



**CONSORTIUM FOR CITIZENS
WITH DISABILITIES**

The ABLE Age Adjustment Act (S.331/H.R.1219)

What is ABLE?

Passed with bipartisan support by Congress in 2014, the Stephen Beck, Jr., Achieving a Better Life Experience Act (ABLE) Act allows eligible people with disabilities to establish "ABLE accounts" where they can save for qualified disability expenses without jeopardizing their public benefits. Like college savings ("529") accounts, earnings on an ABLE account and distributions from the account for qualified disability expenses do not count as taxable income of the contributor or the eligible beneficiary. Prior to the passage of the ABLE Act, very few savings mechanisms existed that allowed people with disabilities who depended on public benefits to save more than \$2,000 in assets. ABLE has been transformative in providing people with disabilities and their families with a financial tool to achieve greater financial independence and self-reliance.

What is the ABLE Age Adjustment Act?

Due to a last-minute change to the original legislation, ABLE accounts are only available to people whose disability onset prior to their 26th birthday. Many individuals who could benefit from ABLE accounts are left out, since many conditions can and do occur later in life, including multiple sclerosis, Lou Gehrig's disease or paralysis due to an accident. Additionally, veterans who become disabled after age 25 are currently ineligible for ABLE accounts.

The ABLE Age Adjustment Act (S. 651/H.R. 1814) would amend Section 529A(e) of the Internal Revenue Code to increase the eligibility threshold for ABLE accounts for onset of disability from prior to age 26 to prior to age 46. Previously introduced in the 114th, 115th, and 116th Congresses, the bipartisan ABLE Age Adjustment Act was reintroduced in the 117th Congress by Senators Bob Casey (D-PA), Jerry Moran (R-KS), Ron Wyden (D-OR), Chris Van Hollen (D-MD), John Boozman (R-AR), Richard Blumenthal (D-CT), and Lisa Murkowski (R-AK) and Representatives Cardenas (D-CA), McMorris-Rodgers (R-WA), and Judy Chu (D-CA).

What is the importance of ABLE accounts to people with disabilities?

These tax-favored accounts enable people with disabilities to save for and pay for things including education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, and financial management. Of critical importance is the fact that resources saved in an ABLE account are not taken into consideration when determining the individual's eligibility for federally-funded, means-tested benefits including SSI and Medicaid, the only provider of critical long term services and supports for people with disabilities. ABLE accounts also encourage people with disabilities to work and save money by allowing them to save for larger purchases, such as wheel-chair accessible vehicles or a down payment on an accessible home. ABLE accounts increase the financial stability of people with disabilities and their families.

Why is an increase in the age of eligibility necessary?

The existing ABLÉ Act prevents otherwise-eligible people with disabilities (many of whom spent years advocating for the original ABLÉ Act) from realizing the benefits of ABLÉ accounts. By passing the ABLÉ Age Adjustment Act, an additional 6 million more people with disabilities would be eligible to open ABLÉ accounts, nearly doubling the current eligible population. Passing this critical legislation will increase the financial security of people across the spectrum of disabilities without jeopardizing their much-needed public benefits.

Why is it important that the ABLÉ Age Adjustment Act be passed now?

There are now over 90,000 ABLÉ accounts across the 43 states and the District of Columbia, with almost \$760 million in assets under management. ABLÉ programs are empowering people with disabilities, to achieve and maintain health, independence and quality of life. Passing the ABLÉ Age Adjustment Act would nearly double the currently eligible population and improve the sustainability of ABLÉ programs nationwide. Most importantly, this bill would enable people with a variety of later-onset disabilities to realize the benefits of ABLÉ accounts to increase their financial security.

The Consortium for Citizens with Disabilities Financial Security and Poverty Task Force strongly supports the ABLÉ Age Adjustment Act and urges all Members to cosponsor.

To co-sponsor in the Senate, please contact Josh Dubensky with Sen. Casey’s office (Josh_Dubensky@aging.senate.gov) or Christiana Reasor with Sen. Moran’s office (Christiana_Reasor@moran.senate.gov).

To co-sponsor in the House, please contact Cortney Segmen with Rep. Cardenas’ office (Cortney.Segmen@mail.house.gov) or Kristin Flukey with Rep. Cathy McMorris Rodgers’ office (Kristin.Flukey@mail.house.gov).

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The Consortium for Citizens with Disabilities (CCD) (www.c-c-d.org) is the largest coalition of national organizations working together to advocate for Federal public policy that ensures the self-determination, independence, empowerment, integration, and inclusion of children and adults with disabilities in all aspects of society.