

FINDING OF EMERGENCY

These regulations are being implemented on an emergency basis for the immediate preservation of the public peace, health and safety or general welfare, within the meaning of Government code section 11346.1. Further, Government Code section 11346.1(a)(2) requires that, at least five working days prior to submission of the proposed emergency action to the Office of Administrative Law (OAL), the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency to the OAL, OAL shall allow interested persons five calendar days to submit comments on the proposed emergency regulations set forth in Government Code section 11349.6. To determine the OAL five-day comment period, check <http://www.oal.ca.gov> regularly.

STATUTORY DECLARATION OF EMERGENCY

Welfare and Institutions Code section 4882, subdivision (b), provides that California Achieving a Better Life Experience (ABLE) Act Board may adopt regulations as emergency regulations in accordance with the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). Welfare and Institutions Code section 4882, subdivision (b), further states, "The adoption of the regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare."

INFORMATIVE DIGEST

The Legislature enacted and the Governor signed Senate Bill (SB) 324 (Chapter 796, Statutes of 2015) and Assembly Bill (AB) 449 (Chapter 774, Statutes of 2015), which authorized the California ABLE Act Board to develop and implement the California ABLE Program Trust ("Trust" or "program"), which is a financial savings tool for qualified people with disabilities as defined in Section 529A of the Internal Revenue Code.

The California ABLE Act Board is authorized under Welfare and Institutions Code section 4882 to adopt regulations as it deems necessary to implement the program consistent with the Internal Revenue Code and regulations issued pursuant to that code to ensure that the program meets all criteria for federal tax-exempt benefits.

These regulations provide the framework to allow eligible individuals to save and maintain their funds in the Trust. The following are included in the regulations: relevant definitions; account enrollment; limitations on contributions; change of designated beneficiary; qualified and rollover distributions; account information and reports; and other provisions related to the administration of the program.

The California ABLE Act Board anticipates the regulations will benefit individuals with disabilities through the development and implementation of the Trust. The regulations are compatible and consistent with the intent of the Legislature in adopting Welfare and Institutions Code section 4875 et seq.

COST ESTIMATE

- Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None
- Nondiscretionary Costs/Savings to Local Agencies: None
- Programs Mandated on Local Agencies or School Districts: None
- Costs Imposed on Any Local Agency or School District that is Required to be Reimbursed Under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code: None
- Effect on Housing Costs: None
- Significant, statewide adverse economic impact directly affecting businesses to compete with businesses in other states: The Board has determined that the proposed regulations will not have such an impact.
- Cost impacts on a representative private person or business: The Board is not aware of any costs impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.
- Impact on Jobs/New Businesses: The Board has determined that this regulatory proposal will not have significant impact on the creation of jobs or businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State.

LOCAL MANDATE STATEMENT

The proposed regulations do not impose any mandate on local agencies or school districts.

AUTHORITY AND REFERENCE CITATIONS

The California ABLE Act Board adopts these regulations under the authority granted in Section 4882 of the Welfare and Institutions Code. Subject regulations implement and make specific Sections 4875, 4877, 4878, 4879, 4880, 4881, and 4882 of the Welfare and Institutions Code, and section 529A of the Internal Revenue Code.