117TH CONGRESS
1ST SESSION

H. R. ____

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 benefits under such Acts, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. C ARTWRIGHT introduced the following bill; which was referred to the Committee on _______

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 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,
SECTION 1. SHORT TITLE.

This Act may be cited as the “Children’s Savings Accounts Offer Parents Plenty Of Reasons To Understand and Invest in Tuition Yearly Act” or the “CSA OPPORTUNITY Act”.

SEC. 2. DEFINITIONS.

In this Act:

(1) CHILDREN’S SAVINGS ACCOUNT PROGRAM.—The term “children’s savings account program” refers to a program created or organized by a State, local, or Federal Government, 501(c)(3) nonprofit organization, a school district, or a college or university for the purpose of creating children’s savings accounts.

(2) CHILDREN’S SAVINGS ACCOUNT.—The term “children’s savings account” means a savings or investment account or trust created as part of a children’s savings account program exclusively for the purpose of paying the qualified expenses of only individuals, who, when the account is created, have not attained 18 years of age, provided that it has the following requirements:

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

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

(ii) the assets of the account will not
be commingled with other property except
in a common children’s savings account,
trust fund, or other common investment
fund, and

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

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

(i) The trust is created on behalf of
the individuals, and the trustee is a State,
local, or Federal Government, 501(c)(3) nonprofit organization, a school district, or a college or university.

(ii) The assets of the trust will be invested in accordance with the direction of the trustee.

(iii) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

(iv) Any amount in the trust that is attributable to a seed deposit, matched deposit, or other children’s savings account program incentive may be paid or distributed from the trust only for the purpose of paying qualified expenses of the individual.

(3) QUALIFIED EXPENSES.—The term “qualified expenses” means, with respect to an individual, expenses that are—

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

(B) for—
(i) postsecondary educational expenses

(as defined in section 529 of the Internal Revenue Code of 1986) of the individual,

(ii) the purchase of a first home by the individual, or

(iii) the capitalization of a business owned by the individual.

TITLE I—AMENDMENTS TO THE SOCIAL SECURITY ACT

SEC. 101. CHILDREN’S SAVINGS ACCOUNT REQUIRED TO BE DISREGARDED UNDER THE TANF PROGRAM.

(a) IN GENERAL.—Section 408(a)(13) of the Social Security Act (42 U.S.C. 608(a)), as added by section 101(a) of this Act, is amended—

(1) in the heading, by inserting “, and value of a children’s savings account” after “program”; and

(2) by inserting after “1986)” the following: “and the value of any children’s savings account (as defined in section 2 of the CSA OPPORTUNITY Act)”. 

(b) PENALTY FOR NONCOMPLIANCE.—Section 409(a)(17) of such Act (42 U.S.C. 609(a)(17)), as added by section 101(b)(1) of this Act, is amended in the paragraph heading, by inserting “OR VALUE OF A CHILDREN’S SAVINGS ACCOUNT” after “PROGRAM”.

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SEC. 102. EXCLUSION OF CHILDREN’S SAVINGS ACCOUNT FROM RESOURCES UNDER THE SSI PROGRAM.

(a) IN GENERAL.—Section 1613(a) of the Social Security Act (42 U.S.C. 1382b(a)), as amended by section 102 of this Act, is amended—

(1) by striking “and” at the end of paragraph (17);

(2) by striking the period at the end of paragraph (18) and inserting “; and”;

(3) by inserting after paragraph (18) the following:

“(19) any children’s savings account (as defined in section 2 of the CSA OPPORTUNITY Act), including accrued interest or other earnings thereon.”.

(b) CONFORMING AMENDMENT.—Section 1613(e)(5) of such Act (42 U.S.C. 1382b(e)(5)) is amended by inserting “of this Act or section 2 of the CSA OPPORTUNITY Act” before the period.
TITLE II—AMENDMENT TO THE
FOOD AND NUTRITION ACT
OF 2008

SEC. 201. EXCLUSION OF CHILDREN'S SAVINGS ACCOUNTS
FROM RESOURCES UNDER THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

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

“(9) EXCLUSION OF CHILDREN’S SAVINGS ACCOUNTS FROM ALLOWABLE FINANCIAL RESOURCES.—

“(A) EXCLUSION.—The Secretary shall exclude from financial resources under this subsection the value of funds in any children’s savings account.

“(B) CHILDREN’S SAVINGS ACCOUNT.—For purposes of subparagraph (A), the term ‘children’s savings account’ has the meaning given such term in section 2 of the CSA OPPORTUNITY Act.”.
TITLE III—AMENDMENT TO LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

SEC. 301. EXCLUSION OF CERTAIN ACCOUNTS FROM CALCULATION UNDER THE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM.

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

“(3) EXCLUSION OF CERTAIN ACCOUNTS FROM CALCULATION.—

“(A) EXCLUSION.—The determination of the income or assets of a household for purposes of eligibility under this section shall be made without regard to the value of funds in any children’s savings account.

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