

DRAFT

SUMMARY

Requires Department of Human Services, child-caring agency and foster home to ensure child receiving care or services from department, agency or home establishes savings account in child's name for child's sole use and benefit upon child reaching 12 years of age.

Authorizes child to contract with financial institution to establish savings account. Requires savings account to have overdraft protection.

A BILL FOR AN ACT

Relating to savings accounts for foster children.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) The Legislative Assembly finds that a child who is 12 years of age or older and who is in the custody of the Department of Human Services, a child-caring agency or a foster parent should be entitled to establish a savings account in the child's name and for the child's sole use and benefit for the following reasons:

(a) Access to such accounts prepares a child to become financially independent once the child is no longer in the custody, care or supervision of the department, child-caring agency or foster parent.

(b) It is an important life lesson for a child to learn to save money for the future.

(c) Providing children who are in the custody of the department, a child-caring agency or a foster parent with the opportunity to establish a savings account is an important step toward their fiscal maturity.

(2) The Department of Human Services, a child-caring agency li-

1 censed by the department under ORS 418.215 to provide care or services
2 to a child in foster care and a person certified to maintain a foster
3 home under ORS 418.625 to 418.645 shall, in accordance with rules
4 adopted by the department, ensure that a child for whom the depart-
5 ment, agency or foster home is providing care or services, upon
6 reaching 12 years of age, establishes a savings account at a financial
7 institution as defined in ORS 706.008.

8 (3) Notwithstanding any other provision of law, a child described in
9 subsection (2) of this section may contract with a financial institution
10 to establish a savings account for the purpose of depositing and saving
11 moneys for the child's sole use and benefit. The contract is binding
12 upon the child and cannot be voided or disaffirmed by the child based
13 upon the child's age or status as a minor.

14 (4) The consent of the child's parent, guardian or foster parent, or
15 of any other person having legal custody of the child, is not necessary
16 to contract to establish a savings account under this section. The
17 parent, guardian, foster parent or other person having legal custody
18 of the child shall not be liable under a contract by the child for a
19 savings account unless the parent, guardian, foster parent or person
20 having legal custody of the child is a party to the child's contract.

21 (5) The parent, guardian, foster parent or other person having legal
22 custody of the child shall not be entitled to access to a savings account
23 created under this section without the express written authorization
24 of the child who established the account.

25 (6) A savings account created under this section must have over-
26 draft protection. A financial institution may dishonor a withdrawal
27 or item that would create an overdraft of the savings account.

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