

PRELIMINARY STAFF MEASURE SUMMARY

CARRIER:

Senate Committee on Human Services and Early Childhood

REVENUE: No revenue impact

FISCAL: No fiscal impact

SUBSEQUENT REFERRAL TO: None

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Cheyenne Ross, Administrator

Meeting Dates: 5/7

WHAT THE MEASURE DOES: Directs Department of Human Services (DHS) to permit and monitor savings accounts for children age 12 or older in DHS’ custody, via rulemaking. Entitles children in DHS’ custody for six months or more, to assistance establishing savings accounts. Prohibits DHS or other legal guardian from establishing accounts on behalf of child. Allows DHS to monitor use of child’s money relating to state and federal benefits.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

BACKGROUND: Money management skills contribute greatly to financial maturity and independence. Foster youth may not have the opportunity to gain these important skills. Youth who receive Social Security or other financial benefits, or who receive funds from inheritances or legal settlement, may be financially vulnerable. House Bill 2889-A allows youth age 12 or older, in the custody of the Department of Human Services for six months or more, to open a savings account for which they are solely responsible.

House Committee: 8 – 1 – 0

House Floor: 58 – 1 – 1