

B-Engrossed
House Bill 2889

Ordered by the Senate June 2
Including House Amendments dated April 10 and Senate Amendments
dated June 2

Sponsored by COMMITTEE ON HUMAN SERVICES AND HOUSING

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Requires Department of Human Services, child-caring agency and foster home to ensure child receiving care or services from department, agency or home for at least six consecutive months is entitled to establish savings account in child's name for child's sole use and benefit upon child reaching 12 years of age.]

Requires Department of Human Services to ensure child 12 years of age or older in custody of department for at least six consecutive months is entitled to assistance to establish savings account at financial institution.

Authorizes child to contract with financial institution to establish savings account.

Provides that **consent of parent, guardian, foster parent or person with legal custody of child is not necessary for child to establish savings account and that parent, guardian, foster parent or person with legal custody of child is not** entitled to be account holder or to have access to child's account without child's written authorization *[with certain exceptions]*.

Limits liability of financial institution that establishes savings account.

Entitles department to monitor use of moneys in child's account when required to ensure continuation of receipt of state and federal benefits for child.

[Directs department to encourage child who is eligible for services for persons with intellectual or other developmental disabilities to establish account unless department determines doing so is not in child's best interests.]

A BILL FOR AN ACT

1
2 Relating to savings accounts for foster children.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) The Legislative Assembly finds that a child who is 12 years of age or**
5 **older and who is in the custody of the Department of Human Services should be entitled to**
6 **assistance from the department to establish a savings account at a financial institution as**
7 **defined in ORS 706.008 for the following reasons:**

8 (a) **Access to such accounts prepares a child to become financially independent once the**
9 **child is no longer in the custody, care or supervision of the department.**

10 (b) **It is an important life lesson for a child to learn to save moneys for the future.**

11 (c) **Providing children who are in the custody of the department with the opportunity to**
12 **establish a savings account is an important step toward their fiscal maturity.**

13 (2)(a) **The Department of Human Services shall, in accordance with rules adopted by the**
14 **department, ensure that a child who is 12 years of age or older, of whom the department has**
15 **had custody for a minimum of six consecutive months, is entitled to assistance from the**
16 **department to establish a savings account at a financial institution as defined in ORS 706.008.**

17 (b) **Nothing in this section authorizes the department to require that a financial institu-**
18 **tion establish an account for a child.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (3) Notwithstanding any other provision of law, a child described in subsection (2) of this
2 section may contract with a financial institution to establish a savings account for the pur-
3 pose of depositing and saving moneys for the child's sole use and benefit. The contract is
4 binding upon the child and cannot be voided or disaffirmed by the child based upon the child's
5 age or status as a minor.

6 (4) The consent of the child's parent, guardian or foster parent, or of any other person
7 having legal custody of the child, is not necessary to contract to establish a savings account
8 under this section. The parent, guardian, foster parent or other person having legal custody
9 of the child is not liable under a contract by the child for a savings account unless the par-
10 ent, guardian, foster parent or person having legal custody of the child is a party to the
11 child's contract.

12 (5) The parent, guardian, foster parent or other person having legal custody of the child
13 is not entitled to be an account holder on a savings account established under this section,
14 or to have access to information about or moneys in the account, without the written au-
15 thorization of the child who established the account. The child's signature on account docu-
16 ments that make the parent, guardian, foster parent or other person having legal custody
17 of the child an account holder on the account or that grant the parent, guardian, foster
18 parent or other person having legal custody of the child the right to have access to infor-
19 mation about or moneys in the account, constitutes written authorization as required by this
20 subsection.

21 (6) A financial institution that establishes a savings account for a child under this section
22 is not liable to any person for establishing the account or for permitting the child to make
23 deposits to or withdrawals from the account. The financial institution may rely on the child's
24 signature on account documents when permitting the child to make deposits to and with-
25 draws from the account or to receive account statements and information about the ac-
26 count. The financial institution is not required to ensure that moneys paid out of the account
27 are properly applied.

28 (7) The Department of Human Services is entitled to monitor use of moneys in a child's
29 savings account established under this section when required to ensure continuation of re-
30 ceipt of state and federal benefits received by or on behalf of the child. The department shall
31 adopt rules setting forth methods by which the department may monitor use of moneys in
32 a child's account for this purpose.

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