

CHAPTER 162

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

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

C.9:6B-7 Prohibition against use of property, benefits, child in custody, exceptions.

1. a. In any case of a child in the custody of the division, the department is prohibited from utilizing any portion of the child's property or benefits to offset the State's costs for the child's maintenance, except to maintain the child's eligibility for federal Supplemental Security Income Program benefits and to avoid a violation of federal asset or resource limits under the Supplemental Security Income Program, as provided in subsection c. of this section.

b. If the department has been appointed as the representative payee for the federal benefits of a child in the custody of the division, the department may utilize such benefits of a child in the custody of the division for the child's unmet needs beyond the amount that the State is obligated, required, or agrees to pay after notifying the child, the child's parent, legal guardian, counsel, and the Family Part of the Chancery Division of the Superior Court.

c. If the department has been appointed as the representative payee for the federal benefits of a child in the custody of the division, the department shall appropriately monitor any federal asset or resource limits for the benefits, establish a qualified ABLE account, or other trust account, for every child who is eligible, and ensure that the child's best interest is served by using the benefits for the child's unmet needs or conserving the benefits in a way that avoids violating any federal asset or resource limits that would affect the child's ability to receive the benefits.

d. For any child in the custody of the division, the department shall determine whether the child is receiving or is eligible to receive federal benefits. If the department determines that a child is eligible or may be eligible for federal benefits, the department shall apply for the benefits on behalf of the child with notice to the child, the child's parent, legal guardian, counsel, and the Family Part of the Chancery Division of the Superior Court.

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

f. As used in this section:

"Department" means the Department of Children and Families.

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

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

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

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

C.9:6B-8 Federal waivers to implement provisions, federal reimbursement, child welfare services.

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

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

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

Approved December 19, 2025.