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**HOUSE BILL 2342**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** Representatives Stonier, Timmons, Chopp, Davis, Farivar, Doglio, Cortes, Pollet, Reed, Riccelli, and Ramel

AN ACT Relating to providing dependent youth with financial education and support; adding a new section to chapter 74.13 RCW; and creating a new section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  The legislature finds that many youth exiting foster care have not been financially prepared for a successful transition to independence. The legislature finds that financial awareness can play a key role in ensuring safe and stable housing and long-term economic well-being. The legislature recognizes that through passage of Substitute Senate Bill No. 6560 in 2018, the legislature established the goal of discharging all youth from state care into safe and stable housing. Therefore, the legislature resolves to create a program to aid young people in foster care with establishing private self-controlled accounts to promote successful transition from foster care into independence.

NEW SECTION. **Sec.**  A new section is added to chapter 74.13 RCW to read as follows:

(1) The department shall develop a program to provide eligible youth with the opportunity to establish a private self-controlled account with a financial institution.

(a) The department shall provide an eligible youth with the opportunity to open a private self-controlled account with a financial institution. If interested, the eligible youth may open the account with assistance from any supportive adult, including but not limited to: Independent living service providers, caregivers, caseworkers, kinship and other family members, attorneys, and supportive adults in the community which may include mentors, teachers, and coaches. It is the department's responsibility to ensure that every eligible youth receives information about this program beginning at age 14, and to determine whether a youth has established a private self-controlled account at the youth's shared planning meeting that is used to develop a transition plan, as provided for in this chapter. If it is determined that an eligible youth has not established a private self-controlled account at the time of the shared planning meeting, information on opening an account with a financial institution must be included in a youth's transition plan.

(b) As appropriate, the department shall engage various partners to work with young people to establish their accounts, including but not limited to independent living providers, established community-based organizations, foster parents and caregivers, foster care in-school support staff, and other direct service department staff.

(c) The department shall deposit a minimum of $25 per month into an eligible youth's account as established under this program. The department shall make a first deposit within one month of the youth's opening of an account. Eligible youth may opt out of receiving minimum deposits under this section at any time. It is the department's responsibility to inform the eligible youth about the impact that deposits could have on public benefit eligibility.

(d) The department shall create an online platform to allow youth to establish their financial accounts.

(e) The program is to be operational by January 1, 2024, and fully implemented in all regions by July 1, 2027. The program shall be established and made fully operational statewide in phases over the state fiscal years as follows:

(i) Over the 2023-2024 fiscal year, Spokane and Pierce counties;

(ii) Over the 2024-2025 fiscal year, the remaining counties in the department's regions 1 and 5;

(iii) Over the 2025-2026 fiscal year, regions 2 and 6; and

(iv) Over the 2026-2027 fiscal year, regions 3 and 4.

(f) The department shall conduct an annual electronic survey of 15 percent of eligible youth as a method of program evaluation.

(g) An eligible youth is a dependent youth ages 14 and up, including youth in extended foster care, and remains eligible to open an account with the financial support of the department until the dependency proceeding is dismissed.

(2)(a) The department shall convene a temporary advisory committee to advise on the development of the implementation plan of this program, collections and reports of data, expansion of partnerships with financial institutions and service providers, and review of communications and marketing materials. The department shall consult the temporary advisory committee regarding the financial education program to ensure statewide access to a high quality, developmentally, and culturally appropriate program for dependent youth ages 12 and up. The temporary advisory committee shall develop a survey for eligible youth to help determine the effectiveness of the program, including whether the eligible youth has established a self-controlled account. The department is encouraged to utilize existing resources readily available including those provided by the department of financial institutions, among other agencies and programs. Members of the temporary advisory committee shall include, but are not limited to: Current or former foster youth, current or former caregivers, including kinship caregivers, the financial education public-private partnership, financial institutions, and those with expertise in providing financial education or mentorship to youth ages 12 and up.

(b) By November 1, 2024, and in compliance with RCW 43.01.036, the department shall submit a report on the work of the stakeholder group as well as the status of the program implementation to the appropriate committees of the legislature and the governor. By December 1, 2024, and annually thereafter, and in compliance with RCW 43.01.036, the department shall submit a report summarizing the results of the survey as provided for in subsection (1) of this section to the appropriate committees of the legislature.

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