



Legislation Text

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Res. No. 724

Resolution calling on Congress to pass, and the President to sign, S.441/HR 1041, also known as the American Opportunity Accounts Act, which would create a federally funded savings account for every American child.

By Council Members Williams, Ossé, Stevens, Hudson, Won, Louis, Restler, Brannan, Narcisse, Brooks-Powers and Banks

Whereas, Economic inequality continues to pose significant challenges to the opportunities available to individuals across the United States, with stark disparities in wealth and access to financial resources; and

Whereas, Wealth is primarily passed down from one generation to the next, and generations of policies and laws have increased rather than reduced wealth inequality, entrenching an extraordinary wealth gap, especially by race; and

Whereas, The gap in wealth between the richest Americans and the middle class has grown dramatically in the past 50 years; and

Whereas, According to the Urban Institute, in 1963, families near the top of the income bracket held six times the wealth of families in the middle income bracket, but by 2016, they held 12 times as much; and

Whereas, There is also a pernicious racial wealth gap in America; in 2016, the median Black family had about \$17,000 in wealth compared to the typical white family who had about \$170,000, reflecting structural inequalities rooted in historical and systemic discrimination; and

Whereas, S.441/HR 1041, The American Opportunity Accounts Act, sponsored by Senator Corey Booker and Congresswoman Ayanna Pressley, seeks to address these disparities by establishing a \$1,000 seed savings account at birth, commonly referred to as a baby bond; and

Whereas, The funds in these accounts would sit in an interest-bearing account and receive additional

annual deposits based on family income, with the total contributions being as high as \$2,000 annually for those from lower-income families; and

Whereas, At age 18, beneficiaries of these accounts would gain access to the funds for approved uses, such as purchasing a first home, paying for higher education expenses, or making long-term investments, thereby fostering greater economic mobility and opportunity for every American child; and

Whereas, According to a 2024 study by the Urban Institute, a federal baby bond program would not only reduce the racial-ethnic wealth gap, but also decrease the number of people taking on student loan debt, and increase home equity accumulation; and

Whereas, The legislation is designed to be fully paid for through reforms to federal estate and inheritance taxes, including restoring the estate tax to 2009 levels, ensuring that those with the greatest means contribute to building a fairer future for all; and

Whereas, In New York City, where socioeconomic disparities are particularly pronounced, implementing such federal measures could significantly uplift communities, reduce generational poverty, and contribute to a more equitable society; now, therefore be it

Resolved, That the Council of the City of New York calls on Congress to pass, and the President to sign S.441/HR 1041, also known as the American Opportunity Accounts Act, which would create a federally funded savings account for every American child.

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