS ONE: CLOSING THE \$300,000 RACIAL WEALTH GAP IN THE GARDEN STATE 7 (2022), [https://assets.nationbuilder.com/njisj/pages/689/attachments/original/1645217098/Making\\_the\\_Two\\_New\\_Jerseys\\_One\\_2.15.22-compressed.pdf](https://assets.nationbuilder.com/njisj/pages/689/attachments/original/1645217098/Making_the_Two_New_Jerseys_One_2.15.22-compressed.pdf).

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> *Id.* at 24.

<sup>5</sup> GRAHAM RUSSELL GAO HODGES, BLACK NEW JERSEY: 1664 TO THE PRESENT DAY 13-14 (2019).

<sup>6</sup> Douglas Harper, *Slavery in New Jersey*, SLAVERY IN THE NORTH (2003), <http://slavenorth.com/newjersey.htm>.

<sup>7</sup> HODGES, *supra* note 5, at 64.

<sup>8</sup> The term “Baby Bonds” was originally coined by the late Columbia University historian Manning Marable and has since been commonly used to describe baby trust account programs across the United States. DARRICK HAMILTON ET AL., A BIRTHRIGHT TO CAPITAL: EQUITABLY DESIGNING BABY BONDS TO PROMOTE ECONOMIC AND RACIAL JUSTICE (2020), [https://prosperitynow.org/sites/default/files/PDFs/Federal%20Policy/Kirwan\\_Institute\\_Prosperty\\_Now-Baby\\_Bonds\\_FULL\\_REPORT\\_FINAL\\_FEB\\_2020.pdf](https://prosperitynow.org/sites/default/files/PDFs/Federal%20Policy/Kirwan_Institute_Prosperty_Now-Baby_Bonds_FULL_REPORT_FINAL_FEB_2020.pdf). As such, the term “Baby Bonds” will be capitalized throughout this report.

<sup>9</sup> SHIRA MARKOFF ET AL., PROSPERITY NOW, A BRIGHTER FUTURE WITH BABY BONDS: HOW STATES AND CITIES SHOULD INVEST IN OUR KIDS 5 (2022), <https://prosperitynow.org/sites/default/files/resources/A-Brighter-Future-With-Baby-Bonds.pdf>.

<sup>10</sup> Ashraf Khalil, *DC’s pioneering ‘Baby Bonds’ plan aims to narrow wealth gap*, ASSOCIATED PRESS, Aug. 21, 2022, <https://apnews.com/article/covid-health-education-b365606b5c5433aa0f5febac0b2ae2d6>.

<sup>11</sup> SULLIVAN ET AL., *supra* note 1, at 17-19.

<sup>12</sup> MARKOFF ET AL., *supra* note 9.

<sup>13</sup> Fabiola Cineas, *Baby bonds could shrink the Black-white wealth gap*, VOX, Feb 17, 2021, <https://www.vox.com/22268500/baby-bonds-black-white-wealth-gap-booker-pressley>.

<sup>14</sup> Susan K. Livio, *N.J. must ‘repair the harm’ of huge wealth gap between white and Black families, advocates say*, NJ.COM, Jun. 14, 2022, <https://www.nj.com/politics/2022/06/nj-must-repair-the-harm-of-huge-wealth-gap-between-white-and-black-families-advocates-say.html>.

<sup>15</sup> Cineas, *supra* note 13.

<sup>16</sup> MARKOFF ET AL., *supra* note 9, at 6.

<sup>17</sup> *Id.*

<sup>18</sup> *Id.* See also Annie Lowrey, *A Cheap, Race-Neutral Way to Close the Racial Wealth Gap*, THE ATLANTIC, Jun. 29, 2020, <https://www.theatlantic.com/ideas/archive/2020/06/close-racial-wealth-gap-baby-bonds/613525/>.

<sup>19</sup> SULLIVAN ET AL., *supra* note 1, at 8.

<sup>20</sup> N.J. INST. FOR SOC. JUST., THE TWO NEW JERSEYS BY THE NUMBERS: RACIAL WEALTH DISPARITIES IN THE GARDEN STATE 4 (2023), [https://assets.nationbuilder.com/njisj/pages/689/attachments/original/1679924762/Two\\_New\\_Jerseys\\_By\\_the\\_Numbers\\_Data\\_Brief\\_3.23.23-compressed.pdf?1679924762](https://assets.nationbuilder.com/njisj/pages/689/attachments/original/1679924762/Two_New_Jerseys_By_the_Numbers_Data_Brief_3.23.23-compressed.pdf?1679924762).

<sup>21</sup> *Id.*; SULLIVAN ET AL., *supra* note 1, at 20.

<sup>22</sup> STATE OF N.J., *Governor Murphy Highlights Baby Bonds Proposal in Revised FY 2021 Budget* (Sept. 9, 2020), <https://www.nj.gov/governor/news/news/562020/20200909c.shtml>. See also Tracey Tully, *\$1,000 ‘Baby Bond’ Proposed in N.J. in Bid to Narrow the Wealth Gap*, NEW YORK TIMES, Aug. 25, 2020, <https://www.nytimes.com/2020/08/25/nyregion/baby-bond-nj.html>.

<sup>23</sup> Assemb. Bill. 4638, 219th Leg., Sess. 2020-2021 (N.J. 2020), <https://www.njleg.state.nj.us/bill-search/2020/A4638>.

<sup>24</sup> Assemb. Bill. 1579, 220th Leg., Sess. 2022-2023 (N.J. 2022), <https://www.njleg.state.nj.us/bill-search/2022/A1579>. The bill would also appropriate a sum of \$70 million from the General Fund to the Baby Bond Account Fund.

<sup>25</sup> *Id.* The State Treasurer would credit each account with \$2,000 and accept deposits from persons or entities who wish to make deposits into individual accounts. *Id.*

<sup>26</sup> *Id.* The bill also would set up a Baby Bond Account Board to manage the Baby Bond Account Fund. The Board’s executive director would be responsible for the administration of the program, including providing each eligible individual’s family with information about eligibility, the application process, procedures, and requirements for withdrawing money for qualified expenses. The executive director would also be required to make economic literacy available to each eligible individual’s family. *Id.*

<sup>27</sup> Darrick Hamilton is a university professor, the Henry Cohen Professor of Economics and Urban Policy, and the founding director of the Institute on Race, Power and Political Economy at The New School. He is considered one of the nation’s foremost scholars, economists, and public intellectuals. New School Milano, *Faculty: Darrick Hamilton*, <https://www.newschool.edu/milano/faculty/darrick-hamilton/> (last visited Feb. 1, 2023).

<sup>28</sup> American Opportunity Accounts Act, S.441, 118th Congress (1st Sess. 2023) (previously introduced as American Opportunity Accounts Act, S.222, 117th Cong. (1st Sess. 2021)).

<sup>29</sup> MARKOFF ET AL., *supra* note 9, at 3. Connecticut passed legislation creating the first state-level Baby Bonds program in June 2021, followed by Washington, DC, in October 2021. MARKOFF ET AL., *supra* note 9, at 7. In May 2022, lawmakers, in coordination with the governor’s office, chose to delay the program’s start by two years. Khalil, *supra* note 10.

<sup>30</sup> Rebecca Karpen, *On Baby Bond Legislation — Opportunity Shouldn’t be About Luck*, CT EXAM’R, Sept. 9, 2022, <https://ctexaminer.com/2022/09/09/on-baby-bond-legislation-opportunity-shouldnt-be-about-luck/>.

<sup>31</sup> Thomas Breen, *Russell Sworn In, Faces Baby Bonds Test*, NEW HAVEN INDEP., Jan. 4, 2023, [https://www.newhavenindependent.org/article/erick\\_russell\\_sworn\\_in](https://www.newhavenindependent.org/article/erick_russell_sworn_in). Kevin Chang Barnum et al., *State Treasurer Erick Russell talks CT Baby Bonds and policy priorities*, CONN. PUB. RADIO, Feb. 8, 2023, <https://www.ctpublic.org/show/disrupted/2023-02-08/state-treasurer-erick-russell-talks-baby-bonds-and-policy-priorities>.

<sup>32</sup> Khalil, *supra* note 10; Madeline Brown & Catherine Harvey, *As Baby Bonds Gain Momentum, States Must Grapple with These Four Implementation Questions*, URB. WIRE, Jul. 11, 2022, <https://www.urban.org/urban-wire/baby-bonds-gain-momentum-states-must-grapple-these-four-implementation-questions>; Naoka Foreman, *Nevada treasurer seeks to address generational poverty with baby bonds*, NEV. INDEP., Oct. 8, 2022, <https://thenevadaindependent.com/article/nevada-treasurer-seeks-to-address-generational-poverty-with-baby-bonds>.

<sup>33</sup> COUNCIL OF THE D.C., *\$1,000-A-Year ‘Baby Bonds’ Created by the Council* (Oct. 20, 2021), <https://dccouncil.gov/1000-a-year-baby-bonds-created-by-the-council/>.

<sup>34</sup> Martin Austermuhle, *Low-income D.C. kids will get up to \$1,000 a year under new 'baby bonds' program*, NPR, Oct. 21, 2021, <https://www.npr.org/local/305/2021/10/21/1047946734/low-income-d-c-kids-will-get-up-to-1-000-a-year-under-new-baby-bonds-program>.

<sup>35</sup> COUNCIL OF THE D.C., *supra* note 33.

<sup>36</sup> *Id.*

<sup>37</sup> MARKOFF ET AL., *supra* note 9, at 12. These features are all based on recommendations by Darrick Hamilton, one of the economists who first argued for Baby Bonds explicitly to tackle the racial wealth gap.

<sup>38</sup> Office of State Treasurer and Receiver General Deborah B. Goldberg, *Treasurer Goldberg's Baby Bonds Task Force Releases Findings Report and Virtual Briefing* (Dec. 14, 2022), <https://www.mass.gov/news/treasurer-goldbergs-baby-bonds-task-force-releases-findings-report-and-virtual-briefing>.

<sup>39</sup> OFF. OF ECON. EMPOWERMENT, OFF. OF THE TREASURER & RECEIVER GEN. OF MASS., *BABY BONDS TASK FORCE FINDINGS REPORT 7* (2022), <https://www.mass.gov/doc/baby-bonds-task-force-findings-report/download>. See also Paul Tuthill, *'Baby Bonds' program touted as a way to shrink the wealth gap in Massachusetts*, WAMC NE. PUB. RADIO, Dec. 12, 2022, <https://www.wamc.org/news/2022-12-12/baby-bonds-program-touted-as-a-way-to-shrink-the-wealth-gap-in-massachusetts>.

<sup>40</sup> OFF. OF ECON. EMPOWERMENT, *supra* note 39, at 28.

<sup>41</sup> An Act addressing the racial wealth gap, S.D. 711, 193rd Gen. Ct. (2023), available at <https://malegislature.gov/Bills/193/SD711>.

<sup>42</sup> 2022 WASH. FUTURE FUND COMM., OFF. OF THE STATE TREASURER, *A REPORT TO THE LEGISLATURE – ESSB 569 SEC. 123(3)* (2022), [https://www.tre.wa.gov/wp-content/uploads/2022-WFF-Committee-Report\\_Submitted-11.30.22.pdf](https://www.tre.wa.gov/wp-content/uploads/2022-WFF-Committee-Report_Submitted-11.30.22.pdf). See also Liz Moomey, *Could a \$4K 'baby bond' help break the cycle of poverty in WA? Tacoma senator thinks so*, NEWS TRIB., Feb. 6, 2023, <https://www.thenewstribune.com/news/local/article272091157.html>.

<sup>43</sup> See generally 2022 WASH. FUTURE FUND COMM., *supra* note 42.

<sup>44</sup> See Aaron Sherman, *State Treasurer, Bipartisan Coalition Propose Washington Future Fund*, WASH. STATE TREASURER, Jan. 5, 2023, <https://tre.wa.gov/treasurer-bipartisan-coalition-propose-future-fund/>; Moomey, *supra* note 42.

<sup>45</sup> TIARA MOULTRIE ET AL., N.J. INST. FOR SOC. JUST., *FREED FROM DEBT: A RACIAL JUSTICE APPROACH TO STUDENT LOAN REFORM IN NEW JERSEY* (2020), [https://d3n8a8pro7vhm.cloudfront.net/njisj/pages/689/attachments/original/1593521244/Freed\\_From\\_Debt\\_Report.pdf](https://d3n8a8pro7vhm.cloudfront.net/njisj/pages/689/attachments/original/1593521244/Freed_From_Debt_Report.pdf).

<sup>46</sup> NJ FamilyCare is NJ's publicly funded health insurance program that includes Medicaid and Children's Health Insurance Program (CHIP) recipients and is managed by the New Jersey Department of Human Services. *Governor Highlights Expanded Eligibility for NJ FamilyCare Health Care Coverage as Administration Continues Efforts to Cover All Kids*, NJ.GOV (Jan. 18, 2023), <https://www.nj.gov/governor/news/news/562023/approved/20230118a.shtml>.

<sup>47</sup> Assemb. Bill. 1579, 220th Leg., Sess. 2022-2023 (N.J. 2022), <https://www.njleg.state.nj.us/bill-search/2022/A1579>.

<sup>48</sup> MARKOFF ET AL., *supra* note 9, at 8.

<sup>49</sup> See generally MARGARET CLANCY & MICHAEL SHERRADEN, WASHINGTON UNIVERSITY IN ST. LOUIS CENTER FOR SOCIAL DEVELOPMENT, *AUTOMATIC DEPOSITS FOR ALL AT BIRTH: MAINE'S HAROLD ALFOND COLLEGE CHALLENGE* (2014), [https://openscholarship.wustl.edu/cgi/viewcontent.cgi?article=1125&context=csd\\_research](https://openscholarship.wustl.edu/cgi/viewcontent.cgi?article=1125&context=csd_research) (finding that Children's Savings Account programs requiring parents/guardians to enroll their children disproportionately benefit more advantaged children).

<sup>50</sup> Assemb. Bill. 1579, 220th Leg., Sess. 2022-2023 (N.J. 2022), <https://www.njleg.state.nj.us/bill-search/2022/A1579>.

<sup>51</sup> MARKOFF ET AL., *supra* note 9, at 8.

<sup>52</sup> Richard V. Reeves & Nathan Joo, *A tax break for 'Dream Hoarders': What to do about 529 college savings plans*, BROOKINGS, Jun. 29, 2017, <https://www.brookings.edu/research/a-tax-break-for-dream-hoarders-what-to-do-about-529-college-savings-plans/>.

<sup>53</sup> MARKOFF ET AL., *supra* note 9, at 9.

<sup>54</sup> *Id.*

<sup>55</sup> Legislative language from the D.C. bill provides a useful model: "Prior to distribution . . . and notwithstanding any other law, money in the Fund designated for an eligible child enrolled in the . . . program may not be considered: (A) Gross income of the eligible child or the parent; or (B) For the purpose of determining eligibility of the eligible child or the parent for financial aid, local or federal, including the Temporary Assistance for Needy Families Program, the federal Low Income Home Energy Assistance Program, or Weatherization Assistance Program, an education aid or grant, or any other need-based aid or grant." D.C. Code §§ 4-681.01 – 4-681.08 (2021).

<sup>56</sup> NAT'L ASS'N OF REALTORS, *NAR Finds Share of First-Time Home Buyers Smaller, Older Than Ever Before* (Nov. 3, 2022), <https://www.nar.realtor/newsroom/nar-finds-share-of-first-time-home-buyers-smaller-older-than-ever-before>.

<sup>57</sup> Assemb. Bill. 1579, 220th Leg., Sess. 2022-2023 (N.J. 2022), <https://www.njleg.state.nj.us/bill-search/2022/A1579>.

<sup>58</sup> D.C. Code §§ 4-681.01–4-681.08 (2021) (allowing for the enrollee to use the distributed funds for retirement investments, including stocks, bonds, shares, and other similar growth investments).

<sup>59</sup> Suggested language available from the D.C. legislation regarding Baby Bonds: "A distribution of the funds from the Fund may be used only by the enrollee and only for: . . . (E) Retirement investments, including stocks, bonds, shares, and other similar growth investments." D.C. Code § 4-681.06 (2021).

<sup>60</sup> MARKOFF ET AL., *supra* note 9, at 7.

<sup>61</sup> *Id.*

<sup>62</sup> OFF. OF ECON. EMPOWERMENT, *supra* note 39, at 27-29.

<sup>63</sup> N.J. TREASURY, *Social Equity Excise Fee (SEEF)*, NJ.GOV, <https://www.nj.gov/treasury/taxation/cannabis/recreational/seef.shtml> (Dec. 8, 2022).

<sup>64</sup> Sophie Nieto-Munoz, *Residents sound off on how to use cannabis social equity fees*, N.J. MONITOR, Nov. 18, 2022, <https://newjerseymonitor.com/2022/11/18/residents-sound-off-on-how-to-use-cannabis-social-equity-fees/>.

<sup>65</sup> GOVERNOR'S DISASTER RECOVERY OFF., *New Jersey Recovery by Federal Fund*, <https://gdro.nj.gov/tp/en> (Dec. 31, 2022).

<sup>66</sup> See e.g., OFF. OF ECON. EMPOWERMENT, *supra* note 39, at 30-40.