

# Disability Digest

## ABLE Accounts Help People with Disabilities Save for their Future



### At a Glance: What are ABLE Accounts?

- ABLE accounts are tax-advantaged savings accounts for people with disabilities.
- Those who qualify for an ABLE account can save up to \$100,000 without fear of losing federal benefits due to asset limits.
- There are currently almost half a billion dollars invested in ABLE accounts by over 66,000 people with disabilities. The average ABLE account has \$6,800, helping people with disabilities invest for the future.



### Who is Eligible to Open an ABLE Account?

- Anyone who acquired a disability before turning 26 years of age and, is or would be, eligible for Supplemental Security Income (SSI) benefits or is qualified as disabled by their physician.

### How Can an Individual Use an ABLE Account?

People with disabilities can use ABLE accounts to pay the costs of any expense related to living with a disability that helps improve health, independence and/or quality of life. This includes but is not limited to the cost of:

- Health care not covered by insurance, Medicaid or Medicare
- Employment training and support
- Financial management
- Accessible housing and transportation
- Education expenses
- Assistive technology
- Personal support services
- Purchasing a home
- Starting a business

## U.S. SENATOR BOB CASEY



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### Why are ABLE Accounts Necessary?

- Millions of people with disabilities depend on a range of public benefits such as Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP) and Medicaid.
- In order to access many of these programs, a person cannot have more than \$2,000 in savings or other assets (commonly referred to as an “asset test” or “asset limit”).
- These asset tests have forced people with disabilities to turn down job promotions and pay raises, forgo starting a business and create barriers to saving for large expenses such as an accessible car or adaptations to a home.
- ABLE accounts make it possible for people with disabilities to save for the future and work toward economic independence.

### How Do You Open An ABLE Account?

- Visit the [National ABLE Resource Center](#) webpage to learn how you can open an account.

### • **ABLE Age Adjustment Act (S. 651): Expanding Access to ABLE Accounts**

- Under the current law, only those who acquired their disability before turning 26 years of age are eligible to open an ABLE account.
  - » This restriction prohibits millions of people with disabilities who could benefit from opening an ABLE account.
- The ABLE Age Adjustment Act (S. 651) would increase eligibility to open an ABLE account to anyone who acquires their disability prior to 46 years of age.
- This important change will have the benefit of making ABLE accounts available to adults who acquire a disability.
- An estimated six million more people would be eligible to open an ABLE account under the ABLE Age Adjustment Act, including over one million veterans.
- Increasing the number of ABLE accounts will also help to keep account fees and administrative costs low.

## National Snapshot of ABLE Accounts as of June 2020<sup>1</sup>

State	Number of Accounts	Assets Under Management	State	Number of Accounts	Assets Under Management
<b>AK</b>	465	\$3,078,600	<b>NC</b>	1001	\$7,403,599
<b>AL</b>	310	\$1,981,433	<b>NE</b>	1652	\$11,988,228
<b>AR</b>	525	\$945,476	<b>NH</b>	357	\$2,234,090
<b>AZ</b>	825	\$5,045,999	<b>NJ</b>	606	\$4,301,138
<b>CA</b>	3216	\$22,836,989	<b>NM</b>	482	\$2,445,308
<b>CO</b>	1092	\$7,686,477	<b>NV</b>	805	\$4,628,663
<b>DC</b>	113	\$891,360	<b>NY</b>	1169	\$9,577,419
<b>DE</b>	87	\$753,543	<b>OH</b>	9239	\$71,053,034
<b>FL</b>	5016	\$26,904,347	<b>OK</b>	441	\$1,726,127
<b>GA</b>	1184	\$6,689,068	<b>OR</b>	498	\$3,758,903
<b>IA</b>	748	\$5,575,841	<b>OR**</b>	2834	\$20,165,757
<b>IL</b>	1512	\$11,502,189	<b>PA</b>	3430	\$31,003,510
<b>IN</b>	617	\$3,996,869	<b>RI</b>	203	\$1,296,590
<b>KS</b>	629	\$4,412,708	<b>SC</b>	1380	\$8,227,007
<b>KY</b>	655	\$3,594,563	<b>TX</b>	786	\$4,593,808
<b>LA</b>	268	\$1,419,947	<b>TN</b>	2172	\$20,921,600
<b>MA</b>	4331	\$36,991,757	<b>VA</b>	8831	\$40,527,368
<b>MD</b>	2328	\$16,962,490	<b>VA**</b>	745	\$8,384,424
<b>MI</b>	2731	\$16,700,739	<b>VT</b>	511	\$2,549,591
<b>MN</b>	1526	\$11,996,675	<b>WA</b>	1426	\$7,482,743
<b>MO</b>	1569	\$10,378,904	<b>WV</b>	280	\$1,272,783
<b>MS</b>	73	\$356,898	<b>WY</b>	223	\$989,865
<b>MT</b>	367	\$2,210,193	<b>Total</b>	66,527	\$452,743,883

\* Connecticut launched ABLE programs on October 15. Hawaii, Idaho, Maine, North Dakota, South Dakota, Utah and Wisconsin have not yet established ABLE programs.

\*\* Oregon and Virginia operate two ABLE programs. One is an advisor-sold plan in which an ABLE eligible individual can open an account through their financial advisor/broker/dealer. The other plan is a direct-sold plan offered to their state's residents, which are designed to offer specific incentives that only a state resident would be eligible for.

<sup>1</sup> National Association of State Treasurers



# ABLE PROFILES

## Peter O'Halloran

- Willow Grove, Pennsylvania

Peter O'Halloran is a 25 year-old with an intellectual disability. He opened an ABLE account in 2018 and used it to move into his own apartment, close to the train station so he can easily travel to Philadelphia to work. Peter says that, "If it wasn't for ABLE, I couldn't have saved the money I need to be independent, and I would have lost my health care and job coach."



## Davinna and Dushon Christian

- Detroit, Michigan

Davinna Christian lives with her 21 year-old son, Dushon, who is non-verbal and quadriplegic because of a series of strokes at age 11. His ABLE account has allowed him to save money to purchase a communications device and an accessible vehicle. He also is saving to have an emergency fund. Davina said that ABLE can, "take care of whatever needs he has. I can relax and take a breath. That is real."



## Hector Ramirez

- Chatsworth, California

Hector Ramirez lives with autism and has struggled through unemployment and homelessness. Ze\* opened an ABLE account in 2018, and it allowed Hector and hir\* mother to move from their one bedroom apartment into the first home Hector has ever owned. Hector has also used the ABLE account funds to purchase a laptop for tele-health appointments and to install a ramp on hir new home. Hector said that, "I feel like this is a dream that is not happening but it is. I am moving into a new home for me and my mom. I am so excited to start this new part of my life!"

*\*Ze and hir are pronouns.*

