

SENATE BILL REPORT

SB 5824

As of January 21, 2022

Title: An act relating to providing dependent youth with financial education and support.

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

Sponsors: Senators Nobles, Mullet, Carlyle, Conway, Frockt, Hasegawa, Keiser, Lovelett, Nguyen, Rivers, Robinson, Stanford, Trudeau, Wagoner and Wilson, C..

Brief History:

Committee Activity: Human Services, Reentry & Rehabilitation: 1/21/22.

Brief Summary of Bill

- Directs the Department of Children, Youth and Families (DCYF) to develop a program for dependent youth, ages 14 and up, to establish a self-controlled bank account, in which DCYF will deposit a minimum of \$25 per month.
- Directs DCYF to convene a stakeholder group to develop an implementation plan for the program, and provide a report to the Legislature and Governor by December 1, 2022, to include information regarding the work of the stakeholder group and the status of the program implementation.

SENATE COMMITTEE ON HUMAN SERVICES, REENTRY & REHABILITATION

Staff: Alison Mendiola (786-7488)

Background: The Department of Children, Youth, and Families (DCYF) was created in 2017 as a cabinet-level agency focused on the well-being of children, restructuring how the state serves at-risk children and youth, with the goal of producing better outcomes in all Washington communities. DCYF's vision is to ensure that Washington State's children and

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youth grow up safe and healthy—thriving physically, emotionally, and academically, nurtured by family and community. The Prevention and Client Services Division of DCYF houses Family Supports, Child Welfare Program and Policy and well as Adolescent Programs.

Dependency Court Proceedings. Anyone, including 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. These petitions must be verified and contain a statement of facts that constitute a dependency and the names and residence of the parents if known. When a child is taken into custody, the court is to hold a shelter care hearing within 72 hours. The primary purpose of the shelter care hearing is to determine whether the child can be immediately and safely returned home while the dependency case is being resolved. 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 DCYF, compliance of the parents, and whether progress has been made by the parents.

Shared Planning Meetings. DCYF must convene a shared planning meeting that includes the Department of Social and Health Services' Developmental Disability Administration (DDA) for youth ages 17 to 17 and one-half who will age out of foster care. If these youth qualify for DDA services, DCYF must direct these youth to apply for services and provide assistance in the application process. DCYF must convene a shared planning meeting that includes DDA staff for youth who are dependent and eligible for DDA services when the youth is between ages 16 and 16 and one-half.

Summary of Bill: DCYF is to develop a program to provide eligible youth with the ability to establish a self-controlled bank account with a financial institution prior to exiting dependency. An eligible youth means a dependent youth ages 14 and up, including youth in extended foster care. The youth may open the account with 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.

At a youth's shared planning meeting that is used to develop a transition plan, DCYF is to ensure a youth has established a bank account and if not, information regarding opening a bank account must be included in the youth's transition plan.

DCYF is to deposit a minimum of \$25 per month into this bank account and this program is to be fully operational by January 1, 2023.

DCYF is to convene a group of stakeholders to develop an implementation plan for this program and to ensure statewide access to high quality, developmentally, and culturally appropriate financial education to dependent youth ages 12 and up. DCYF is encouraged to use existing resources readily available, including those provided by the Department of

Financial Institutions, and other agencies and programs. Stakeholders are to include, but not be 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.

By December 1, 2022, DCYF shall submit a report on the work of the stakeholder group as well as the status of program implementation to the appropriate committees of the Legislature and the Governor.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Some youth in foster care are fortunate to have supportive foster families who teach a youth how to pay bills, balance a checkbook and help the youth open a bank account but unfortunately every youth in foster care does not have the same experience. Some youth have shared experiences where the foster family took their money. The idea behind this legislation came from an annual youth forum where the youth work on ideas to improve the foster care system. Many youth in foster care don't have any money until their first job and then they don't know how to manage it; this bill will help provide the tools a youth needs to successfully transition into foster care. This bill isn't about creating new sources for financial education but utilizing existing information and working collaboratively to help youth.

Persons Testifying: PRO: Senator T'wina Nobles, Prime Sponsor; Nathan LaChine, Community Youth Services; Tracy Godat, Financial Education Public-Private Partnership; Charlotte Nemece, Canopy Credit Union; Rafik Fouad, First Pacific Financial; Darrell Powell, NAACP Alaska, Oregon and Washington State Region; Emily Stochel, College Success Foundation; Lauren Frederick, The Mockingbird Society; Kc Chiu; Jim Buchanan, Washington State African American Cannabis Association.

Persons Signed In To Testify But Not Testifying: No one.