

[First Reprint]

**SENATE, No. 3153**

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**STATE OF NEW JERSEY**

**221st LEGISLATURE**

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INTRODUCED MAY 6, 2024

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**District 35 (Bergen and Passaic)**

**Co-Sponsored by:**

**Senators McKnight, Bramnick, Polistina, Assemblywomen Hall, Reynolds-Jackson and Swift**

**SYNOPSIS**

Prohibits DCF from using federal benefits received by a child in out of home placement to reimburse State for cost of child's care, except under certain circumstances.

**CURRENT VERSION OF TEXT**

As reported by the Senate Health, Human Services and Senior Citizens Committee on October 7, 2024, with amendments.

**(Sponsorship Updated As Of: 12/8/2025)**

1 AN ACT concerning federal benefits for a child in out of home  
2 placement and supplementing P.L.1991, c.290 (C.9:6B-1 et seq.).  
3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:  
6

7 1. a. In any case of a child in the custody of the division, the  
8 department is prohibited from utilizing any portion of the child's  
9 property or benefits <sup>1</sup>**[**, including federal Social Security benefits,**]**<sup>1</sup>  
10 to offset the State's costs for the child's maintenance <sup>1</sup>, except to  
11 maintain the child's eligibility for federal Supplemental Security  
12 Income Program benefits and to avoid a violation of federal asset or  
13 resource limits under the Supplemental Security Income Program,  
14 as provided in subsection c. of this section<sup>1</sup>.

15 b. If the department has been appointed as the representative  
16 payee for the federal benefits of a child in the custody of the  
17 division, the department may utilize such benefits of a child in the  
18 custody of the division for the child's unmet needs beyond the  
19 amount that the State is obligated, required, or agrees to pay after  
20 notifying the child, the child's <sup>1</sup>**[**parent(s) or**]** parent,<sup>1</sup> legal  
21 guardian, counsel, and the Family Part of the Chancery Division of  
22 the Superior Court.

23 c. If the department has been appointed as the representative  
24 payee for the federal benefits of a child in the custody of the  
25 division, the department shall <sup>1</sup>**[**establish an account at a federally  
26 insured financial institution into which the child's federal benefit  
27 will be deposited for conservation or use in the child's best  
28 interests, consistent with federal and State asset and resource limits,  
29 as applicable**]** appropriately monitor any federal asset or resource  
30 limits for the benefits, establish a qualified ABLE account, or other  
31 trust account, for every child who is eligible, and ensure that the  
32 child's best interest is served by using the benefits for the child's  
33 unmet needs or conserving the benefits in a way that avoids  
34 violating any federal asset or resource limits that would affect the  
35 child's ability to receive the benefits<sup>1</sup>.

36 d. For any child in the custody of the division, the department  
37 shall determine whether the child is receiving or is eligible to  
38 receive federal benefits. If the department determines that a child is  
39 eligible or may be eligible for federal benefits, the department shall  
40 apply for the benefits on behalf of the child with notice to the child,  
41 the child's <sup>1</sup>**[**parent(s) or**]** parent,<sup>1</sup> legal guardian, counsel, and the  
42 Family Part of the Chancery Division of the Superior Court.

43 e. If the department has been appointed as representative payee  
44 for a child's benefits, it shall provide an annual accounting as to the

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SHH committee amendments adopted October 7, 2024.

1 use, application, or conservation of such benefits to the child, the  
2 child's <sup>1</sup>parents(s) or parent,<sup>1</sup> legal guardian, counsel, and the  
3 Family Part of the Chancery Division of the Superior Court.

4 f. As used in this section:

5 "Department" means the Department of Children and Families.

6 "Division" means the Division of Child Protection and  
7 Permanency in the Department of Children and Families.

8 "Federal benefits" means any cash payments from the federal  
9 government for which a child may be eligible, including but not  
10 limited to, Social Security benefits pursuant to Title II of the Social  
11 Security Act (42 U.S.C. s.401 et seq.) and Title XVI of the Social  
12 Security Act (42 U.S.C. s.1381 et seq.), and Veterans  
13 Administration benefits.

14 <sup>1</sup>"Qualified ABLE account" means an account established  
15 pursuant to P.L.2015, c.185 (C.52:18A-250 et al.) or an account  
16 established pursuant to any qualified State ABLE Program  
17 established pursuant to section 529A of the federal Internal  
18 Revenue Code of 1986, 26 U.S.C. s.529A.

19 "Supplemental Security Income Program" has the same meaning  
20 as provided in section 1 of P.L.1973, c.256 (C.44:7-85 et seq.).<sup>1</sup>

21

22 2. The Commissioner of Children and Families shall apply for  
23 any federal waivers as may be necessary to implement the  
24 provisions of this act and ensure continued federal reimbursement  
25 for State expenditures for child welfare services under Part E of  
26 Title IV of the Social Security Act (42 U.S.C. s.670 et seq.), <sup>1</sup>except  
27 that if a child is or may be eligible for federal Supplemental  
28 Security Income Program benefits, the department shall, if  
29 necessary for benefits eligibility, forego claiming that child for  
30 purposes of any federal Title IV-E maintenance payments under  
31 section 475(4) of the Social Security Act (42 U.S.C. s.675(4)).<sup>1</sup>

32

33 3. The Commissioner of Children and Families, in accordance  
34 with the "Administrative Procedure Act," P.L.1968, c.410  
35 (C.52:14B-1 et seq.), shall adopt rules and regulations necessary to  
36 implement the provisions of this act.

37

38 4. This act shall take effect on the first day of the twelfth month  
39 next following enactment, except that the Commissioner of  
40 Children and Families may take any anticipatory administrative  
41 action in advance as shall be necessary for the implementation of  
42 this act.