



STATE OF CALIFORNIA
Franchise Tax Board

Short Form Analysis

Author: Skinner

Sponsor:

Bill Number: SB 242

Amended: May 18, 2023

SUBJECT

Hope, Opportunity, Perseverance, and Empowerment for Children Trust Account Act

- Technical Amendment

SUMMARY

This bill would, under the Welfare and Institutions Code (WIC), exempt funds in a trust account established under the California Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children Trust Account Act from consideration when determining eligibility and benefit amounts for any means-tested program until an eligible youth withdraws or transfers the funds from the HOPE trust fund account (HOPE account). In addition, HOPE account funds paid to eligible youth would not be subject to any money judgement or a Franchise Tax Board (FTB) intercept.

ANALYSIS

The May 18, 2023, amendments added a provision that would temporarily allow the Department of Social Services (DSS), notwithstanding the rulemaking procedures required under the Administrative Procedure Act (Government Code section 11340 et seq.), to implement and administer the HOPE account exemption via all-county letters or similar instructions until regulations are adopted. Additionally, these WIC provisions would become operative on July 1, 2024, or on the date DSS notifies the Legislature of either the following, whichever is later:

1. The Statewide Automated Welfare System can perform the automation necessary to implement the provisions of the bill.
2. No automation is necessary to implement the provisions of the bill.

Except for the changes discussed above, FTB's analysis of this bill, as introduced January 25, 2023, still applies including the implementation and policy considerations discussed in that analysis.

LEGISLATIVE CONTACT

FTBLegislativeServices@ftb.ca.gov