

House Bill 2889

Sponsored by COMMITTEE ON HUMAN SERVICES AND HOUSING

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

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

1 Relating to savings accounts for foster children.

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

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

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

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

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

14 (2) The Department of Human Services, a child-caring agency licensed by the department
15 under ORS 418.215 to provide care or services to a child in foster care and a person certified
16 to maintain a foster home under ORS 418.625 to 418.645 shall, in accordance with rules
17 adopted by the department, ensure that a child for whom the department, agency or foster
18 home is providing care or services, upon reaching 12 years of age, establishes a savings ac-
19 count at a financial institution as defined in ORS 706.008.

20 (3) Notwithstanding any other provision of law, a child described in subsection (2) of this
21 section may contract with a financial institution to establish a savings account for the pur-
22 pose of depositing and saving moneys for the child's sole use and benefit. The contract is
23 binding upon the child and cannot be voided or disaffirmed by the child based upon the child's
24 age or status as a minor.

25 (4) The consent of the child's parent, guardian or foster parent, or of any other person
26 having legal custody of the child, is not necessary to contract to establish a savings account
27 under this section. The parent, guardian, foster parent or other person having legal custody
28 of the child shall not be liable under a contract by the child for a savings account unless the
29 parent, guardian, foster parent or person having legal custody of the child is a party to the
30

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 **child's contract.**

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

5 **(6) A savings account created under this section must have overdraft protection. A fi-**
6 **nancial institution may dishonor a withdrawal or item that would create an overdraft of the**
7 **savings account.**

8
