

118TH CONGRESS
1ST SESSION

H. R. 5468

To amend the Social Security Act, the Food and Nutrition Act of 2008, and the Low-Income Home Energy Assistance Act of 1981 to require that the value of children's savings accounts be disregarded for the purpose of determining eligibility to receive certain benefits under such Acts, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2023

Mr. CARTWRIGHT (for himself, Ms. STRICKLAND, Mr. GRIJALVA, Ms. NORTON, and Mr. THOMPSON of Mississippi) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Agriculture, Education and the Workforce, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Social Security Act, the Food and Nutrition Act of 2008, and the Low-Income Home Energy Assistance Act of 1981 to require that the value of children's savings accounts be disregarded for the purpose of determining eligibility to receive certain benefits under such Acts, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Children’s Savings Ac-
3 counts Offer Parents Plenty Of Reasons To Understand
4 and Invest in Tuition Yearly Act” or the “CSA OPPOR-
5 TUNITY Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) CHILDREN’S SAVINGS ACCOUNT PRO-
9 GRAM.—The term “children’s savings account pro-
10 gram” refers to a program created or organized by
11 a State, local, or Federal Government, a 501(c)(3)
12 nonprofit organization, a school district, or a college
13 or university for the purpose of creating children’s
14 savings accounts.

15 (2) CHILDREN’S SAVINGS ACCOUNT.—The term
16 “children’s savings account” means a savings or in-
17 vestment account or trust created as part of a chil-
18 dren’s savings account program exclusively for the
19 purpose of paying the qualified expenses of only in-
20 dividuals, who, when the account is created, have not
21 attained 18 years of age, provided that it has the
22 following requirements:

23 (A) If a savings or investment account is
24 created—

25 (i) the account is held in a federally
26 insured financial institution, or a State-in-

1 sured financial institution if a federally in-
2 sured financial institution is not available,
3 or in an investment account by a custodian
4 or third-party owner on behalf of the indi-
5 viduals, if the custodian or third-party
6 owner is a State, local, or Federal Govern-
7 ment, a 501(c)(3) nonprofit organization, a
8 school district, or a college or university,

9 (ii) the assets of the account will not
10 be commingled with other property except
11 in a common children's savings account,
12 trust fund, or other common investment
13 fund, and

14 (iii) any amount in the account that is
15 attributable to a seed deposit, matched de-
16 posit, or other incentive provided by the
17 children's savings account program may be
18 paid or distributed from the account only
19 for the purpose of paying qualified ex-
20 penses of the individual.

21 (B) If a trust is created or organized, the
22 written governing instrument creating the trust
23 contains the following requirements:

24 (i) The trust is created on behalf of
25 the individuals, and the trustee is a State,

1 local, or Federal Government, a 501(c)(3)
2 nonprofit organization, a school district, or
3 a college or university.

4 (ii) The assets of the trust will be in-
5 vested in accordance with the direction of
6 the trustee.

7 (iii) The assets of the trust will not be
8 commingled with other property except in
9 a common trust fund or common invest-
10 ment fund.

11 (iv) Any amount in the trust that is
12 attributable to a seed deposit, matched de-
13 posit, or other children's savings account
14 program incentive may be paid or distrib-
15 uted from the trust only for the purpose of
16 paying qualified expenses of the individual.

17 (3) QUALIFIED EXPENSES.—The term “quali-
18 fied expenses” means, with respect to an individual,
19 expenses that are—

20 (A) incurred after the individual receives a
21 secondary school diploma or its recognized
22 equivalent, and

23 (B) for—

- 1 (i) postsecondary educational expenses
2 (as defined in section 529 of the Internal
3 Revenue Code of 1986) of the individual,
4 (ii) the purchase of a first home by
5 the individual, or
6 (iii) the capitalization of a business
7 owned by the individual.

8 **TITLE I—AMENDMENTS TO THE**
9 **SOCIAL SECURITY ACT**

10 **SEC. 101. INTEREST IN, AND DISTRIBUTION FROM CHIL-**
11 **DREN’S SAVINGS ACCOUNTS REQUIRED TO**
12 **BE DISREGARDED UNDER THE TANF PRO-**
13 **GRAM.**

14 (a) IN GENERAL.—Section 408(a) of the Social Secu-
15 rity Act (42 U.S.C. 608(a)) is amended by adding at the
16 end the following:

17 “(13) REQUIREMENT TO DISREGARD VALUE OF
18 CHILDREN’S SAVINGS ACCOUNTS.—A State to which
19 a grant is made under section 403 shall disregard
20 the value of funds in any children’s savings account
21 (as defined in section 2 of the CSA OPPOR-
22 TUNITY Act), including accrued interest or other
23 earnings thereon, in determining the eligibility of,
24 and the amount or type of assistance to be provided

1 to an individual or family under the State program
2 funded under this part.”.

3 (b) PENALTY FOR NONCOMPLIANCE.—

4 (1) IN GENERAL.—Section 409(a) of such Act
5 (42 U.S.C. 609(a)) is amended by adding at the end
6 the following:

7 “(17) PENALTY FOR FAILURE TO DISREGARD
8 VALUE OF CHILDREN’S SAVINGS ACCOUNTS.—

9 “(A) IN GENERAL.—If the Secretary finds
10 that a State to which a grant is made under
11 section 403 for a fiscal year has failed to com-
12 ply with section 408(a)(13) during the fiscal
13 year, the Secretary shall reduce the grant oth-
14 erwise payable to the State under section
15 403(a)(1) for the succeeding fiscal year by the
16 percentage specified in subparagraph (B) of
17 this paragraph.

18 “(B) AMOUNT OF REDUCTION.—The re-
19 duction required under subparagraph (A) shall
20 be—

21 “(i) not less than 1 nor more than 2
22 percent;

23 “(ii) not less than 2 nor more than 3
24 percent, if the finding is the second con-

1 secutive finding made pursuant to sub-
2 paragraph (A); or

3 “(iii) not less than 3 nor more than 5
4 percent, if the finding is the third or a
5 subsequent consecutive such finding.”.

6 (2) NO EXCEPTION FOR REASONABLE CAUSE.—
7 Section 409(b)(2) of such Act (42 U.S.C. 609(b)(2))
8 is amended by striking “or (13)” and inserting
9 “(13), or (17)”.

10 **SEC. 102. EXCLUSION OF CHILDREN’S SAVINGS ACCOUNTS**
11 **FROM RESOURCES UNDER THE SSI PRO-**
12 **GRAM.**

13 (a) IN GENERAL.—Section 1613(a) of the Social Se-
14 curity Act (42 U.S.C. 1382b(a)) is amended—

15 (1) by striking “and” at the end of paragraph
16 (16);

17 (2) by striking the period at the end of para-
18 graph (17) and inserting “; and”; and

19 (3) by inserting after paragraph (17) the fol-
20 lowing:

21 “(18) the value of funds in any children’s sav-
22 ings account (as defined in section 2 of the CSA
23 OPPORTUNITY Act), including accrued interest or
24 other earnings thereon.”.

1 (b) CONFORMING AMENDMENT.—Section 1613(e)(5)
2 of such Act (42 U.S.C. 1382b(e)(5)) is amended by insert-
3 ing “of this Act or section 2 of the CSA OPPORTUNITY
4 Act” before the period.

5 **TITLE II—AMENDMENT TO THE**
6 **FOOD AND NUTRITION ACT**
7 **OF 2008**

8 **SEC. 201. EXCLUSION OF CHILDREN’S SAVINGS ACCOUNTS**
9 **FROM RESOURCES UNDER THE SUPPLE-**
10 **MENTAL NUTRITION ASSISTANCE PROGRAM.**

11 Section 5(g) of the Food and Nutrition Act of 2008
12 (7 U.S.C. 2014(g)) is amended by adding at the end the
13 following:

14 “(9) EXCLUSION OF CHILDREN’S SAVINGS AC-
15 COUNTS FROM ALLOWABLE FINANCIAL RE-
16 SOURCES.—

17 “(A) EXCLUSION.—The Secretary shall ex-
18 clude from financial resources under this sub-
19 section the value of funds in any children’s sav-
20 ings account, including accrued interest or
21 other earnings thereon.

22 “(B) CHILDREN’S SAVINGS ACCOUNT.—
23 For purposes of subparagraph (A), the term
24 ‘children’s savings account’ has the meaning

1 given such term in section 2 of the CSA OP-
2 PORTUNITY Act.”.

3 **TITLE III—AMENDMENT TO LOW-**
4 **INCOME HOME ENERGY AS-**
5 **SISTANCE ACT OF 1981**

6 **SEC. 301. EXCLUSION OF CERTAIN ACCOUNTS FROM CAL-**
7 **CULATION UNDER THE LOW-INCOME HOME**
8 **ENERGY ASSISTANCE PROGRAM.**

9 Section 2605(f) of the Low-Income Home Energy As-
10 sistance Act of 1981 (42 U.S.C. 8624(f)) is amended by
11 adding at the end the following:

12 “(3) EXCLUSION OF CERTAIN ACCOUNTS FROM CAL-
13 CULATION.—

14 “(A) EXCLUSION.—The determination of the
15 income or assets of a household for purposes of eligi-
16 bility under this section shall be made without re-
17 gard to the value of funds in any children’s savings
18 account, including accrued interest or other earnings
19 thereon.

20 “(B) CHILDREN’S SAVINGS ACCOUNT.—For
21 purposes of subparagraph (A), the term ‘children’s
22 savings account’ has the meaning given such term in
23 section 2 of the CSA OPPORTUNITY Act.”.

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