

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Commerce and Economic Development to which was
3 referred House Bill No. 769 entitled “An act relating to establishing a baby
4 bond trust program” respectfully reports that it has considered the same and
5 recommends that the bill be amended as follows:

6 First: In Sec. 1, 3 V.S.A. § 607, in subsection (b), by striking out “literacy”
7 and inserting in lieu thereof “coaching”

8 Second: In Sec. 1, 3 V.S.A. § 607, in subsection (c), by striking out
9 “literacy” and inserting in lieu thereof “coaching”

10 Third: By striking out Sec. 2, Vermont baby bond trust; housing
11 opportunities; report, in its entirety and inserting in lieu thereof a new Sec. 2 to
12 read as follows:

13 Sec. 2. VERMONT BABY BOND TRUST; HOUSING OPPORTUNITIES;

14 REPORT

15 (a) The Office of the State Treasurer, in consultation with interested
16 stakeholders, shall evaluate the following issues and possibilities under the
17 Vermont Baby Bond Trust program established in 3 V.S.A. chapter 20:

18 (1) increasing housing opportunities in Vermont through investment of
19 Trust funds, including:

1 (A) how the Treasurer may, consistent with the Treasurer’s fiduciary
2 obligations and subject to the provisions of 32 V.S.A. chapter 7, subchapter 2,
3 invest the funds to advance housing opportunities in Vermont;

4 (B) the amount of funds that could be invested in this manner;

5 (C) the anticipated impact of these investments on housing in
6 Vermont;

7 (2) creating eligibility conditions for, and safeguards to protect, a
8 beneficiary’s investment in a business in Vermont;

9 (3) additional mechanisms to encourage beneficiaries to stay in
10 Vermont, including:

11 (A) incentives to encourage beneficiaries expend funds on education
12 at in-State institutions;

13 (B) the feasibility of limiting expenditures on education to in-State
14 institutions while permitting waivers to access out-of-State institutions based
15 on program availability and capacity;

16 (4) modifications to the financial coaching element of the program,
17 including:

18 (A) ensuring a parent or caretaker of a beneficiary is made aware of
19 the program at or around the time of the beneficiary’s birth and offered a
20 financial coaching program substantially similar to that offered beneficiaries;

1 (B) providing additional financial coaching opportunities for
2 beneficiaries who delay withdrawing funds after meeting eligibility conditions;

3 (C) utilizing an advisory board to assist in developing the financial
4 coaching element;

5 (D) measures to expand financial coaching to all children living in
6 Vermont;

7 (5) measures for achieving inflationary adjustment of the statutorily
8 mandated accounting;

9 (6) whether additional needs-based programs administered by the State
10 may be impacted by a beneficiary’s entitlement to funds in the Trust;

11 (7) the feasibility of altering the program to permit a beneficiary to
12 submit a claim throughout the beneficiary’s lifespan and permitting unclaimed
13 funds to rollover into a specified account or remain with the beneficiary’s
14 estate upon death; and

15 (8) any other issues relating to the Vermont Baby Bond Trust
16 investments that the Treasurer identifies as warranting study.

17 (b) On or before January 15, 2026, the Office of the State Treasurer shall
18 submit a written report to the General Assembly with its findings and any
19 recommendations for legislative action.

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4 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE