

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 1758

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

13 **SECTION 1.** This act shall be known and may cited as the
14 "Foster Youth Earned Benefits Protection for Success Act".

15 **SECTION 2.** (1) For all children in the care and custody of
16 the Department of Child Protection Services (CPS), which may also
17 be referred to as "department" throughout this act, the department
18 shall determine within sixty (60) days after entry into care
19 whether each child is receiving or eligible for earned federal
20 benefits administered by the Social Security Administration or the
21 Department of Veterans Affairs, including survivors' or dependent
22 benefits.



23 (2) If CPS determines that a child is eligible or may be
24 eligible for such earned benefits, the department shall apply for
25 the benefits on behalf of the child in accordance with federal
26 law.

27 **SECTION 3.** (1) If a child is already receiving earned
28 federal benefits before entering CPS, or if CPS applies for
29 benefits on behalf of the child, the department shall, in
30 consultation with the child and the child's attorney, identify an
31 appropriate representative payee consistent with Title 20 Code of
32 Federal Regulations Sections 404.2021 and 416.621, and shall apply
33 to become the representative payee only if no other suitable
34 candidate is available.

35 (2) If CPS is appointed to serve as the representative
36 payee, the department:

37 (a) Shall not use any of the child's earned federal
38 benefits, savings, or assets to pay for or reimburse the
39 department or this state for any cost of the child's care,
40 maintenance, supervision, or services.

41 (b) May use the child's earned benefits only for unmet
42 needs of the child that are beyond those the department is
43 obligated or agrees to pay.

44 (c) Shall establish and maintain an account to conserve
45 the child's earned benefits in the child's best interest and
46 consistent with federal and state asset and resource limits.

47 Acceptable account types include:



48 (i) A special needs trust;
49 (ii) A pooled special needs trust;
50 (iii) An Achieving a Better Life Experience (ABLE)
51 account established pursuant to 26 United States Code Section
52 529A; or

53 (iv) Any other account or trust vehicle determined
54 not to interfere with eligibility for public benefits.

55 (d) Shall provide an annual accounting of the use,
56 application, or conservation of the child's earned benefits to the
57 child, the child's attorney, and, if parental rights have not been
58 terminated, to the child's parents or guardians.

59 (e) Shall periodically review whether another qualified
60 person or entity could serve as representative payee in the
61 child's best interest and, if so, shall assist in transferring
62 that role.

63 **SECTION 4.** (1) CPS shall provide written notice to the
64 child, the child's parents (unless parental rights have been
65 terminated), the child's guardian, the child's current placement,
66 and the child's attorney of any application for benefits,
67 decision, appeal, or appellate determination related to the
68 child's earned benefits.

69 (2) If benefits are denied, the department shall consult
70 with the child's attorney and appeal the denial if it is in the
71 child's best interests.



72 **SECTION 5.** CPS shall review each case annually to determine
73 whether a child in care has become newly eligible for earned
74 federal benefits after the department's initial determination.

75 **SECTION 6.** (1) CPS shall develop and implement a Success
76 Sequence Savings and Disbursement Plan for each child with
77 conserved earned benefits.

78 (2) Under the plan, a child may access a portion of
79 conserved benefits upon completion of specific milestones that
80 promote independence and financial readiness, including, but not
81 limited to:

82 (a) Obtaining a driver's license or state
83 identification card;

84 (b) Graduating from high school or receiving a
85 recognized equivalent;

86 (c) Enrolling in a postsecondary education, vocational
87 training, or apprenticeship program;

88 (d) Maintaining verified employment for at least six
89 (6) consecutive months; and

90 (e) Completing a department-approved financial literacy
91 or savings readiness program.

92 (3) CPS shall determine reasonable disbursement thresholds
93 and amounts for each milestone to promote long-term savings while
94 rewarding progress toward self sufficiency.

95 (4) The department shall ensure that all youth participating
96 in the program have access to financial literacy instruction and



97 counseling to support effective use of milestone payments and
98 long-term asset building.

99 **SECTION 7.** Upon termination of CPS's custody or legal
100 responsibility for the child, the department shall release any
101 remaining conserved funds as follows:

102 (a) To the child, if the child is at least eighteen
103 (18) years of age or emancipated; or

104 (b) To the person responsible for the child, if the
105 child remains a minor and is not emancipated.

106 **SECTION 8.** CPS may adopt rules consistent with federal law
107 to implement this act, including rules governing account
108 management, milestone disbursements, reporting, financial literacy
109 education, and oversight.

110 **SECTION 9.** This act shall take effect and be in force from
111 and after July 1, 2026.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO ESTABLISH THE FOSTER YOUTH EARNED BENEFITS
2 PROTECTION FOR SUCCESS ACT; TO PROVIDE THAT WHEN A CHILD ENTERS
3 INTO THE CARE AND CUSTODY OF THE DEPARTMENT OF CHILD PROTECTION
4 SERVICES (CPS), THE DEPARTMENT SHALL DETERMINE IF A CHILD IS
5 ELIGIBLE OR RECEIVING EARNED FEDERAL BENEFITS; TO PROVIDE THAT A
6 REPRESENTATIVE PAYEE MAY BE APPROPRIATE IN CERTAIN CIRCUMSTANCES;
7 TO REQUIRE CPS TO CONDUCT AN ANNUAL REVIEW REGARDING ELIGIBILITY
8 OF SUCH BENEFITS FOR A CHILD; TO PROVIDE THAT CPS SHALL DEVELOP
9 AND IMPLEMENT A SUCCESS SEQUENCE SAVINGS AND DISBURSEMENT PLAN FOR
10 EACH CHILD WITH CONSERVED EARNED BENEFITS; AND FOR RELATED
11 PURPOSES.

