

1-1 By: Parker, LaMantia, West S.B. No. 1379
1-2 (In the Senate - Filed March 1, 2023; March 16, 2023, read
1-3 first time and referred to Committee on Health & Human Services;
1-4 April 18, 2023, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 18, 2023,
1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1379 By: LaMantia

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to a pilot program to increase the financial independence
1-22 of foster youth who are transitioning to independent living.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter B, Chapter 264, Family Code, is
1-25 amended by adding Section 264.1215 to read as follows:

1-26 Sec. 264.1215. PILOT PROGRAM FOR FINANCIAL TRANSITIONAL
1-27 LIVING SERVICES. (a) The department shall establish a pilot
1-28 program to assist foster youth to achieve financial security and
1-29 independence as the youth transition to independent living.

1-30 (b) The department shall enter into an agreement with one or
1-31 more banks, credit unions, or other financial institutions to
1-32 establish savings and checking accounts for foster youth who are at
1-33 least 14 but not more than 21 years of age and participate in the
1-34 pilot program. The agreement must include the following terms:

1-35 (1) notwithstanding Section 34.305(c), Finance Code,
1-36 a requirement that foster youth participating in the program are
1-37 the sole owner of the savings and checking accounts and may
1-38 establish savings and checking accounts without a co-signor;

1-39 (2) a requirement that the department and the bank,
1-40 credit union, or other financial institution together encourage the
1-41 foster youth participating in the program to open or continue
1-42 private savings and checking accounts once the participants are no
1-43 longer eligible for the program;

1-44 (3) procedures to ensure the participants maintain
1-45 ownership and control of the account at the time the participants
1-46 exit the program;

1-47 (4) a requirement that the bank, credit union, or
1-48 other financial institution provide to participants in the program
1-49 a checking and savings account that does not require maintenance
1-50 fees and cannot incur overdraft fees, nonsufficient funds fees,
1-51 inactivity fees, or any other penalty fees; and

1-52 (5) options to make financial coaching or mentoring
1-53 available to foster youth participating in the pilot program.

1-54 (c) The department may seek to partner with persons,
1-55 including nonprofit organizations or foundations, to match the
1-56 amounts of money deposited into the foster youth savings accounts
1-57 under the pilot program. The matching funds must be deposited
1-58 directly into a youth's savings account.

1-59 (d) The department and a person selected as a partner under
1-60 Subsection (c) may jointly establish incentives to provide

2-1 financial rewards to foster youth for actions performed by the
2-2 youth.

2-3 (e) The department shall survey each foster youth who enters
2-4 and exits the pilot program. The survey must be designed to assess
2-5 any changes in the youth's attitudes, perceptions, and knowledge
2-6 about financial matters from the time the youth entered the program
2-7 until the youth exited the program.

2-8 (f) The department shall complete an evaluation of the pilot
2-9 program and submit a report on the evaluation of the pilot program
2-10 conducted under this section to the governor, lieutenant governor,
2-11 and speaker of the house of representatives as soon as the
2-12 evaluation is complete but not later than December 31, 2027.

2-13 (g) A foster youth may not be denied the rights granted
2-14 under Section 264.0111 to control money earned by the youth that is
2-15 deposited into a savings or checking account under the pilot
2-16 program.

2-17 (h) If the department is unable to enter into an agreement
2-18 with a bank, credit union, or other financial institution, the
2-19 department shall include in the report required under Subsection
2-20 (f) a description of any legal or practical barriers that must be
2-21 addressed to ensure foster youth are able to participate in the
2-22 pilot program and establish savings and checking accounts before
2-23 the foster youth are no longer eligible for foster care services.

2-24 (i) This section expires January 1, 2028.

2-25 SECTION 2. As soon as practicable after the effective date
2-26 of this Act, the Department of Family and Protective Services shall
2-27 establish the pilot program as required by Section 264.1215, Family
2-28 Code, as added by this Act.

2-29 SECTION 3. This Act takes effect September 1, 2023.

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