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Your Question:

You requested information on college savings accounts created for children at birth.

Our Response:

The information here is organized in three sections. First, a brief overview of academic research on college savings accounts, and research on a pilot program in Oklahoma.

This is followed by a review of state sponsored or assisted college savings accounts, referred to here as children's savings accounts, or CSAs. Three of the programs reviewed here initiate at birth (Connecticut, Maine, Rhode Island), and one program begins upon enrollment in kindergarten (Nevada). All these examples are associated with the state's [529 College Savings Plans](#).

The third section is a brief table that charts common features of these four programs.

Research on CSAs

Research has linked having savings to pay for college with increased college-going expectations, as well as increased college outcomes. [One review](#) of the Promise Indiana CSA program found that among parents with no college education, those who received college counseling and have a 529 account were three times more likely to expect their children to attend college than parents who didn't receive college counseling and have a 529 account. [Another study](#) found that students with just \$500 saved for college were three times more likely to enroll in college, and four times more likely to graduate, than their peers with no college savings.

[Data](#) from an [Oklahoma pilot program](#) shows that families with children who were provided a CSA with an initial deposit saved more money than families who did not receive this benefit. [Other research](#) on the pilot program found that receiving the CSA and initial funds positively impacted parents' expectations for their children's education.

State Examples

Additional Information

Prosperity Now, formerly Corporation for Enterprise Development, has compiled scholarly research on CSAs: [CFED Fact File](#)

The [San Francisco Kindergarten to College program](#) is a partnership between the City and County of San Francisco and the San Francisco Unified School District. It operates similarly to the Nevada state program reviewed here.

Inversant, a CSA provider, worked with more than ten community partners in Massachusetts. [This report](#) explores the positive outcomes associated with a CSAs that were observed in Chelsea public schools.

Connecticut:

State statute, [Conn. Gen. Stat. Ann. § 3-22u](#), establishes the [CHET Baby Scholars](#) fund as part of the Connecticut Higher Education Trust, a 529 program. Children born to or adopted by resident families are eligible for a \$100 grant to their CHET account. By the time the child is four, or by the fourth anniversary of adoption, if the family has contributed an additional \$150, the account may be eligible for a matching grant of \$150. Families must open a CHET 529 account and opt-in to the CHET Baby Scholars program. Funds are residual from the defunct CT Student Loan Foundation.

Additionally, [Conn. Gen. Stat. Ann. § 12-743](#), instructs the Commissioner of Revenue Services to provide space on tax return forms for taxpayers to contribute any part of a refund to the CHET Baby Scholars fund. A description of the fund must be accompanied by a statement that the contribution will not benefit a specific child.

Maine:

The Finance Authority of Maine (FAME) assists the Alford Scholarship Foundation administer the [Alford Grant](#), a privately funded \$500 grant to each child born in Maine. Using information received in regular updates from the state Bureau of Vital Records, FAME will contact the recipient's birth mother. Funds are owned by the Alford Scholarship Foundation until paid out to a postsecondary institution. Family contributions cannot be made directly to the Alford Grant; families are encouraged to open a NextGen 529 account, and link it to the Alford Grant.

Nevada:

[Nev. Rev. Stat. Ann. § AB 475, § 1.5](#) authorizes the Board of Trustees of the College Savings Plans of Nevada to establish the [College Kick Start Program](#). [Nev. Rev. Stat. Ann. § 353B.350](#) authorizes the Nevada State Treasurer's Office to administer the program. Funds come from a portion of manager fees paid to the Treasurer's Office by private company partners of the College Savings Plan of Nevada. Upon a Nevada resident's enrollment in a public kindergarten, \$50 will be deposited in their name into a master SSGA Upromise 529 plan. Families and students cannot affect transactions on the College Kick Start account and may not make direct contributions to the account. Parents are encouraged to open a separate SSGA Upromise 529 plan, and link it to the College Kick Start account. The State Department of Education, school districts or schools provide the College Kick Start with student information. As of 2016, approximately 135,000 students were in enrolled in the program.

Rhode Island:

Relevant Links to State Programs

Connecticut:

[CHET Baby Scholars Rules](#)

[CHET Baby Scholars](#)

[Informational Brochure](#)

Maine:

[Alford Grant Guidelines](#)

Nevada:

[College Kick Start Policy](#)

[Handbook](#)

Rhode Island:

[CollegeBoundbaby](#)

[Informational Brochure](#)

[CollegeBoundbaby](#) is a program administered by the state’s 529 College Savings plan. AllianceBernstein, the program fund manager, deposits \$100 into an account for all children born to or adopted by resident families who opt into the program within one year of birth or adoption. Funds are held and invested in a master account by the Office of the General Treasurer. Parents must authorize the Office of Vital Records to release information to the Office of the General Treasurer.

CSA Chart

State	Initial amount	Automatic vs opt-in	Funding Source	Age of forfeiture	Where are funds held?	Guidance provided regarding tax and financial implications
Connecticut	\$100, with a \$150 matching grant option	Opt-in	General fund	n/a	In the child’s 529 account	Families are encouraged to consult a tax advisor about contributions received as part of the program
Maine	\$500	Automatic, at birth	Private funding	28	With the Alford Scholarship Foundation	Funds are not counted as asset for TANF benefits. Funds are considered a scholarship.
Nevada	\$50	Automatic upon enrollment in kindergarten	Portion of fees paid to the Treasurer’s Office, private donations	25	Master 529 account	Funds are considered a scholarship. Nevada has eliminated asset limitations relating to college savings accounts for families receiving state/federal benefits.
Rhode Island	\$100	Opt-in	Program manager funds	25	Master 529 account	Not considered an asset and will not affect public assistance status.