



# CalABLE

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CALIFORNIA ACHIEVING A BETTER LIFE EXPERIENCE  
ACT BOARD

# ABLE Act of 2014

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- Federal ABLE Act was signed by the President in 2014
  - Allows states to create tax-advantaged savings accounts for people with disabilities while protecting eligibility for public benefits such as SSI, SSDI or Medicaid
  - Account assets of up to \$100,000 are not counted in determining eligibility for means-tested federal or state benefits programs

# California ABLE Act: “CalABLE”

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- CalABLE - California’s ABLE program
  - Generally mirrors the federal law
  - Has been kept intentionally broad
  - Will likely be a national plan

# CalABLE Vision & Mission\*

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- **VISION:**

- To provide greater financial security to Californians living with a disability

- **MISSION:**

- To meet the diverse needs of our customers and their families. We pledge to be customer-driven, accountable, and a trusted partner in providing financial services.

*\*Currently being vetted with stakeholders before board approval*

# CalABLE: Our Values\*

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- Adaptability and Flexibility
- Humility
- Transparency and Accountability
- Trust
- Sustainability
- Collaboration
- Integrity

# Some ABLE Basics: Funding

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- Before the ABLE Act:
  - A person with a disability could not save more than \$2,000 without impacting their SSI
- Now:
  - You can save up to \$14,000 per year and up to \$100,000 in total before benefits are impacted
- CalABLE accounts will have safeguards and notifications built in

# More ABLE Program Basics

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- ABLE accounts are *asset-protected* accounts.
- Eligible individuals may only have one ABLE account
- Accounts can function both like a savings and checking account, depending on how you want to use the account
- Account moneys are tax-exempt as long as they are spent on “Qualified Disability Expenses”

# What is a Qualified Disability Expense (QDE)?

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- Any expense related to the designated beneficiary as a result of living a life with disabilities
- Categories are intentionally broad
- Includes education, housing, transportation, health care expenses and more
- If funds spent on a non-QDE, expense is subject to regular taxes, plus a 10% tax penalty – and benefits may be at risk



# Who is Eligible?

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- Must be disabled before age 26 **AND**
- Meets the eligibility criteria for disability benefits like SSI or SSDI - **OR-**
- Self-certification: Has been diagnosed by a qualified physician with a physical or mental disability resulting in marked and severe functional limitations that is expected to last no less than 12 months.

# Where can I open an ABLE Account?

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- Individuals may open ABLE accounts outside of their state of residency
  - Ohio (STABLE)
  - Tennessee (ABLE TN)
  - Nebraska (ENABLE)
  - Michigan (MiABLE)
  - Alaska (Alaska ABLE Plan)
  - Oregon (Oregon ABLE Savings Plan)
  - Rhode Island (RI's ABLE)
  - Virginia (ABLEnow)
  - Nevada (ABLE Nevada)
  - North Carolina (NC ABLE)
  - Kansas (Kansas ABLE)
  - Illinois (Illinois ABLE)
  - Iowa (IAble)
  - Minnesota (Minnesota ABLE Plan)
- Exceptions (for in-state residents only):
  - Florida (ABLE United)
  - Kentucky (STABLE Kentucky)
- Compare programs:  
[http://ablenrc.org/state\\_compare](http://ablenrc.org/state_compare)

# CalABLE Features and Benefits

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- Program is in its development phase
- May include:
  - Ability to contribute automatically through routine transfers from a bank account
  - Ability to invite friends and family members to contribute directly to your account (“e-gifting”)
  - Deposit online or by check
  - Low fees
  - Diverse yet simple investment options

# Potential CalABLE Legislative Priorities

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- Allow CalABLE to operate as a national plan
- Offer a tax credit/incentive to account contributors
- Remove Medi-Cal asset recovery for accountholders

# CalABLE Implementation Timeline

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## Fall 2016

- Write state regulations
- Develop internal infrastructure
- Organize advisory councils
- Engage with stakeholders

## Winter 2016/17

- Finalize state regulations
- Hire consultant to help develop program

## Spring/Summer 2017

- Finalize program design and retain a service provider
- Continue outreach
- Prepare for going LIVE!

## Fall 2017

- CalABLE accounts go LIVE!

# Outreach: We Need Your Help!

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- We want the collaboration of our constituents
- Robust outreach strategy that seeks to leverage existing state and local networks of both public and private advocacy and service provider groups
- Can your group help host a meeting?
- Webinar available on YouTube with captions – please help share:

<https://www.youtube.com/watch?v=zvngfJlCjb0>

# Connect With CalABLE

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- Find us on Facebook, Twitter, and YouTube
  - <https://www.facebook.com/CalABLE/>
  - [https://twitter.com/CalABLE\\_Board](https://twitter.com/CalABLE_Board)
  - <https://www.youtube.com/channel/UCk02cbbE8PCkHATlvrsTfIA>



# Questions?? Contact Us!

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