Washington State
House of Representatives
Office of Program Research

BILL ANALYSIS

Human Services, Youth, & Early Learning Committee

2SSB 5591

Brief Description: Providing dependent youth with financial education and support.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Nobles, Mullet, Frame, Kuderer, Lovelett, Nguyen, Randall, Trudeau, Valdez and Wilson, C.).

Brief Summary of Second Substitute Bill

- Requires the Department of Children, Youth, and Families (DCYF) to develop a program to provide dependent youth ages 14 and up with the opportunity to open a private, self-controlled bank account.
- Requires the DCYF to deposit a minimum of $25 per month into a dependent youth's bank account from the time the account is opened until the dependency ends.

Hearing Date: 2/16/24

Staff: Omeara Harrington (786-7136).

Background:

Anyone, including the Department of Children, Youth, and Families (DCYF), may file a petition in court alleging that a child should be a dependent of the state due to abuse, neglect, or because there is no parent, guardian, or custodian capable of adequately caring for the child. If a court determines that a child is dependent, the court will conduct periodic reviews and make determinations regarding the child's placement, provision of services by the DCYF, and compliance and progress of the parents. When a child is removed from the home of a parent or guardian due to allegations of abuse or neglect, the child may be placed with relatives or in foster

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care.

Shared planning meetings are scheduled at regular intervals during a dependency. The shared planning model includes the participation of families, youth, natural supports, and others who can assist in the case planning process. For children who are expected to age out of dependency, the DCYF must convene a shared planning meeting between the ages of 17 and 17-and-a-half for the purpose of developing a transition plan.

Young adults who are dependent when they turn age 18 and meet certain qualifying criteria may choose to continue their dependency and receive foster care services up to the age of 21 by entering into a voluntary placement agreement. Young adults in extended foster care may live in a foster home placement or in a supervised independent living placement such as an apartment, a college dormitory, or a shared roommate setting. Extended foster care services may include maintenance payments for living expenses, assistance in meeting basic needs, independent living services, medical assistance, and counseling or treatment, among other services.

Summary of Bill:

The DCYF must provide all dependent youth age 14 or older with the opportunity to open a private self-controlled account with a financial institution. If interested, the youth may open the account with assistance from any supportive adult, which may include, for example, independent living service providers, caregivers, caseworkers, kinship and other family members, attorneys, and other supportive adults such as mentors, teachers, and coaches. The DCYF must create an online platform to allow eligible dependent youth to create their accounts.

The DCYF must deposit a minimum of $25 per month into an eligible dependent youth's financial account. An initial deposit must be made within one month of the youth opening of an account. The DCYF must inform the eligible youth about the impact that deposits could have on public benefit eligibility, and the youth may opt out of receiving minimum deposits at any time.

The DCYF must ensure that every eligible dependent youth receives information about the program beginning at age 14. A dependent youth remains eligible to open an account with the financial support of the DCYF until the dependency proceeding is dismissed. If it is determined that a dependent youth has not established a private self-controlled account at the time of the shared planning meeting that is used to develop a transition plan, information on opening an account must be included in the transition plan. Additionally, as appropriate, the DCYF must engage partners to work with dependent youth to establish an account, such as independent living providers, established community-based organizations, foster parents and caregivers, and in-school support staff.

The program must be operational by January 1, 2025, and fully implemented in all regions by July 1, 2028, under a phased implementation schedule. The DCYF must conduct an annual electronic survey of 15 percent of eligible youth as a method of program evaluation.

The DCYF must convene a temporary advisory committee to advise on the development of the program's implementation plan, collection and reporting of data, expansion of partnerships with financial institutions and service providers, and to review communications and marketing materials. Membership of the temporary advisory committee must include, but is 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.

The temporary advisory committee must develop a survey for eligible youth to help determine the effectiveness of the program. Additionally, the DCYF must consult the temporary advisory committee regarding a financial education program to ensure statewide access to a high-quality, developmentally, and culturally appropriate program for dependent youth ages 12 and up.

By November 1, 2025, the DCYF must submit a report to the Governor and the Legislature on the status of program implementation and the work of the stakeholder group. By December 1, 2025, and annually thereafter, the DCYF must submit a report to the Legislature summarizing the results of the program evaluation survey of eligible dependent youth.

Appropriation: None.

Fiscal Note: Requested on February 13, 2024.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.