

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2015

Bill Number: H.186 Name of Bill: An act relating to Reach Up participants' college savings accounts

Agency/ Dept: AHS/DCF Author of Bill Review: Heidi Moreau

Date of Bill Review: February 18, 2015 Related Bills and Key Players _____

Status of Bill: (check one): Upon Introduction As passed by 1st body As passed by both

Recommended Position:

Support Oppose Remain Neutral Support with modifications identified in #8 below

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

This bill proposes to exclude the value of assets in a college savings account as a resource when determining eligibility for a child in the care of someone other than his or her parents. This bill will enable otherwise needy children to retain assets in a college savings account in excess of the \$2,000.00 resource limit while still maintaining eligibility for the Reach Up program.

2. Is there a need for this bill? *Please explain why or why not.*

Research shows that personal savings and assets are the kinds of resources that allow people to move off of public benefit programs. In addition, a college savings account may help reduce generational poverty by providing educational opportunities and financial stability for children.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

The Department anticipates that the fiscal impact of this bill will be negligible as the number of children in caretaker situations with total assets, including college savings accounts, in excess of the \$2,000.00 resource limit is minimal.

No programming changes to the Department's online eligibility system, ACCESS, will be required to implement this bill.

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

N/A

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (for example, public, municipalities, organizations, business, regulated entities, etc)

N/A

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why?

Advocates for low-income families support expanding the resource limit.

6.2 Who else is likely to oppose the proposal and why?

Those opposed to expanding eligibility for public assistance. Those concerned about additional impacts to the state's budget.

7. Rationale for recommendation: *Justify recommendation stated above.*

As noted above, excluding assets in a college savings accounts promotes educational opportunities and financial stability for children and supports the next generation in moving off of public benefits. Therefore, the Department supports this bill.

8. Specific modifications that would be needed to recommend support of this bill: *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

None

9. Gubernatorial appointments to board or commission?

None

Secretary/Commissioner has reviewed this document: _____ **Date:** _____