



# Understanding CalABLE for 2021

January 21, 2021



# Webinar Setup

## ■ Presentations Slides

- Please visit the CalABLE website at <https://www.treasurer.ca.gov/able/events/webinars.asp> for a copy of today's slides.

## ■ ASL Interpreters

- Please be sure to view the speaker gallery for a video feed of our ASL interpreters.

## ■ Captioning

- Turn on Closed Captioning in the webinar controls.
- Adjust the Captioning Settings if needed.
- A Transcript view is also available.





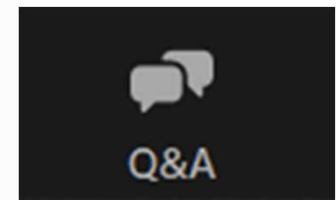
# Webinar Setup

## ■ Audio Options for the Webinar

- Via your computer speakers: please make sure your speakers are turned on or your headphones are plugged in – *OR* –
- Via telephone:
  1. Call **+1-669-900-6833**
  2. Enter Webinar ID: **942 3100 9816**
- Don't forget to adjust the volume if needed.

## ■ Submitting Questions

- Submit your questions using the [Q&A box](#) at any time.
- Audio-only participants may email us at [calable@treasurer.ca.gov](mailto:calable@treasurer.ca.gov)
- We will address your questions at the end of the presentation.



# Welcome

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**Fiona Ma, California State Treasurer**



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# CalABLE Overview

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# ABLE Background

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## Achieving Better Life Experiences Act of 2014

- Added Section 529A Qualified ABLE Program to the Internal Revenue Code.
- Allowed states to create **tax-advantaged** savings and investment programs for people with disabilities.
- Provides that assets in your ABLE account **will not affect eligibility for means-tested benefits like SSI or Medi-Cal**



# Who is Eligible?

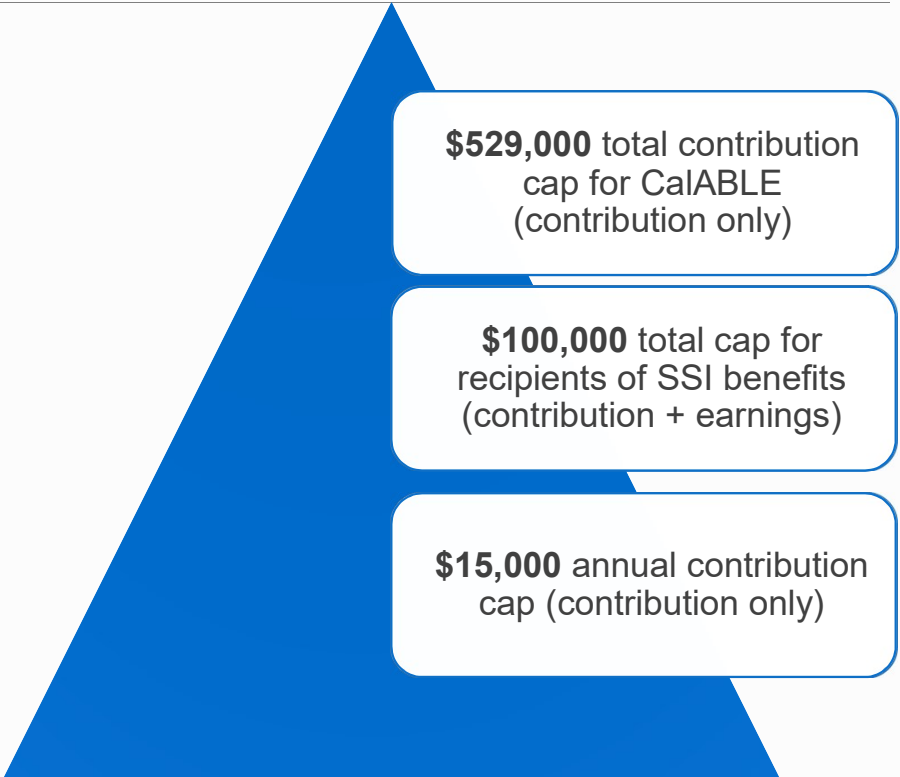
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- Must be disabled before age 26 – **AND** –
- Meets the eligibility criteria for disability benefits like SSI or SSDI - **OR-**
- Self-certification: Has been diagnosed by a qualified physician with a physical or mental disability resulting in marked and severe functional limitations that is expected to last at least one year.
- Condition is listed on SSA's List of Compassionate Allowances or Blue Book Listings



# Account Contributions

- Before the ABLE Act
  - A person with a disability could not save more than \$2,000 without impacting their SSI
- Now
  - You can save up to \$15,000 per year and up to \$100,000 in total before SSI is impacted
- CalABLE will automatically reject excess contributions



**\$529,000** total contribution cap for CalABLE (contribution only)

**\$100,000** total cap for recipients of SSI benefits (contribution + earnings)

**\$15,000** annual contribution cap (contribution only)

# What is a Qualified Disability Expense (QDE)?

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- Any expense related to the designated beneficiary as a result of living a life with disabilities that **helps maintain or improve your health, independence or quality of life**
- Categories are **intentionally broad**, and include education, **housing\***, transportation, health care expenses and more

# Examples of QDEs

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- Education;
- 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 ABLE account oversight and monitoring;
- Funeral and burial; and,
- Basic living expenses.

# Housing Guidance

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Reinforces the language and spirit of the Federal ABLE Act

- HUD will exclude:
  - ABLE funds in determining family income
  - Third-party contributions
  - The entire value of an ABLE account from household assets
  - Distributions from an ABLE account are not considered income
- Wage income received will be included as income

\* *Withdrawal and payment of housing expenses must occur in the same calendar month to avoid problems with program benefits*



# Program Updates

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Reminder: submit your questions via the Q&A box

# Proposed Federal Legislation

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## ABLE Age Adjustment Act

[S.651 \(Casey\)](#)

[H.R.1814 \(Cardenas\)](#)

- Both introduced in early 2019
- Increases the age of disability onset from 26 years of age to 46 years of age

# Final IRS Regulations

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- New hierarchy of individuals who can serve as ALR
  - POA
  - Conservator/Guardian
  - Spouse
  - Parent
  - Sibling
  - Grandparent
  - Beneficiary Rep Payee
  - Person of Beneficiary's Choosing\*

# Guest Speaker

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## Malcolm Harmon

Service Delivery and Engagement Manager

Malcolm has 20 years of experience in the Financial Services industry, with a primary focus on developing and managing operational processes and teams. Malcolm was the first operations employee hired by Intuition ABLE Solutions in 2015 and has been an integral part of the successful launch and continuous growth of several ABLE plans. He is currently responsible for oversight and development of the Customer Engagement Center and Operations. Malcolm also serves as the day-to-day contact for IAS clients.





# Tips for Opening a CalABLE Account

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Reminder: submit your questions via the Q&A box

# Tips for Opening a CalABLE Account

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- Read the Program Disclosure Statement
- Visit the CalABLE website at [calable.ca.gov](https://calable.ca.gov)
- Make sure your device is up-to-date and using the latest operating system
- Be prepared with personal identification documents
- Have your commercial bank routing and account numbers ready



# Common CalABLE Account Questions

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# Common CalABLE Account Questions

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1. Who can contribute money into my account?
2. How can a third party contribute?
3. How can someone contribute electronically?
4. Why are my contribution checks sent to Florida?
5. When will I receive my money?
6. Do I need to provide receipts for my withdrawal?



# Questions and Answers

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Reminder: submit your questions via the Q&A box

# Need Help? Have Questions?

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## CalABLE Customer Call Center

Open 9:00 AM to 5:00 PM Pacific Time  
Monday – Friday

[833-Cal-ABLE](tel:833-225-2253) (833-225-2253)

[CalABLESupport@CalABLE.ca.gov](mailto:CalABLESupport@CalABLE.ca.gov)



# Disclaimer Statement

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Consider the investment objectives, risks, charges and expenses before investing in the California 529A Qualified ABLE Program (CalABLE Program). Please call toll-free 833-CAL-ABLE for a Disclosure Statement containing this and other information. Read it carefully.

Before investing in any ABLE program, you should consider whether your home state provides its taxpayers with favorable state tax or other benefits that are only available through investment in the home state's ABLE program. You also should consult your financial, tax, or other adviser to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to directly contact your home state's ABLE program, or any other ABLE program, to learn more about those plans' features, benefits and limitations. State-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

The CalABLE Program is offered by the State of California. TIAA-CREF Tuition Financing, Inc. (TFI), program manager. TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributor and underwriter.

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