

By: Cole

H.B. No. 2614

A BILL TO BE ENTITLED

AN ACT

relating to a pilot program to increase the financial independence of foster children who are transitioning to independent living.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 264, Family Code, is amended by adding Section 264.1214 to read as follows:

Sec. 264.1214. PILOT PROGRAM FOR FINANCIAL TRANSITIONAL LIVING SERVICES. (a) The department shall establish a pilot program to assist foster children to achieve financial security and independence as the children transition to independent living.

(b) The department shall enter into an agreement with a credit union or other financial institution to establish savings accounts for foster children who, under an agreement with the department and credit union or other financial institution, participate in the pilot program. The agreement may include, as appropriate, the following terms:

(1) subject to Subsection (j), a prohibition on a foster child withdrawing money from the savings account until the earlier of:

(A) the first anniversary of the date the first deposit is made into the savings account; or

(B) the date the balance in the savings account first equals or exceeds \$2,000;

(2) a requirement that the department and the credit

1 union or other financial institution together encourage the foster  
2 children participating in the program to open private savings  
3 accounts once the participants are no longer eligible for foster  
4 care services; and

5 (3) procedures to transfer ownership and control of  
6 the account to the participants exiting the program who are no  
7 longer eligible for foster care services.

8 (c) The department may seek to partner with a person,  
9 including a foundation, to match the amounts of money deposited  
10 into the foster children savings accounts under the pilot program.  
11 The matching funds must be deposited directly into the child's  
12 savings account.

13 (d) The department and the person selected as a partner  
14 under Subsection (c) may jointly establish incentives to provide  
15 financial rewards to foster children for actions performed by the  
16 children, including college visits or attendance at financial  
17 education classes. The financial rewards may only be paid by the  
18 person and are not available for matching funds provided under  
19 Subsection (c).

20 (e) Not later than January 1 of each even-numbered year, the  
21 department may select not more than 20 foster children who are age  
22 16 or older to participate in the pilot program established under  
23 this section.

24 (f) Money that may be deposited in a foster child's savings  
25 account established under the pilot program includes:

26 (1) money earned by the child through employment or  
27 allowance;

1           (2) gift money;

2           (3) money deposited by the child's foster parent or by  
3 a parent or other relative of the child;

4           (4) money received from the person selected as a  
5 partner under Subsection (c) as financial incentives or matching  
6 funds; and

7           (5) other money authorized under the department's  
8 agreement with the credit union or other financial institution.

9           (g) The department shall survey each foster child who enters  
10 and exits the pilot program. The survey must be designed to assess  
11 any changes in the child's attitudes, perceptions, and knowledge  
12 about financial matters from the time the child entered the program  
13 until the child exited the program.

14           (h) The department shall complete an evaluation of the pilot  
15 program not later than December 31, 2024.

16           (i) The department shall submit a report on the evaluation  
17 of the pilot program conducted under Subsection (h) to the  
18 governor, lieutenant governor, and speaker of the house of  
19 representatives as soon as the evaluation is complete. The  
20 department shall submit a second report evaluating the pilot  
21 program to the governor, lieutenant governor, and speaker of the  
22 house of representatives not later than December 31, 2026.

23           (j) A foster child may not be denied the rights granted  
24 under Section 264.0111 to control money earned by the child that is  
25 deposited into a savings account under the pilot program.

26           (k) This section expires December 31, 2026.

27           SECTION 2. As soon as practicable after the effective date

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1 of this Act, the Department of Family and Protective Services shall  
2 establish the pilot program as required by Section 264.1214, Family  
3 Code, as added by this Act.

4 SECTION 3. This Act takes effect September 1, 2019.