



News Release

Comptroller Brooke E. Lierman Releases State's First Feasibility Report for Baby Bonds Program in Maryland

New report outlines potential of policy to close the racial wealth gap and expand economic opportunity for Marylanders born into poverty

ANNAPOLIS, Md. (December 3, 2025) — Maryland Comptroller Brooke E. Lierman today released a comprehensive report on the feasibility and potential impacts of implementing a statewide “Baby Bonds” program. The report, [requested by the Maryland General Assembly](#), outlines how publicly funded trust accounts for children born into low-wealth households could help close the racial wealth gap, promote economic mobility, and strengthen the state’s long-term economic performance. It reviews key components of baby bonds programs operating or proposed in other states, estimates program costs and potential funding sources for Maryland, and considers entities that could be responsible for implementation.

“Too many Marylanders are locked out of wealth-building opportunities simply because of the circumstances they’re born into,” **Comptroller Lierman** said. “Baby Bonds offer a powerful tool to help Marylanders gain their financial footing and reach their full potential.”

[Research shows](#) that an estimated 40% of Marylanders do not earn enough to afford basic expenses like utilities, food, and prescriptions, rendering them unable to save or build wealth. Research also suggests that baby bonds can help people in poverty build wealth. Fiscal models conducted for the report show that a \$7,000 state seed investment for each eligible child through a baby bonds program could grow to over \$22,000 by age 18 and \$50,000 by age 30.

The report produced by the Comptroller’s Office details a number of factors for a Baby Bonds program, including:

The persistent racial wealth gap in Maryland

- Research shows that white households have nearly four times the wealth of Black households. The median net worth of white households is \$408,832, compared to \$109,898 for Black households.
- Nearly 80% of Maryland's white households are homeowners, only about half of Black households in Maryland own a home.

The landscape of Baby Bonds programs across the United States

- Connecticut was the first state to fund and implement a baby bonds program in 2023.
- Washington, D.C., Rhode Island, and Vermont have also approved baby bonds programs.
- More than a dozen other states, including Maryland, have proposed baby bonds legislation.
- There are baby bond pilot programs underway on a smaller scale in communities across nine states, including Maryland.

Long-term economic benefits include increased tax revenue and reduced reliance on public assistance.

Estimated Costs for the State

- A program that provides a \$7,000 seed investment for all babies born on Medicaid (approx. 30,000 annually) over five-years could require a \$567 million seed investment by the state.
- Over time, the state could yield an estimated \$1.86 billion in investment earnings, allowing the state to distribute over \$2.4 billion to about 80,000 beneficiaries between the ages of 18 and 30 (depending on when they access their funds).

Administration Responsibility

- In most states considering the Baby Bonds program, state treasurers' offices or other state financial agencies with the capacity to manage trusts and administer claims and distribution are responsible for implementation.
- Eligibility could be determined by Medicaid, ENOUGH Act Zip Codes, or Supplemental Nutrition Assistance Program (SNAP) data.

[Read the full Baby Bonds Report](#)

###

Media Contacts

Robyne McCullough

rmccullough@marylandtaxes.gov

410-980-0139 (cell)

Barbara Sauers
bsauers@marylandtaxes.gov
410-212-9414 (cell)

Comptroller of Maryland, 80 Calvert Street, Annapolis, Maryland 21401, United States