



BabySteps Savings Plan

Massachusetts' seeded account program designed to jump-start savings for future education, vocational, and apprenticeship costs

What is the BabySteps Savings Plan?

BabySteps is Massachusetts' first statewide seeded college savings account program designed to empower families to plan and save for their children's future education, vocational, or apprenticeship costs. Every child who is a Massachusetts resident is eligible to receive a \$50 seed deposit from the Massachusetts State Treasurer's Office into a U.Fund 529 College Investing Plan within one year of their birth or adoption.

What are the goals of the program?

- **Increase** the percentage of children saving for higher education or vocational training in Massachusetts.
- **Deliver** high-quality financial education programming to families, building a culture centered on saving for the future and employing prudent budget management.
- **Boost** postsecondary enrollment and graduation rates for Massachusetts students by fostering aspirations of higher education and vocations for economically vulnerable and disadvantaged children.

How does the BabySteps Savings Plan work?

Families who want to participate in the BabySteps Savings Plan need to open a MEFA U.Fund 529 account. Eligible U.Fund accounts will receive the free \$50 deposit approximately 6 weeks after they are opened. After opening the account, families can begin making contributions and will receive information about growing their children's accounts.

Who is eligible to receive the free \$50 seed deposit?

To be eligible to receive the \$50 seed deposit provided by BabySteps, a child must:

- ▶ Be a Massachusetts resident
- ▶ Have been born or adopted less than one year ago
- ▶ If adopted, be included on an Adoption Verification Form
- ▶ Be named the beneficiary on a MEFA U.Fund 529 account within one year of birth or adoption

What can the savings in a 529 be used for?

529 funds can be used to pay for:

- ▶ K-12 tuition expenses (\$10,000 per year)
- ▶ Vocational school
- ▶ Certain apprenticeship programs
- ▶ College costs including tuition and fees, books and supplies, room and board, and special needs services
- ▶ Repayment of qualified student loans up to \$10,000 in total

Scan to learn more!



How can my organization get involved?

Massachusetts organizations can receive free printed materials and social media toolkits to promote the program and help families start saving. MEFA and the Office of Economic Empowerment also conduct enrollment trainings to explain the process to employees at partner organizations, who can become BabySteps Enrollment Hubs and help families enroll in the program.

Email empowerment@tre.state.ma.us to learn how you can get involved.

Connect with us!



empowerment@tre.state.ma.us



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