**5591-S2 AMH HSEL H3387.1 - NOT FOR FLOOR USE**

**2SSB 5591** - H COMM AMD

By Committee on Human Services, Youth, & Early Learning

Strike everything after the enacting clause and insert the following:

"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. 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 financial savings program for eligible youth.

(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 inquire as to 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, 2025, and fully implemented in all regions by July 1, 2028. The program shall be established and made fully operational statewide in phases over the state fiscal years as follows:

(i) Over the 2024-2025 fiscal year, Spokane and Pierce counties;

(ii) Over the 2025-2026 fiscal year, the remaining counties in the department's regions 1 and 5;

(iii) Over the 2026-2027 fiscal year, regions 2 and 6; and

(iv) Over the 2027-2028 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 savings program to ensure statewide access to a high quality, developmentally, and culturally appropriate program for eligible youth. 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, 2025, and in compliance with RCW 43.01.036, the department shall submit a report on the work of the advisory committee as well as the status of the program implementation to the appropriate committees of the legislature and the governor. By December 1, 2025, 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.

**Sec.**  RCW 74.04.005 and 2023 c 418 s 1 are each amended to read as follows:

For the purposes of this title, unless the context indicates otherwise, the following definitions shall apply:

(1) "Aged, blind, or disabled assistance program" means the program established under RCW 74.62.030.

(2) "Applicant" means any person who has made a request, or on behalf of whom a request has been made, to any county or local office for assistance.

(3) "Authority" means the health care authority.

(4) "County or local office" means the administrative office for one or more counties or designated service areas.

(5) "Department" means the department of social and health services.

(6) "Director" means the director of the health care authority.

(7) "Essential needs and housing support program" means the program established in RCW 43.185C.220.

(8) "Federal aid assistance" means the specific categories of assistance for which provision is made in any federal law existing or hereafter passed by which payments are made from the federal government to the state in aid or in respect to payment by the state for public assistance rendered to any category of needy persons for which provision for federal funds or aid may from time to time be made, or a federally administered needs-based program.

(9) "Income" means:

(a) All appreciable gains in real or personal property (cash or kind) or other assets, which are received by or become available for use and enjoyment by an applicant or recipient during the month of application or after applying for or receiving public assistance. The department may by rule and regulation exempt income received by an applicant for or recipient of public assistance which can be used by him or her to decrease his or her need for public assistance or to aid in rehabilitating him or her or his or her dependents, and must exempt funds deposited by the department of children, youth, and families into a dependent youth's independently controlled financial account opened under the program established in section 2 of this act, but such ((~~exemption~~)) exemptions shall not, unless otherwise provided in this title, exceed the exemptions of resources granted under this chapter to an applicant for public assistance. In addition, for cash assistance the department may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

(b) If, under applicable federal requirements, the state has the option of considering property in the form of lump sum compensatory awards or related settlements received by an applicant or recipient as income or as a resource, the department shall consider such property to be a resource.

(10) "Need" means the difference between the applicant's or recipient's standards of assistance for himself or herself and the dependent members of his or her family, as measured by the standards of the department, and value of all nonexempt resources and nonexempt income received by or available to the applicant or recipient and the dependent members of his or her family.

(11) "Public assistance" or "assistance" means public aid to persons in need thereof for any cause, including services, medical care, assistance grants, disbursing orders, work relief, benefits under RCW 74.62.030 and 43.185C.220, and federal aid assistance.

(12) "Recipient" means any person receiving assistance and in addition those dependents whose needs are included in the recipient's assistance.

(13) "Resource" means any asset, tangible or intangible, owned by or available to the applicant at the time of application, which can be applied toward meeting the applicant's need, either directly or by conversion into money or its equivalent. The department may by rule designate resources that an applicant may retain and not be ineligible for public assistance because of such resources. Exempt resources shall include, but are not limited to:

(a) A home that an applicant, recipient, or their dependents is living in, including the surrounding property;

(b) Household furnishings and personal effects;

(c) One motor vehicle, other than a motor home, that is used and useful;

(d) A motor vehicle necessary to transport a household member with a physical disability. This exclusion is limited to one vehicle per person with a physical disability;

(e) Retirement funds, pension plans, and retirement accounts;

(f) All other resources, including any excess of values exempted, not to exceed $12,000 or other limit as set by the department, to be consistent with limitations on resources and exemptions necessary for federal aid assistance;

(g) Applicants for or recipients of benefits under RCW 74.62.030 and 43.185C.220 shall have their eligibility based on resource limitations consistent with the temporary assistance for needy families program rules adopted by the department; and

(h) If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value shall be used in determining the need of the applicant or recipient, except that: (i) The department may exempt resources or income when the income and resources are determined necessary to the applicant's or recipient's restoration to independence, to decrease the need for public assistance, or to aid in rehabilitating the applicant or recipient or a dependent of the applicant or recipient; and (ii) the department may provide grant assistance for a period not to exceed nine months from the date the agreement is signed pursuant to this section to persons who are otherwise ineligible because of excess real property owned by such persons when they are making a good faith effort to dispose of that property if:

(A) The applicant or recipient signs an agreement to repay the lesser of the amount of aid received or the net proceeds of such sale;

(B) If the owner of the excess property ceases to make good faith efforts to sell the property, the entire amount of assistance may become an overpayment and a debt due the state and may be recovered pursuant to RCW 43.20B.630;

(C) Applicants and recipients are advised of their right to a fair hearing and afforded the opportunity to challenge a decision that good faith efforts to sell have ceased, prior to assessment of an overpayment under this section; and

(D) At the time assistance is authorized, the department files a lien without a sum certain on the specific property.

(14) "Secretary" means the secretary of social and health services.

(15) "Standards of assistance" means the level of income required by an applicant or recipient to maintain a level of living specified by the department.

(16)(a) "Victim of human trafficking" means a noncitizen and any qualifying family members who have:

(i) Filed or are preparing to file an application for T nonimmigrant status with the appropriate federal agency pursuant to 8 U.S.C. Sec. 1101(a)(15)(T), as it existed on January 1, 2020;

(ii) Filed or are preparing to file an application with the appropriate federal agency for status pursuant to 8 U.S.C. Sec. 1101(a)(15)(U), as it existed on January 1, 2020; or

(iii) Been harmed by either any violation of chapter 9A.40 or 9.68A RCW, or both, or by substantially similar crimes under federal law or the laws of any other state, and who:

(A) Are otherwise taking steps to meet the conditions for federal benefits eligibility under 22 U.S.C. Sec. 7105, as it existed on January 1, 2020; or

(B) Have filed or are preparing to file an application with the appropriate federal agency for status under 8 U.S.C. Sec. 1158.

(b)(i) "Qualifying family member" means:

(A) A victim's spouse and children; and

(B) When the victim is under 21 years of age, a victim's parents and unmarried siblings under the age of 18.

(ii) "Qualifying family member" does not include a family member who has been charged with or convicted of attempt, conspiracy, solicitation, or commission of any crime referenced in this subsection or described under 8 U.S.C. Sec. 1101(a)(15)(T) or (U) as either existed on January 1, 2020, when the crime is against a spouse who is a victim of human trafficking or against the child of a victim of human trafficking.

(17) For purposes of determining eligibility for public assistance and participation levels in the cost of medical care, the department shall exempt restitution payments made to people of Japanese and Aleut ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian and Pribilof Island Restitution Act passed by congress, P.L. 100-383, including all income and resources derived therefrom.

(18) In the construction of words and phrases used in this title, the singular number shall include the plural, the masculine gender shall include both the feminine and neuter genders, and the present tense shall include the past and future tenses, unless the context thereof shall clearly indicate to the contrary."

Correct the title.

EFFECT: Makes the following changes to the underlying bill:

Describes the program created in the bill as a financial savings program.

Replaces references to youth ages 12 and older with references to the population of youth eligible for the program as defined in the bill (which includes dependent youth ages 14 and older).

Exempts deposits made by the Department of Children, Youth, and Families into a dependent youth's independently controlled financial account from counting as income for purposes of assistance program eligibility and benefit amounts.

Makes minor changes to wording and modifies intent language.