

P.L. 2025, CHAPTER 162, *approved December 19, 2025*
Senate, No. 3153 (*First Reprint*)

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.).
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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*
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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 ¹**【**, including federal Social Security benefits,**】**¹
10 to offset the State's costs for the child's maintenance ¹, 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 section¹.

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 ¹**【**parent(s) or**】** parent,¹ 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 ¹**【**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 benefits¹.

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

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:

¹Senate SHH committee amendments adopted October 7, 2024.

1 eligible or may be eligible for federal benefits, the department shall
2 apply for the benefits on behalf of the child with notice to the child,
3 the child's ¹~~parent(s) or~~ parent,¹ legal guardian, counsel, and the
4 Family Part of the Chancery Division of the Superior Court.

5 e. If the department has been appointed as representative payee
6 for a child's benefits, it shall provide an annual accounting as to the
7 use, application, or conservation of such benefits to the child, the
8 child's ¹~~parents(s) or~~ parent,¹ legal guardian, counsel, and the
9 Family Part of the Chancery Division of the Superior Court.

10 f. As used in this section:

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

12 "Division" means the Division of Child Protection and
13 Permanency in the Department of Children and Families.

14 "Federal benefits" means any cash payments from the federal
15 government for which a child may be eligible, including but not
16 limited to, Social Security benefits pursuant to Title II of the Social
17 Security Act (42 U.S.C. s.401 et seq.) and Title XVI of the Social
18 Security Act (42 U.S.C. s.1381 et seq.), and Veterans
19 Administration benefits.

20 ¹"Qualified ABLE account" means an account established
21 pursuant to P.L.2015, c.185 (C.52:18A-250 et al.) or an account
22 established pursuant to any qualified State ABLE Program
23 established pursuant to section 529A of the federal Internal
24 Revenue Code of 1986, 26 U.S.C. s.529A.

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

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

38
39 3. The Commissioner of Children and Families, in accordance
40 with the "Administrative Procedure Act," P.L.1968, c.410
41 (C.52:14B-1 et seq.), shall adopt rules and regulations necessary to
42 implement the provisions of this act.

43
44 4. This act shall take effect on the first day of the twelfth month
45 next following enactment, except that the Commissioner of
46 Children and Families may take any anticipatory administrative

1 action in advance as shall be necessary for the implementation of
2 this act.

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