



HCR44/HR33

**REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO CONVENE A BABY
BONDS WORKING GROUP
House Committee on Human Services**

March 21, 2024

09:30 a.m.

Conference Room 329

The Office of Hawaiian Affairs (OHA) will recommend to the Board of Trustees (BOT) that it **SUPPORT** HCR33/HR22, which requests that the Department of Human Services (DHS) convene a baby bonds working group.

In 2020, OHA developed a 15-year strategic plan called Mana i Maui Ola. The strategic plan is rooted in three foundations: ‘ohana (family), mo‘omeheu (culture) and ‘āina (land and water). From these foundations, our plan lays out four strategic directions: educational pathways, health outcomes, quality housing and economic stability. One of the top outcomes OHA identified for economic stability for Native Hawaiians is to increase the number of kānaka maoli who are resource stable. A family’s capacity to be resource stable has ripple effects in their ability to secure quality housing, educational success and thrive in their health and well-being.

Baby bonds are simple in theory with profound positive potential. They are publicly funded child trust accounts that aim to close the wealth gap for families who are lower income and/or who come from communities that are often actively marginalized from power and influence. Practically speaking, baby bonds provide every child in a given eligibility group an account that is seeded with money usually dependent on their family’s income or wealth. That child would typically be entitled to additional deposits at different points throughout their youth. Then, at age 18, they would be able to access these accounts for specific uses like home ownership, education and more.

OHA believes baby bonds have potential to close the wealth gap for many in Hawai‘i but especially Native Hawaiians. Kānaka maoli have faced nearly 200 years of land and wealth dispossession. This has impacted our health, well-being and ability to thrive here in our homeland. We believe baby bonds can help seed successful futures for Hawaiian keiki



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and reverse the impacts of land and wealth dispossession. OHA would like to be a part of the work group who explores the promising potential of baby bonds here in Hawai'i.

Thus, OHA respectfully requests that we be added as a member of the working group with the following amendment:

BE IT FURTHER RESOLVED that the working group is requested to consist of the following members:

- (1) The Director of Human Services or the Director's designee, to serve as Chairperson of the working group;
- (2) The Director of Taxation or the Director's designee;
- (3) The Director of Finance or the Director's designee;
- (4) The Chief Executive Officer of the Office of Hawaiian Affairs or the Chief Executive Officer's designee;
- (45) One member from the Senate, to be appointed by the President of the Senate;
- (56) One member from the House of Representatives, to be appointed by the Speaker of the House of Representatives;
- (67) The Executive Director of the University of Hawaii Economic Research Organization or the Executive Director's designee;



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(78) One representative from a nonprofit public interest organization specializing in public health, as invited by the Chairperson;

(89) One representative from a nonprofit, public interest organization specializing in anti-poverty policies for low-income individuals, as invited by the Chairperson;

(910) One representative from a nonprofit public interest organization specializing in advocacy for children, as invited by the Chairperson; and

(1011) Other relevant stakeholders as recommended by the working group and invited by the Chairperson; and

Mahalo nui for the opportunity to testify in support of exploring the potential for baby bonds here in Hawai'i. OHA respectfully urges the Committee to **amend and PASS HCR33**.