

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

RESOLUTION NO. 2025-02

RESOLUTION TO APPROVE DISTRIBUTION AMOUNT AND POOLED FUND MODEL

WHEREAS, the California Hope, Opportunity, Perseverance, and Empowerment for Children Trust Account Program (“HOPE” or “Program”) was created under Assembly Bill 156 (Chapter 569, Statutes of 2022) and codified in Chapter 161 (commencing with section 18997.5) of the Welfare and Institutions Code (“HOPE Act”); and

WHEREAS, the State’s May Revise staff proposed a one-time fund reduction of \$50 million from the Program to help bolster the State’s General Fund; and

WHEREAS, the Legislative Joint Budget Committee amended the May Revise proposal to reduce the Program fund by a one-time cut of \$40 million; and

WHEREAS, the HOPE staff seeks Board approval to adopt a distribution amount per eligible enrollee who will be turning 18 in the upcoming calendar year, 2026. The Program’s statutorily required report to the Legislature in January 2024 tentatively set \$4,500 as the goal to seed Program accounts; and

WHEREAS, the HOPE Board recognizes the need for a revised amount per eligible enrollee, which strikes the balance of both fiscal responsibility and substantial impact for eligible enrollees.

WHEREAS, this action by the Board will only set the amount for those eligible youth who have turned 18 since the inception of the Program as well as those turning 18 in 2026; and the Board has the authority to codify or change the amount during the Annual Review Process to take place every August hereafter.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves this resolution to adopt a distribution amount for those eligible enrollees turning 18 in the upcoming calendar year, 2026. The Board hereby adopts one of the following options, which will be further detailed in an amendment to this resolution at a subsequent HOPE Board meeting:

- a) If there are no cuts to the programs original budget appropriation of \$100 million- staff recommends \$3,500 per eligible enrollee;
- b) If there is the one time \$40-50 million cut as referenced in the May revise, staff recommends \$3,000 per eligible enrollee; or
- c) Another amount agreed upon after discussion at this Board meeting

Attest: _____

Chairperson

Date of Adoption: _____