



# Hope, Opportunity, Perseverance, Empowerment (HOPE) Trust Account Program for Children

Advisory Group Meeting  
October 11, 2023



# Item 1: Call to Order and Roll Call



## Item 2: Welcome and introductory remarks



## Item 3: Executive Directors Report

- HOPE Board last met on August 30
- Discussed modeling of \$5,000 per youth at 3% real interest, requested comparisons at other rates
- Approved short term investment of \$116 million
- The implementation plan needs framing, heart
- Youth Panel of Experts will begin work soon and working with the narrative design team asap



## Item 4: Eligibility & Outreach

- We will enroll all children who meet eligibility criteria as of September, 2022: 48,408 foster eligible + 8 to 10,000 estimated COVID bereaved youth
- Youth may withdraw funds at age 18 (or earlier with exigent circumstances) or by 26 years old
- Youth will be offered services offered through age 30
- Enrollment shall be automatic, no application necessary
- Eligible children who are not automatically enrolled will be manually enrolled
- We will rely on available documents, including self-attestations, to verify eligibility
- We will partner with CBOs & trusted social networks to conduct outreach and ongoing youth engagement
- We will incentivize use of services that will promote financial security and wealth building



## Item 5: Data sharing & Privacy

- We will develop data use and share agreements with NAPHSIS, CDE, MediCal, and FTB
- What is the least amount of information necessary for eligibility verification and enrollment: decedent's name(s), birth month & year, last residence
- We will accept, use, and protect data from other sources as available: schools, probate records,
- We will work with state and federal tribes and tribal courts
- Program manager RFP should require trauma-informed customer service, accessible to youth in multiple languages, able to work with community assisters
- We will use data stewardship agreements to protect privacy and confidentiality



# Item 6: Funds per Youth & Investment Management

- Current modeling based on \$5,000 per youth by age 18 at 1 to 3% real interest rates
- Will update using historical returns
- What would it take to get to \$10,000 per youth?

Table assumes a 2% real rate of return

Age at Entry Into Program	Number of Children by Age at Entry Into Program	Year in Which Children Turn 18	Amount Each Child Will Receive at Age 18 (2024 Dollars)	Child Will Receive at Age 18 (Current Dollars)	Initial Deposit per Child (2024)	2nd Deposit per Child (2025)	3rd Deposit per Child (2026)	4th Deposit per Child (2027)	5th Deposit per Child (2028)	6th Deposit per Child (2029)	7th Deposit per Child (2030)
0	2,131	2042	\$5,000	\$7,652	\$1,100	\$100	\$100	\$100	\$300	\$800	\$1,251
1	2,631	2041	\$5,000	\$7,423	\$1,100	\$100	\$100	\$100	\$300	\$800	\$1,330
2	2,631	2040	\$5,000	\$7,275	\$1,100	\$200	\$200	\$200	\$400	\$800	\$981
3	2,360	2039	\$5,000	\$7,065	\$1,100	\$200	\$200	\$200	\$500	\$800	\$959
4	2,360	2038	\$5,000	\$6,962	\$1,100	\$400	\$400	\$300	\$500	\$900	\$398
5	2,360	2037	\$5,000	\$6,822	\$1,100	\$500	\$500	\$500	\$500	\$951	\$0
6	2,287	2036	\$5,000	\$6,671	\$1,100	\$600	\$600	\$900	\$1,000	\$912	\$0
7	2,287	2035	\$5,000	\$6,512	\$1,100	\$700	\$700	\$600	\$1,079	\$0	\$0
8	2,287	2034	\$5,000	\$6,340	\$1,100	\$800	\$800	\$800	\$956	\$0	\$0
9	2,287	2033	\$5,000	\$6,215	\$1,100	\$1,000	\$1,000	\$1,212	\$0	\$0	\$0
10	2,287	2032	\$5,000	\$6,033	\$1,100	\$1,000	\$1,000	\$1,301	\$0	\$0	\$0
11	2,295	2031	\$5,000	\$6,125	\$4,353	\$0	\$0	\$0	\$0	\$0	\$0
12	2,295	2030	\$5,000	\$6,950	\$4,440	\$0	\$0	\$0	\$0	\$0	\$0
13	2,295	2029	\$5,000	\$5,780	\$4,529	\$0	\$0	\$0	\$0	\$0	\$0
14	2,295	2028	\$5,000	\$6,615	\$4,619	\$0	\$0	\$0	\$0	\$0	\$0
15	2,295	2027	\$5,000	\$6,454	\$4,712	\$0	\$0	\$0	\$0	\$0	\$0
16	2,997	2026	\$5,000	\$6,298	\$4,806	\$0	\$0	\$0	\$0	\$0	\$0
17	2,997	2025	\$5,000	\$6,147	\$4,902	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>43,375</b>										
<b>Annual State Spending</b>					<b>\$109,576,681</b>	<b>\$12,974,661</b>	<b>\$12,974,661</b>	<b>\$12,997,143</b>	<b>\$12,961,103</b>	<b>\$12,882,076</b>	<b>\$11,945,276</b>



## Item 7: Administrative & Timelines

- Create an evaluation plan that measures impact and upends dominant narratives
- Leverage philanthropy to support CBO outreach and ongoing services
- What are the most compelling frames for the report?

### HOPE Narratives

What narratives are we hoping to challenge?

How do we plan to challenge those narratives?

How are the narratives we're creating dismantling oppressive dynamics and structures?

- WIC 18997 states this program has the “legislative intent of **creating opportunities, economic autonomy, and hope, and to promote intergenerational wealth and asset building** for an eligible child and eligible youth as **one of the many strategies** California must employ to reverse our state’s record level of inequality”
- Internal goals are to
  - partner with government agencies, tribal organizations, and non-profit community organizations to enroll youth in and engage with HOPE accounts,
  - inspire additional investment and expansion,
  - promote core liberatory social and economic narratives about the **deservedness, resilience, wisdom, success, and independence** of eligible youth and counter socially and economically oppressive narratives rooted in anti-Blackness, racism, xenophobia, disability, ageism, and similar cultural values, and,
  - create program infrastructure that can be built upon and adapted as the program expands to all low-income youth





WHICH OF THESE FRAMES DO YOU LIKE BEST?

# The HOPE program is...

- 1st** | California's most progressive investment in targeted wealth creation, akin to the GI Bill, the Homestead Act, and the mortgage interest tax deduction
- 2nd** | an unparalleled public investment in the economic future of California's most financially vulnerable children
- 3rd** | the nation's boldest strategy toward giving every child the start-up capital they need to launch a financially stable future
- 4th** | California's most serious attempt to reverse intergenerational poverty, starting with our most vulnerable children





**Please list three social and economic frames that describe the intended impact of the HOPE program**

Waiting for responses ...





# Item 8: Statutory and Budget Recommendations

1. Review of identified statutory language
2. Discussion of any additional statutory changes

