



Hope, Opportunity, Perseverance, & Empowerment (HOPE) for Children

Office of State Treasurer Fiona Ma, CPA 901 P St, Suite 411B Sacramento, CA 95814

June 16, 2025

AGENDA ITEM #5

ACTION ITEM

HOPE, OPPORTUNITY, PERSEVERANCE, AND EMPOWERMENT (HOPE)

for Children Trust Account Program BOARD

Resolution to approve revised regulations for the HOPE program to be submitted to the Office of Administrative Law

Background

Assembly Bill 156 (Chapter #569, approved September 27, 2022) created the HOPE Act (the Act) within the Welfare & Institutions Code to help close the racial wealth gap and confront the issue of intergenerational poverty by creating a new financial investment tool specifically catered to vulnerable children throughout the State. The HOPE Program will provide a trust account to eligible children who were bereaved by COVID-19 during the public health emergency, as well as children who have been in the foster system for over 18 months. The HOPE Program is currently in development and preparing for launch in calendar year 2026.

The Welfare and Institutions Code section 18997.52 authorizes the Board to establish and adopt regulations for the implementation and administration of the Program and requires the Board to establish rules and regulations regarding the establishment and operation of Program components. In developing the proposed Program regulations (Exhibit A), HOPE staff considered current statute, operational needs, Program goals, recent feedback from the Office of Administrative Law (OAL), and outlined details about the Program, which include, but are not limited to, defined terms, eligibility, deposits, notifications, denials and appeals, distributions, forfeitures, data collection and privacy rights, and a financial literacy program. HOPE staff consulted with legal staff at the State Treasurer's Office, who concur with the proposed regulations for HOPE.

The matter before the Board today contains updates to HOPE Program regulations after consultation from OAL and public input. Specifically, HOPE staff revised the regulations to include updated definitions to improve the clarity of the regulations,



improved the grammar and syntax of the rules to aid in reader comprehension, standardized citation styles and capitalization, expanded upon the appeals process, and added authority and reference citations as required by the Administrative Procedures Act. Those citations inform the public about the Board's rulemaking authority and the specific statutory provisions that are being implemented, interpreted, and made specific via the proposed regulations.

If adopted by the Board, HOPE staff will move forward with continuing the rulemaking process as required by the Administrative Procedures Act, which includes submitting the rulemaking action to the Department of Finance for review and finally submitting the complete rulemaking package to the Office of Administrative Law for consideration of approval.

Presenter

Kasey O'Connor, HOPE
Monica Jimenez, Legal Counsel

