

BOARD REPORT

February 2022

First Step by ColleeInvest

The Colorado legislature passed a Child Savings Account bill (HB19-1280) which provides \$100 to every child born or adopted in the State of Colorado on or after January 1, 2020. **To date, 3,010 families have received the award.** We've been monitoring the participation rates on a regular basis, and it appears that parents are more likely to apply when their child is 6 to 12 months or older. **The overall participation rate is 2.4% for both years (2020 and 2021). However, the rate for January 2020 births and adoptions is 4.3% and the rate for all 2020 births and adoptions is 3.2%.** These enrollment trends are in line with the launch of similar programs in other states and appear to be on track to exceed them. Other states typically require the parents to open the account before the child's 1st birthday, while the ColleeInvest program gives them additional time, up to the child's 5th birthday. This additional time is a huge advantage to Colorado families; however, we do anticipate a slower adoption rate in year one without this sense of urgency.

All First Step awardees will be automatically enrolled into the Matching Grant Program for 5 consecutive years. We anticipate this will motivate applicants to start contributing to their new accounts on a regular "set it and forget" pattern for long time savings. We experienced a high volume of applications from people who wanted to claim their First Step award before December 31, so they could participate in MGP for the 2023 calendar. Our Operations and Special Program teams received numerous compliments during this period. Here are just a few highlights:

Hi Shelley,

*I appreciate you reaching out. I attached Brayden's birth certificate. It was issued in Kansas because he was born there, with my husband and I being CO residents, and was issued after his adoption was finalized listing us as his parents. **As an aside, I just want to say how helpful and proactive everyone involved with First Step has been.** I was surprised to get your email today and appreciate you picking up our application. I had the pleasure of also speaking to Mike Keglovits who helped clarify Brayden's eligibility. Thank you so much for making this easy and painless.*

Thank you, Kali H.

Deeanna,

***Thank you so much for reaching out to me... I imagine you didn't have to follow up, and the fact that you did, really means a lot to me, truly.** I wasn't sure what the error was, and I had basically just given up on trying to sort it out. With 2 kiddos now and both my wife and I back to work full time, I have precious little time to take care of things like this, even with knowing how incredibly important saving for college is; slow and steady, wins the race...and every little bit helps. What you did was very kind. Thank you so much, happy holidays.*

Best, Sean