

BILL ANALYSIS

H.B. 2331
By: Dukes
Human Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties are concerned about the limited opportunities for financial education of youth in foster care. H.B. 2331 seeks to ensure these youth have the knowledge and resources needed to be self-sufficient, productive, and financially secure adults after leaving the foster care system by providing for the establishment of a pilot program under which the Department of Family and Protective Services partners with a financial institution to establish savings accounts for participating foster children.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2331 amends the Family Code to require the Department of Family and Protective Services (DFPS) to establish a pilot program to assist foster children in DFPS conservatorship to achieve financial security and independence as the children transition to independent living. The bill requires DFPS to enter into an agreement with a credit union or other financial institution to establish savings accounts for foster children who, under an agreement with DFPS and the credit union or other financial institution, participate in the pilot program. The bill authorizes the agreement to include, as appropriate, a prohibition on a foster child withdrawing money from the savings account until the earlier of the first anniversary of the date the first deposit is made into the savings account or the date the balance in the savings account first equals or exceeds \$2,000, a requirement that DFPS and the credit union or other financial institution together encourage the foster children participating in the program to open private savings accounts once the participants are no longer eligible for foster care services, and procedures to transfer ownership and control of the account to the participants exiting the program who are no longer eligible for foster care services.

H.B. 2331 authorizes DFPS to seek to partner with a person, including a foundation, to match the amounts of money deposited into the foster children savings accounts under the pilot program and requires the matching funds to be deposited directly into the child's savings account. The bill authorizes DFPS and the person selected as a partner to jointly establish incentives to provide financial rewards to foster children for actions performed by the children, including college visits or attendance at financial education classes. The bill specifies that such financial rewards may only be paid by the person and are not available for matching funds. The bill authorizes DFPS, not later than January 1 of each even-numbered year, to select not more than 20 foster children

who are age 16 or older to participate in the pilot program. The bill specifies types of money that may be deposited in a foster child's savings account. The bill requires DFPS to survey each foster child who enters and exits the pilot program and requires that the survey be designed to assess any changes in the child's attitudes, perceptions, and knowledge about financial matters from the time the child entered the program until the child exited the program. The bill requires DFPS to complete an evaluation of the pilot program not later than December 31, 2022, and to submit a report on the evaluation to the governor, lieutenant governor, and speaker of the house of representatives as soon as the evaluation is complete. The bill requires DFPS to submit a second report evaluating the pilot program to those recipients not later than December 31, 2024. The bill prohibits the denial of a foster child's rights, granted under Family Code provisions, to control money earned by the child that is deposited into a savings account under the pilot program. The bill's provisions expire December 31, 2024.

EFFECTIVE DATE

September 1, 2017.