

By: Parker

S.B. No. 1379

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 264.1215 to read as follows:

Sec. 264.1215. 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) Notwithstanding Section 34.305(c), Finance Code, the department shall enter into an agreement with a credit union or other financial institution to establish savings and checking 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) a requirement that the department and the credit union or other financial institution together encourage the foster children participating in the program to open or continue private savings and checking accounts once the participants are no longer eligible for foster care services;

(2) procedures to transfer ownership and control of the account to the participants exiting the program who are no

1 longer eligible for foster care services;

2 (3) safeguards to prevent overdraft fees or any other  
3 fees that the foster child may incur;

4 (4) options to make financial coaching or mentoring  
5 available to foster children participating in the pilot program;  
6 and

7 (5) the age a foster child may participate in the pilot  
8 program without a co-signor.

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

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

21 (e) Money that may be deposited in a foster child's savings  
22 and checking account established under the pilot program includes:

23 (1) money earned by the child through employment or  
24 allowance;

25 (2) gift money;

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

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

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

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

11           (g) The department shall complete an evaluation of the pilot  
12 program not later than December 31, 2026.

13           (h) The department shall submit a report on the evaluation  
14 of the pilot program conducted under Subsection (g) to the  
15 governor, lieutenant governor, and speaker of the house of  
16 representatives as soon as the evaluation is complete but not later  
17 than December 31, 2026.

18           (i) A foster child may not be denied the rights granted  
19 under Section [264.0111](#) to control money earned by the child that is  
20 deposited into a savings or checking account under the pilot  
21 program.

22           (j) If the department is unable to enter into an agreement  
23 with a credit union or other financial institution, the department  
24 shall include in the report required under Subsection (h) a  
25 description of any legal or practical barriers that must be  
26 addressed to ensure foster children are able to participate in the  
27 pilot program and establish savings and checking accounts before

1 the foster children are no longer eligible for foster care  
2 services.

3 (k) This section expires December 31, 2030.

4 SECTION 2. As soon as practicable after the effective date  
5 of this Act, the Department of Family and Protective Services shall  
6 establish the pilot program as required by Section 264.1215, Family  
7 Code, as added by this Act.

8 SECTION 3. This Act takes effect September 1, 2023.