

**Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-0961.01 Rebecca Bayetti x4348

**HOUSE BILL 24-1297**

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**HOUSE SPONSORSHIP**

**Willford and Garcia,**

**SENATE SPONSORSHIP**

**Coleman,**

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**House Committees**

Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING A STUDY REGARDING THE CREATION OF A BABY BONDS**  
102              **PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN**  
103              **APPROPRIATION.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill directs the state treasurer to conduct a study to evaluate the feasibility of and to make recommendations regarding the creation of a "baby bonds" program (program), through which the state deposits a specified amount of money into a public trust account and the money is invested by the state treasurer for an eligible child, who may use the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

money and its earnings for certain eligible uses upon turning 18 years of age. The study must:

- Assess the distribution of wealth in the state;
- Assess the landscape of existing public assistance opportunities for wealth building for:
  - Individuals whose family income does not exceed 195% of the federal poverty line, adjusted for family size; and
  - Individuals belonging to groups who have historically been denied access to wealth-building opportunities or who have experienced wealth stripping and exploitation, which has led to a lack of intergenerational wealth, including individuals who are Black, Indigenous, and people of color;
- Examine and evaluate the feasibility of creating the program in the state;
- Examine investment options for the program;
- Determine how the creation of the program could address the racial wealth gap in the state; and
- Examine any other area related to a baby bonds program that is deemed appropriate by the state treasurer or a third-party entity conducting the study, including any pilot project of related programs performed in the state.

The state treasurer may enter into an agreement with a third-party entity to conduct all or part of the study. At the conclusion of the study and not later than April 15, 2025, the state treasurer is required to submit a report of its findings and make recommendations to the general assembly.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1.** In Colorado Revised Statutes, **add** 24-31-1103 as  
3 follows:

4           **24-31-1103. Baby bonds program study - report - definitions**  
5 **- repeal.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
6 REQUIRES:

7           (a) "BABY BONDS PROGRAM" MEANS A PROGRAM THROUGH WHICH  
8 A SPECIFIED AMOUNT OF MONEY IS DEPOSITED BY THE STATE INTO A  
9 PUBLIC TRUST ACCOUNT AND IS INVESTED BY THE STATE TREASURER FOR

1 EACH ELIGIBLE CHILD, WHO MAY USE THE MONEY AND ITS EARNINGS FOR  
2 CERTAIN ELIGIBLE USES UPON TURNING EIGHTEEN YEARS OF AGE.

3 (b) "STUDY" MEANS THE STUDY CONDUCTED PURSUANT TO  
4 SUBSECTION (2) OF THIS SECTION TO ASSESS THE CREATION OF A BABY  
5 BONDS PROGRAM IN THE STATE.

6 (c) "THIRD-PARTY ENTITY" MEANS AN ENTITY THAT:

7 (I) IS A NOT-FOR-PROFIT ORGANIZATION OR AN INSTITUTION OF  
8 HIGHER EDUCATION;

9 (II) HAS DEMONSTRATED EXPERTISE IN EXAMINING THE CAUSES OF  
10 ECONOMIC AND WEALTH INEQUALITY IN THE UNITED STATES AT THE  
11 FEDERAL, STATE, OR LOCAL LEVEL;

12 (III) HAS FAMILIARITY WITH POLICIES TO ADDRESS WEALTH  
13 INEQUALITY, ECONOMIC MOBILITY, AND LONG-TERM ASSET  
14 ACCUMULATION OR WITH BABY BONDS PROGRAMS; AND

15 (IV) HAS ENTERED INTO AN AGREEMENT WITH THE STATE  
16 TREASURER TO CONDUCT THE STUDY.

17 (2) (a) THE STATE TREASURER SHALL CONTRACT WITH ONE OR  
18 MORE THIRD-PARTY ENTITIES FOR A STUDY EVALUATING THE FEASIBILITY  
19 OF CREATING A BABY BONDS PROGRAM IN THE STATE. IN ADDITION TO ANY  
20 AREA RELATED TO A BABY BONDS PROGRAM DEEMED APPROPRIATE FOR  
21 STUDY BY THE STATE TREASURER OR THE THIRD-PARTY ENTITY,  
22 INCLUDING ANY PILOT PROJECT OF RELATED PROGRAMS PERFORMED IN THE  
23 STATE, THE STUDY MUST:

24 (I) ASSESS THE DISTRIBUTION OF WEALTH IN THE STATE;

25 (II) ASSESS THE LANDSCAPE OF EXISTING PUBLIC ASSISTANCE  
26 OPPORTUNITIES FOR WEALTH BUILDING FOR:

27 (A) INDIVIDUALS WHOSE FAMILY INCOME DOES NOT EXCEED ONE

1 HUNDRED NINETY-FIVE PERCENT OF THE FEDERAL POVERTY LINE,  
2 ADJUSTED FOR FAMILY SIZE; AND

3 (B) INDIVIDUALS BELONGING TO GROUPS WHO HAVE HISTORICALLY  
4 BEEN DENIED ACCESS TO WEALTH-BUILDING OPPORTUNITIES OR WHO HAVE  
5 EXPERIENCED WEALTH STRIPPING AND EXPLOITATION, WHICH HAS LED TO  
6 A LACK OF INTERGENERATIONAL WEALTH, INCLUDING INDIVIDUALS WHO  
7 ARE BLACK, INDIGENOUS, AND PEOPLE OF COLOR;

8 (III) EXAMINE AND EVALUATE THE FEASIBILITY OF CREATING A  
9 BABY BONDS PROGRAM IN THE STATE;

10 (IV) EXAMINE INVESTMENT OPTIONS FOR A BABY BONDS  
11 PROGRAM; AND

12 (V) DETERMINE HOW THE CREATION OF A BABY BONDS PROGRAM  
13 COULD ADDRESS THE RACIAL WEALTH GAP IN THE STATE.

14 (b) THE STATE TREASURER MAY ENTER INTO AN AGREEMENT WITH  
15 ONE OR MORE THIRD-PARTY ENTITIES TO CONDUCT [REDACTED] THE STUDY  
16 DESCRIBED IN THIS SUBSECTION (2).

17 (c) (I) A STATE AGENCY SHALL PROVIDE ANY DATA THAT IS  
18 NECESSARY TO COMPLETE THE STUDY, AS AVAILABLE, UPON REQUEST OF  
19 THE STATE TREASURER OR THE THIRD-PARTY ENTITY.

20 (II) ALL PERSONALLY IDENTIFIABLE INFORMATION AND DATA  
21 COLLECTED IS CONFIDENTIAL, EXEMPT FROM DISCLOSURE UNDER THE  
22 "COLORADO OPEN RECORDS ACT," PART 2 OF ARTICLE 72 OF THIS TITLE  
23 24, AND MAY BE USED OR DISCLOSED ONLY FOR PURPOSES OF THIS  
24 SECTION; EXCEPT WHEN NECESSARY TO COMPLY WITH A COURT ORDER.

25 (3) (a) AT THE CONCLUSION OF THE STUDY, THE STATE TREASURER  
26 SHALL REPORT ON THE STUDY TO THE FINANCE COMMITTEES OF THE HOUSE  
27 OF REPRESENTATIVES AND THE SENATE, OR THEIR SUCCESSOR

1 COMMITTEES.

2 (b) THE REPORT REQUIRED BY THIS SUBSECTION (3) MUST  
3 INCLUDE:

4 (I) A DESCRIPTION OF THE STUDY'S METHODOLOGIES;

5 (II) THE MAJOR FINDINGS OF THE STUDY;

6 (III) ANY OTHER IMPORTANT INFORMATION OR BACKGROUND  
7 REGARDING THE CREATION OF A BABY BONDS PROGRAM IN THE STATE;

8 AND

9 (IV) RECOMMENDATIONS REGARDING:

10 (A) ELIGIBILITY GUIDELINES FOR A BABY BONDS PROGRAM;

11 (B) ELIGIBILITY MECHANISMS, INCLUDING THE FEASIBILITY OF  
12 AUTOMATIC ENROLLMENT IN A BABY BONDS PROGRAM FOR CHILDREN  
13 WHOSE BIRTHS ARE COVERED BY MEDICAID;

14 (C) THE AMOUNT OF MONEY NEEDED TO ESTABLISH A BABY BONDS  
15 PROGRAM, BASED ON A REASONABLE ESTIMATE OF ELIGIBLE CHILDREN;

16 (D) SOURCES OF FUNDING FOR A BABY BONDS PROGRAM,  
17 INCLUDING AN EQUITY ANALYSIS FOR ANY FUNDRAISING IDENTIFIED;

18 (E) INVESTMENT MECHANISMS FOR THE BABY BONDS;

19 (F) ELIGIBLE USES FOR THE BABY BONDS MONEY AND EARNINGS  
20 ONCE THE BONDS MATURE AND THE PARTICIPATING CHILD TURNS  
21 EIGHTEEN YEARS OF AGE;

22 (G) RESOURCES, ENGAGEMENT, AND SUPPORTIVE SERVICES THAT  
23 WOULD BE NEEDED TO ENSURE SUCCESSFUL IMPLEMENTATION OF A BABY  
24 BONDS PROGRAM; AND

25 (H) LEGISLATION NECESSARY TO CREATE AND IMPLEMENT A BABY  
26 BONDS PROGRAM.

27 (4) (a) THE TOTAL COST OF THE STUDY MAY NOT EXCEED FIVE

1 HUNDRED THOUSAND DOLLARS.

2 (b) THE STATE TREASURER MAY SEEK, ACCEPT, AND EXPEND GIFTS,  
3 GRANTS, OR DONATIONS FROM PUBLIC OR PRIVATE SOURCES FOR THE  
4 PURPOSES OF THIS SECTION.

5 (c) THE GIFTS, GRANTS, AND DONATIONS RECEIVED PURSUANT TO  
6 THIS SUBSECTION (4) AND IN-KIND SERVICES MUST COVER ALL BUT  
7 TWENTY-FIVE THOUSAND DOLLARS OF THE TOTAL COST OF THE STUDY.

8 (5) THE FOLLOWING TIMELINE APPLIES TO THE STUDY:

9 (a) THE STATE TREASURER SHALL SELECT THE THIRD-PARTY  
10 ENTITY OR ENTITIES THAT WILL CONDUCT THE STUDY NO LATER THAN:

11 (I) NOVEMBER 1, 2024, IF THERE IS A COMMITMENT OF MONEY OR  
12 IN-KIND SERVICES SUFFICIENT TO COVER THE COST OF THE STUDY BY  
13 SEPTEMBER 30, 2024; OR

14 (II) APRIL 1, 2025, IF THERE IS NOT A COMMITMENT OF MONEY OR  
15 IN-KIND SERVICES SUFFICIENT TO COVER THE COST OF THE STUDY BY  
16 SEPTEMBER 30, 2024; AND

17 (b) THE STATE TREASURER SHALL REPORT ON THE STUDY AS  
18 REQUIRED BY SUBSECTION (3) OF THIS SECTION NO LATER THAN:

19 (I) AUGUST 31, 2025, IF THERE IS A COMMITMENT OF MONEY OR  
20 IN-KIND SERVICES SUFFICIENT TO COVER THE COST OF THE STUDY BY  
21 SEPTEMBER 30, 2024; OR

22 (II) FEBRUARY 15, 2026, IF THERE IS NOT A COMMITMENT OF  
23 MONEY OR IN-KIND SERVICES SUFFICIENT TO COVER THE COST OF THE  
24 STUDY BY SEPTEMBER 30, 2024.

25 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2026.

26 **SECTION 2. Appropriation.** For the 2024-25 state fiscal year,  
27 \$25,000 is appropriated to the department of the treasury for use by the

1 administration division. This appropriation is from the general fund. To  
2 implement this act, the division may use this appropriation for personal  
3 services. Any money appropriated in this section not expended prior to  
4 July 1, 2025, is further appropriated to the department of the treasury for  
5 the 2025-26 state fiscal year for the same purpose.

6           **SECTION 3. Safety clause.** The general assembly finds,  
7 determines, and declares that this act is necessary for the immediate  
8 preservation of the public peace, health, or safety or for appropriations for  
9 the support and maintenance of the departments of the state and state  
10 institutions.