

From Seed to Savings: The Office of Economic Empowerment



About OEE

The **Office of Economic Empowerment** (OEE) is a department of the **State Treasury** aimed at helping people learn how to confidently manage their money and plan for their family's future.

The department is also a **resource** to organizations, government agencies, and elected officials as they work to support their communities' **economic well-being**.

Under the guidance of **Treasurer Goldberg**, the department also works alongside policymakers to establish **pathways to wealth equity in Massachusetts**.



OEE's Programs

Save for your child's future with the MA State Treasury



OEE has programs for individuals looking to improve their financial literacy, including **Enrich**, the **Worth & Wealth Seminars**, workshops hosted by our **Community Ambassadors**, and grant offerings.

OEE also manages **BabySteps**, which provides a **free \$50 deposit** into a MEFA U.Fund College Investing Plan 529 account for Massachusetts babies and recently adopted children, helping families save for their children's future **education and job training costs**.

Save for your child's future with the MA State Treasury

BabySteps



What is BabySteps?



BabySteps is a program offered by State Treasurer Deborah B. Golberg that provides **\$50 to Massachusetts families** to save toward their children's education.

Any child in Massachusetts can claim their free \$50 when they open a college and career savings account **within one year of their birth or adoption.**

Why is this important?



Educational Expectations

- Correlated with having a greater 'college-bound identity' (increased expectations).
- Greater importance on education, higher attendance rates, and improvements in academic achievement, ie. standardized tests and grades.

Child Development and Social-Emotional Functioning

- Increased children's social-emotional functioning, with similar effect size to Early Head Start.
- Lessened negative effects of material hardship on child development.

Compound Interest

- Julie saves **\$50 per month** in a 529 account when her child is **first born**.
- Jonathan saves **\$100 per month** in a 529 account beginning when his child is in **2nd grade**.

Who will have more money saved when their child turns 18?



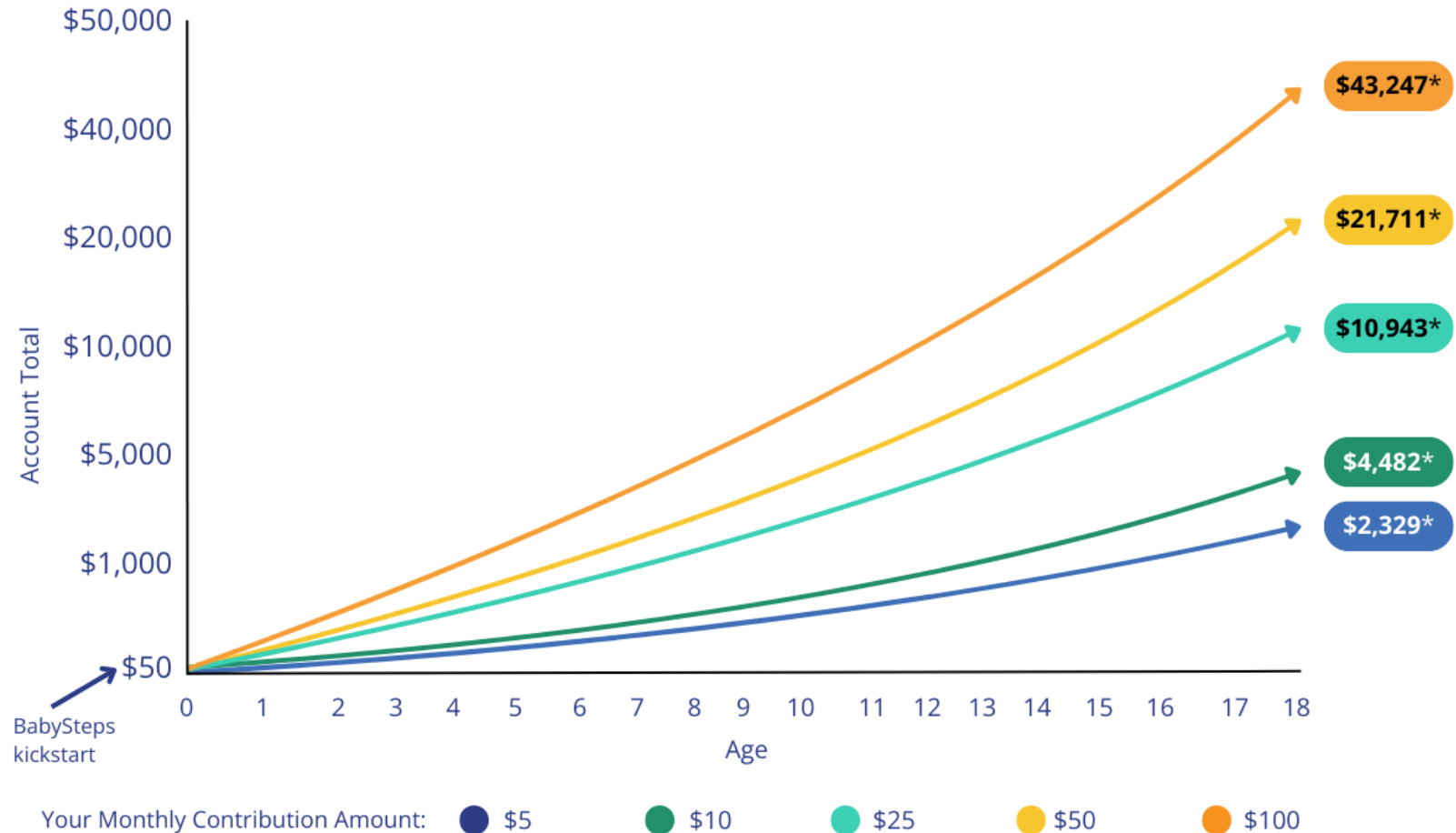
Compound Interest (continued)

- Julie saves **\$50 per month** in a 529 account when her child is **first born**.
 - \$21,536
 - \$10,800 contributed
 - **\$10,736 interest earned**
- Jonathan saves **\$100 per month** in a 529 account starting when his child is in **2nd grade**.
 - \$19,798
 - \$13,200 contributed
 - \$6,598 interest earned

*This assumes consistent monthly saving until the child is 18 and an annual investment return of 7%

BabySteps Seed Growth Over Time

The Impact of Saving Early with BabySteps



*Assuming an annual investment return of 7%, to predict what savings will grow to when the child turns 18.
Office of Economic Empowerment, Massachusetts State Treasury, January 2025.

SNAP into BabySteps

Any child in Massachusetts who:

- Has opened their BabySteps College and Career Savings Account (*under 1YO*)
- Is enrolled in SNAP benefits
- Lets OEE know by filling out a [Formstack](#)

**Receives \$10 a month for one year,
totaling \$170 into their savings account.**



Benefits Eligibility – **NOT AFFECTED**

- Family Self-Sufficiency (FSS)
- Housing Choice Voucher (Section 8)
- Public Housing
- Low Income Home Energy Assistance (LIHEAP)
- Emergency Aid to Elderly, Disabled and Children (EAEDC)
- Transitional Aid to Families with Dependent Children (TAFDC)
- Unemployment Insurance
- Income Eligibility Voucher
- Head Start & Early Head Start
- **SNAP**
- WIC
- Children's Health Insurance Program (CHIP)


Benefits Eligibility – **AFFECTED**

- MassHealth
 - **Only** affecting individuals over age 65 or receiving long term care
 - For seniors: \$2,000 for individual \$3,000 for family
- Medicare
 - **Only** affecting Medicare Savings Program
 - Varies, but most often: \$7,730 for individuals, \$11,600 for married couples
- Supplemental Security Income (SSI)
 - Total Countable Assets must not exceed: \$2,000 for individuals, \$3,000 for family
- **Earned Income Tax Credit**
 - Total of all **Investment Income** for the year must not exceed \$11,600

Public Program	Eligibility Affected by 529?	Savings Limit
Childcare	Eligibility	Total Savings Allowed
Income Eligible Vouchers	Not Affected	N/A
Head Start and Early Head Start	Not Affected	N/A
Nutrition	Eligibility	Total Savings Allowed
Snap	Not Affected	N/A
WIC	Not Affected	N/A
National School Lunch Program (Free/Reduced Lunch)	Not Affected	N/A
Healthcare	Eligibility	Total Savings Allowed
Children's Health Insurance Program (CHIP) – Part of Medicaid	Not Affected	N/A
MassHealth	Only affected for individuals <u>over age 65</u> , or <u>receiving long term care</u>	For seniors: \$2000 for individual, \$3000 for family
Medicare	<u>Only affects Medicare Savings Program</u>	Varies, but most often: \$7,730 for individuals, \$11,600 for married couple

Housing	Eligibility	Total Savings Allowed
Family Self-Sufficiency Program (FSS)	Not Affected	N/A
Housing Choice Voucher (Section 8)	Not Affected	N/A
Public Housing	Not Affected	N/A
Low Income Home Energy Assistance Program (LIHEAP)	Not Affected	N/A
Income Supports and Insurance	Eligibility	Total Savings Allowed
Earned Income Tax Credit (EITC)	Affected	Total of all investment income (including 529) for the year must not exceed \$11,600*
Emergency Aid to Elderly, Disabled, and Children (EAEDC)	Not Affected	N/A
Supplemental Security Income (SSI)	Affected	Total countable assests must not exceed: \$2,000 for individual \$3000 for family
Transitional Aid to Families with Dependent Children (TAFDC)	Not Affected	N/A
Unemployment Insurance	Not Affected	N/A

How do families enroll?



mefa® OPEN A U.FUND 529 COLLEGE INVESTING ACCOUNT TODAY.

AND RECEIVE **\$50** FROM THE COMMONWEALTH OF MASSACHUSETTS.

Today's the day to claim the \$50 toward a college education that the Commonwealth of Massachusetts has promised every child born or adopted here. All you need to do is open a MEFA U.Fund 529 College Investing Plan account, professionally managed by Fidelity Investments.

This is a seed to start your own tax-advantaged investment plan designed to grow while your child grows. You can add whatever you want, whenever you want, over time. But you must act now. Your child is only eligible within one year of birth or adoption. Let's do it today.

Open a U.Fund account

- Families can hear of us from **page two of the parent worksheet** but must enroll themselves
- Visit mass.gov/babysteps to be directed to fidelity.com/ufund
- **Free** Investment Advice in multiple languages: 800-544-2776

Testimonials

“I feel relaxed. My thinking is that even if I am not able to save enough to cover 100% college costs, that's not an issue. **Something is always better than nothing.** Anything is better than 0 or ignoring the goal.”

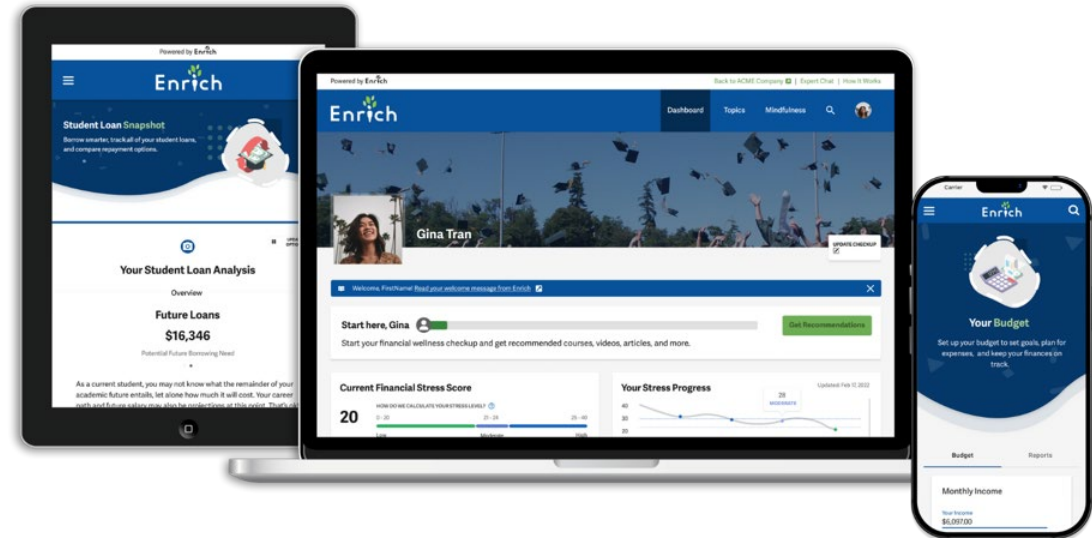
“I have told everyone I know who has had a kid since 2020 to start one of these funds. **The seed money makes it worth it even if they are unable to further contribute on their own.** I am proud to live in a state that places such value on higher education and planning for the future.”

“I think it's a wonderful idea to set up these accounts. **My wife and I might not have thought of it otherwise when we had our first baby.** Now we've also been able to start saving for our second child too after she was born!”



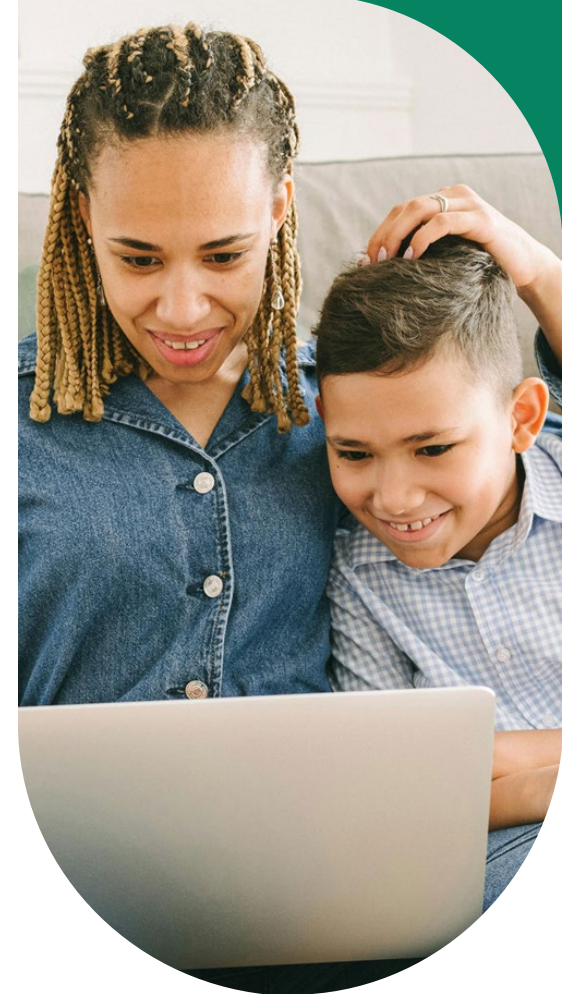
About Enrich

- **Enrich** is where Massachusetts residents can get answers and **make a money plan**, regardless of their age or situation.
- A digital platform, Enrich provides **personalized financial literacy resources**, including assessments, courses, articles, **credit simulators**, and more.
- **Enrich is free**, secure, and available in **English, Chinese, French, Portuguese, and Spanish**.



Getting Started

- Visit **masstreasury.enrich.org** to create your account.
- Take one of the assessments, such as the **money personality quiz** or the **financial stress score**.
- Explore the courses recommended by Enrich based on your personal needs and goals.
- Check out the tools Enrich offers, like budget templates, **credit simulators**, scholarship searches, and more.
- Enrich uses data-driven approaches to helping its users change their money mindsets. Visit the **“Money Mindfulness”** section and check out the meditation and journal prompts.





Worth & Wealth/Valor y Dinero

Sponsored by Citizens, the Worth & Wealth Seminars are **webinars** offered by OEE each year that are designed to help participants feel more confident managing their money. Participants are also invited to schedule a **free 1:1 session with a certified financial coach.**

Los Seminarios de Valor y Dinero is Worth & Wealth's sister program, providing **free financial education workshops in Spanish.**





COMMUNITY

Ambassadors

Community Ambassadors

Community Ambassadors are **volunteers** who **help spread the word** about financial empowerment initiatives, **host workshops**, and conduct community assessments to help **inform OEE program and policy priorities**.

Ambassadors **receive comprehensive training on all OEE programs**, an official citation from the State Treasurer, a certificate of completion, and a **\$2,800 stipend for an eight-month term**.



Next Steps

- Place **free materials** in lobby/waiting area and/or post information graphics on **social media**
- Add a **link** to OEE on your organization's website
- Invite an **OEE representative** or designated OEE **Community Ambassador** to host an information **table** at your organization and/or run an **event** (in-person or virtual)
- Learn how to enroll families into BabySteps/SNAP into BabySteps in as little as 15 minutes with our free, one-hour training
- Connect with us on social media



Thank You!

