
**Human Services, Youth, & Early
Learning Committee**

HB 1405

Brief Description: Preserving public benefit payments to people in the care of the department of children, youth, and families.

Sponsors: Representatives Alvarado, Farivar, Taylor, Reeves, Senn, Mena, Berg, Cortes, Simmons, Berry, Ortiz-Self, Goodman, Lekanoff, Gregerson, Ramel, Macri, Reed, Ormsby, Doglio, Chopp and Santos.

Brief Summary of Bill

- Prohibits the Department of Children, Youth, and Families (DCYF) from applying benefits, payments, or funds paid to, or on behalf of, a person in the care of the DCYF as reimbursement for the cost of care, and instead requires conservation of funds for the future use of the beneficiary.
- Requires the DCYF to develop and implement a financial literacy training and provide the training to specified persons leaving the care of the DCYF.
- Creates a cost of care work group within the DCYF to consider how other states and jurisdictions are addressing, and make recommendations regarding, issues related to conservation of funds on behalf of persons in the DCYF's care.

Hearing Date: 1/24/23

Staff: Omeara Harrington (786-7136).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Children in the Care of the Department of Children, Youth, and Families.

A child may come into the care of the Department of Children, Youth, and Families (DCYF) through the child welfare (dependency) system, or through the juvenile justice system.

Anyone, including the 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, compliance of the parents, and whether progress has been made by the parents. When children are removed from the home of a parent or guardian during dependency proceedings, the DCYF arranges for an out of home placement with relatives or with a foster parent licensed by either the DCYF or a private child-placing agency. Monthly foster care maintenance payments are provided to licensed caregivers to assist in meeting the needs of children in foster care.

The DCYF operates juvenile rehabilitation institutions for juveniles convicted of crimes and sentenced to more than 30 days of confinement. The DCYF also operates community facilities for youth convicted of crimes, which are less restrictive settings that allow youth to begin transitioning back to the community, and include treatment, education, and vocational services. To be eligible for community facility placement, a youth must be placed on minimum security status.

Funds of Children in the Department of Children, Youth, and Families' Care.

The Secretary of the DCYF (Secretary) is the custodian of funds for persons placed with the DCYF. As custodian, the Secretary has the authority to disburse moneys from the person's funds for certain designated purposes, including for the personal needs of the person or to reimburse for public assistance expended on behalf of the person, which may include funds paid for the cost of the person's care. When the conditions of placement no longer exist, the Secretary must deliver all remaining funds to the person along with a full and final accounting of all receipts and expenditures.

According to the DCYF's policies, when a child comes into the care of the DCYF, the child's caseworker makes an assessment to determine whether the child is eligible for certain public benefits. If so, the caseworker facilitates application for benefits, and changes the representative payee for benefits to the DCYF.

Summary of Bill:

Beginning January 1, 2026, the DCYF may not apply any benefits, payments, funds, or accrual paid to, or on behalf of, a person in the DCYF's care as reimbursement for the cost of care. Funds must instead be conserved for the future use of the beneficiary. The DCYF must also assess whether a person in the care of the DCYF is eligible for public benefits.

The DCYF must develop and implement a financial literacy training, including information

related to public benefits. This training must be provided to persons exiting the care of the DCYF when the person is over the age of 16, is receiving or may be eligible to receive benefit payments, and is likely to have the ability to participate in the management of their benefit payments in the future.

The cost of care work group (work group) is created within the DCYF. The work group must consider and analyze how other states and jurisdictions are addressing, and make recommendations regarding:

- how the DCYF can conserve funds from public benefits for the future use of people in the care of the DCYF while maintaining eligibility for public benefits;
- how an appropriate representative payee can be established on behalf of a person eligible to receive benefits;
- the age at which a beneficiary may have access to their benefits;
- preliminary cost estimates and a timeline for the DCYF to discontinue applying benefits, payments, funds, or accrual paid against the cost of care and how to conserve those funds for the future use of people in the care of the DCYF;
- who, if anyone beyond the beneficiary, should be notified when a person's eligibility is determined;
- how often the DCYF must assess whether a person in the care of the DCYF is eligible for Social Security Administration (SSA) or other public benefits; and
- a process for ongoing monitoring of the DCYF compliance with the requirements of the bill.

The DCYF must convene the work group and hold the first meeting by September 1, 2023. The work group must include, but not be limited to, the following members:

- one or more experts familiar with Social Security Survivor benefits, Veteran Survivor benefits, Railroad Retirement Survivor benefits, or other similar cash benefits;
- one or more advocates for individuals with intellectual or developmental disabilities;
- current or former youth with intellectual or developmental disabilities, who are in or have been in the care of the DCYF, who receive or may be eligible to receive federal Supplementary Security Income (SSI) benefits;
- the Secretary of the Department of Social and Health Services, or his or her designee; and
- the Director of the Health Care Authority and his or her designee.

The work group must additionally seek input from: individuals who are eligible for public benefits who have lived experience in the child welfare and juvenile rehabilitation systems; the parents and the caregivers of people who are eligible for SSI benefits or other similar federal benefits and are involved with the child welfare system or juvenile rehabilitation; and the SSA.

By September 1, 2024, the DCYF must submit a report to the Legislature and the Governor with recommendations from the work group, information on the cost of implementing the required changes, and whether statutory changes are needed.

Appropriation: None.

Fiscal Note: Requested on January 19, 2023.

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