

STAFF MEASURE SUMMARY

House Committee On Human Services and Housing

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 04/08/15

Action: Do Pass As Amended And Be Printed Engrossed.

Meeting Dates: 03/16, 04/08

Vote:

Yeas: 8 - Buehler, Evans, Gallegos, Hayden, Keny-Guyer, Piluso, Stark, Taylor

Nays: 1 - Parrish

Prepared By: Robyn Johnson, Committee Administrator

WHAT THE MEASURE DOES:

Directs Department of Human Services (DHS) to permit savings accounts and establish monitoring system for children 12 years or older in DHS' custody, via rulemaking. Entitles children in care for six or more months to assistance establishing savings accounts. Prohibits DHS or other legal guardian, as defined, from establishing accounts on behalf of child. Allows DHS to monitor use of child's money relating to state and federal benefits.

ISSUES DISCUSSED:

- Financial education and independence for foster youth
- Establishing credit

EFFECT OF COMMITTEE AMENDMENT:

Entitles children in care for six or more months to assistance establishing savings accounts. Prohibits DHS or other legal guardian, as defined, from establishing accounts on behalf of child. Allows DHS to monitor use of child's money relating to state and federal benefits. Directs DHS to adopt rules to monitor child's bank activity.

BACKGROUND:

Money management skills contribute greatly to financial maturity and independence. Foster youth may not have the opportunity to gain these skills. Youth who receive Social Security or other financial benefits, or who receive funds from inheritances or legal settlements, may be financially vulnerable.

House Bill 2889-A allow youth age 12 or older, in Department of Human Services' custody for six months or more, to open a savings account for which they are solely responsible.