



May 26, 2026

The Honorable Louis P. DiPalma, Chair
Senate Finance Committee
Rhode Island State House
Providence, RI 02903

RE: TESTIMONY IN SUPPORT OF Senate BILL 2843 — RELATING TO PROBATE PRACTICE AND PROCEDURE -- UNCLAIMED INTANGIBLE AND TANGIBLE PROPERTY

Chair DiPalma and Members of the Senate Finance Committee:

On behalf of United Way of Rhode Island, we express our strong support for Senate Bill S2843, which would fund the Rhode Island Baby Bond Trust Program through an annual allocation of unclaimed property remittances. Specifically, the bill would provide a one-time \$3,000 allocation for each designated beneficiary born in the preceding calendar year, using unclaimed property funds before remaining funds are deposited into the state general fund. The bill's explanation notes that this approach would support the baby bonds trust program without the use of taxpayer dollars.

United Way's policy and advocacy work is guided by our strategic framework: **Strong Families, Strong Nonprofits, Strong United Way**. We prioritize policies that strengthen household stability, expand access to opportunity, and ensure public systems deliver measurable value. This includes centering ALICE households — Asset Limited, Income Constrained, Employed — households. ALICE families work, yet find themselves priced out of stability by the high cost of living basics, including housing, child care, food, transportation, health care, and technology.

The 2026 Rhode Island KIDS COUNT Factbook reports that between 2020 and 2024, more than two-thirds — 69% — of Rhode Island's children living in poverty lived in just five cities: Central Falls, Newport, Pawtucket, Providence, and Woonsocket. KIDS COUNT also highlights persistent disparities, including that Hispanic children in Rhode Island were about 18 times more likely than non-Hispanic white children to live in high-poverty neighborhoods.

For too many children, family wealth and household income shape access to future opportunity long before adulthood. A baby bonds trust program can help create a foundation for young people to pursue education, workforce training, housing stability, entrepreneurship, or other asset-building opportunities later in life. For ALICE families, who are working but often unable to save while paying for basic needs, this type of early asset-building strategy can help reduce long-term economic disparities and create stronger pathways to mobility.

Rhode Island would not be alone in advancing this approach. Connecticut launched the nation's first statewide baby bonds program, automatically investing \$3,200 for each baby whose birth is covered by HUSKY, the state's Medicaid program, with funds available in adulthood for wealth-building uses such as buying a home, paying for education or job training, starting a business, or



saving for retirement. California has also launched the HOPE Program, a trust account initiative for vulnerable youth, including children who lost a parent or guardian to COVID-19 or spent extended time in foster care.

Research also supports the promise of baby bonds as an asset-building strategy. Urban Institute research describes baby bonds as publicly funded child trust accounts intended to reduce wealth inequities and support future wealth-building activities such as education, homeownership, or entrepreneurship. A widely cited simulation found that baby bonds could substantially reduce the Black-white wealth gap among young adults, reducing the median wealth disparity from roughly 16-to-1 to about 1.4-to-1.

United Way of Rhode Island respectfully requests your support for Senate Bill 2843. Funding the Rhode Island Baby Bond Trust Program through unclaimed property remittances is a forward-looking investment in children, family economic security, and Rhode Island's long-term prosperity.

Sincerely,

Elijah McLean
Manager, Government Relations & Policy
United Way of Rhode Island