



PRESS RELEASE

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Contact:

Pamela Matassa, (225) 432-9299, pmatassa@treasury.la.gov

Erin Cowser, (225) 432-9363, ecowser@treasury.la.gov

Treasurer John M. Schroder urges disability service expansion

BATON ROUGE, LA – Louisiana Treasurer John M. Schroder is urging the passage of federal legislation that will expand the number of Louisiana citizens with disabilities who qualify to possess Achieving a Better Life Experience (ABLE) accounts. This legislation will supplement the Americans with Disabilities Act, which celebrates its anniversary as of July 26, having been signed into law in 1990.

The ABLE Act won legislative approval in 2014, making it possible for people who acquired or developed their disability before turning 26 years old to save money without risking a loss of their federal disability benefits. The proposed ABLE Age Adjustment Act, which currently awaits full Senate approval as part of the Encouraging American Retirement Now (EARN) Act, will extend access to individuals who acquired their disability before age 46.

“This isn’t just about opening savings accounts,” said Schroder. “This is about empowering people with disabilities and their families to achieve greater economic independence.”

Millions of individuals with disabilities and their families depend on a wide variety of public benefits for income, health care, food, and housing assistance, according to the National Association of State Treasurers’ ABLE Today program. However, eligibility for these public benefits (Social Security, SNAP, Medicaid) requires meeting a means/resource test that restricts eligibility to individuals with less than \$2,000 in liquid resources, such as cash savings, non-ABLE checking, and savings accounts, and some retirement funds, according to the ABLE National Resource Center.

According to the Louisiana ABLE program, families with accounts can save without worrying about whether assets in an account will be counted against their eligibility. An account owner can personally save up to \$16,000 per year or save with help from family and friends. As long as the balance in an account does not meet or exceed \$100,000, the funds will not be counted as a resource to determine eligibility for Social Security.

In addition, any interest that accrues on a Louisiana ABLE account is tax-free as long as you spend the funds on qualified disability expenses. Qualified disability expenses include all of the following:

- Education – to include tuition for preschool to post-secondary schools
- Housing
- Transportation
- Employment Training and Support
- Assistive Technology and Related Services
- Personal Support Services
- Health, Prevention, and Wellness
- Financial Management and Administrative Services
- Legal Fees
- Expenses for Oversight and Monitoring
- Funeral and Burial Expenses
- Other expenses which the Internal Revenue Service may identify

For more information on Louisiana ABLE accounts, go to www.able.osfa.la.gov.