

FINAL BILL REPORT

2SHB 2063

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Synopsis as Enacted

Brief Description: Creating a work group to design a qualified achieving a better life experience program.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Kilduff, Kagi, Jinkins, Springer, Hunter, Ormsby, Tharinger and Tarleton).

House Committee on Early Learning & Human Services
House Committee on Appropriations
Senate Committee on Health Care
Senate Committee on Ways & Means

Background:

Achieving a Better Life Experience Act.

The federal Achieving a Better Life Experience (ABLE) Act was enacted in December 2014. The law amended the Internal Revenue Code to exempt from taxation qualified ABLE savings programs established by states. Individuals can contribute to savings accounts for eligible people with disabilities.

Individuals may invest up to \$14,000 per year in ABLE accounts. Withdrawals from the account will not be taxed provided that the money is spent on qualified expenses, such as housing, education, transportation, health care, and rehabilitation. The complete description of qualified expenses and other parameters of these accounts are expected to become available in the summer or fall of 2015 when the Secretary of the United States Treasury issues regulations.

An individual generally cannot have more than \$2,000 in savings or other assets for means-tested federal programs such as Medicaid or Supplemental Security Income (SSI). However, investments up to \$100,000 in 529A accounts will be disregarded as assets for purposes of Medicaid or SSI eligibility.

Developmental Disabilities Endowment Trust.

The Washington Developmental Disabilities Endowment Trust (Endowment Trust) was established in 1999. This Endowment Trust is governed by a seven-person governing board,

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six of whom are appointed by the Governor. The Department of Commerce provides support to the governing board when funds are appropriated for that purpose.

The Endowment Trust is available to individuals under age 65 with a qualifying developmental disability originating before age 18. An individual must be eligible for services provided by the Developmental Disability Administration to be eligible for the Endowment Trust.

Summary:

The State Treasurer's Office must convene a work group to design an ABLE program by July 1, 2015. The work group must include representatives from the Department of Commerce, the State Investment Board, the Washington Advanced College Tuition Payment Program, the Department of Social and Health Services, the Developmental Disability Endowment Governing Board, and the disability community.

The ABLE design work group must provide a report to the Governor and the Legislature by November 1, 2015 that includes the following:

- a recommendation of the appropriate lead agency for the ABLE program;
- an analysis of the appropriate investment instrumentality for ABLE account investments;
- an implementation plan for the ABLE program; and
- a recommendation regarding the composition and role of an ABLE advisory board.

Votes on Final Passage:

House	89	8
Senate	46	2

Effective: July 24, 2015