**OCTOBER 4, 2022**

**AGENDA ITEM 5**
**ACTION ITEM**

**CALIFORNIA ABLE ACT BOARD**

---

Resolution No. 2022-03: CalABLE Act Board Statement in Support of THE ABLE AGE ADJUSTMENT ACT (S. 331/H.R. 1219) TO EXPAND ELIGIBILITY FOR THE CALIFORNIA ABLE ACT PROGRAM (CalABLE)

***Summary***

The CalABLE Act Board ("Board") will consider taking a position on S. 331 and H.R. 1219, both known as the ABLE Age Adjustment Act. These bills that would expand eligibility for individuals who become disabled before the age of 46 to open an ABLE account.

***Background***

The United States Congress introduced the ABLE Age Adjustment Act (S. 331 and H.R. 1219) in February 2021. Once passed, this legislation will amend the Internal Revenue Code with respect to qualified ABLE programs by increasing the age of eligibility of beneficiaries of ABLE accounts from the onset of disability to age 46. Currently, federal law restricts eligibility for ABLE account owners only to those individuals who became disabled prior to age 26. If enacted, the ABLE Age Adjustment Act would expand the ABLE eligible population by an estimated six million people nationwide.

The California ABLE Act gives the Board broad authority to act as necessary to effectuate the California ABLE Act. These actions may include participation in the advancement of federal, state, or local governmental programs for the benefit of the CalABLE Program Trust.

With expanded eligibility, the ABLE Age Adjustment Act will greatly benefit the California Program Trust fostering increased enrollment, greater assets under management (AUM) and an increased timeline for self-sustainability for CalABLE.

***Action Recommended***

Adopt Resolution No. 2022-03 approving the California ABLE Act Board's Statement of Investment Policy for the California ABLE Program.

***Attachments***

- Attachment #1 – Resolution No. 2022-03
- Attachment #2 – Current Bill Text
- Attachment #3 – Draft Statement of Support

Attachment 1
Resolution No. 2022-03

This page is intentionally left blank.

**RESOLUTION NO. 2022-03**

**RESOLUTION IN SUPPORT OF**
**THE ABLE AGE ADJUSTMENT ACT (S. 331/H.R. 1219) TO EXPAND ELIGIBILITY FOR THE CALIFORNIA ABLE ACT PROGRAM (CalABLE)**

**WHEREAS**, the California ABLE Act Board (the "Board"), pursuant to Section 4877(c)(8) of the Welfare and Institutions Code (the "Code"), has the authority to take any action reasonably necessary to effectuate the objectives of the California ABLE Act;

**WHEREAS**, the Board, pursuant to Section 4877(c)(10) of the Code, also has the authority to participate in any federal, state, or local governmental program for the benefit of the CalABLE Program Trust;

**WHEREAS**, under current law, CalABLE Accounts are only available to individuals whose disabilities began before the age of 26;

**WHEREAS**, the federal ABLE Age Adjustment Act (S. 331/H.R. 1219) will greatly expand the population of ABLE-eligible people to include individuals whose disabilities began before the age of 46, allowing up to 6 million more people to open ABLE accounts;

**WHEREAS**, passage of the ABLE Age Adjustment Act will further the objectives of the California ABLE Act by increasing the Program's impact on Californians with disabilities and by allowing more individuals to save for qualified disability expenses; and

**WHEREAS**, passage of the ABLE Age Adjustment Act will also benefit the CalABLE Program Trust by increasing the Program's size and assets and overall sustainability.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board hereby proclaims its support for the ABLE Age Adjustment Act and publicly declares that passage of the Act will significantly advance equality and independence for people with disabilities.

**BE IT FURTHER RESOLVED** that the executive director may take additional action to promote passage of the ABLE Age Adjustment Act, or any other legislation with substantially the same amendments, and authorizes the executive director to consult with the Board chair on any formal Board position if the Act is amended and there is insufficient time to seek Board consideration of the amended bill, in light of the Act's significant benefit to the Program and the disability community at large.

Attest: _____
Dante Q. Allen, Executive Director

Date of Adoption: _____

This page is intentionally left blank.

Attachment 2
Current Bill Text

This page is intentionally left blank.

I

117TH CONGRESS
1ST SESSION

# H. R. 1219

To amend the Internal Revenue Code of 1986 to increase the age requirement with respect to eligibility for qualified ABLE programs.

---

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 2021

Mr. CÁRDENAS (for himself, Mrs. RODGERS of Washington, and Ms. CHU) introduced the following bill; which was referred to the Committee on Ways and Means

---

# A BILL

To amend the Internal Revenue Code of 1986 to increase the age requirement with respect to eligibility for qualified ABLE programs.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''ABLE Age Adjustment Act''.

**SEC. 2. MODIFICATION OF AGE REQUIREMENT FOR QUALIFIED ABLE PROGRAMS.**

(a) IN GENERAL.—Section 529A(e) of the Internal Revenue Code of 1986 is amended by striking ''age 26''

in paragraphs (1)(A) and (2)(A)(i)(II) and inserting ''age 46''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

○

117TH CONGRESS
1ST SESSION

# S. 331

To amend the Internal Revenue Code of 1986 to increase the age requirement with respect to eligibility for qualified ABLE programs.

---

IN THE SENATE OF THE UNITED STATES

FEBRUARY 22, 2021

Mr. CASEY (for himself, Mr. MORAN, Mr. WYDEN, Mr. VAN HOLLEN, Mr. BOOZMAN, Mr. BLUMENTHAL, and Ms. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Finance

---

# A BILL

To amend the Internal Revenue Code of 1986 to increase the age requirement with respect to eligibility for qualified ABLE programs.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''ABLE Age Adjustment Act''.

**SEC. 2. MODIFICATION OF AGE REQUIREMENT FOR QUALIFIED ABLE PROGRAMS.**

(a) IN GENERAL.—Section 529A(e) of the Internal Revenue Code of 1986 is amended by striking ''age 26''

1 each place it appears in paragraphs (1)(A) and
2 (2)(A)(i)(II) and inserting ''age 46''.
3 (b) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

○

Attachment 3
Draft Statement of Support

This page is intentionally left blank.

**Draft ABLE Age Adjustment Act Statement of Support for Public Distribution**

On behalf of people with disabilities throughout California and across the United States, the California Achieving Better Life Experiences Act Board (Board) extends its support for the ABLE Age Adjustment Act. The Board also encourages congress to take swift action to ensure its passage in the current congressional session. This support is given under authority granted by California statute, which empowers the Board to act in favor of the long-term sustainability of CalABLE. By raising the age of disability onset for eligibility to open an ABLE account from 26 to 46, congress can ensure that an additional 6.2 million Americans are included in the life-changing benefits that come when people are empowered to take control of their finances. To date, more than 8,000 Californians have opened a CalABLE account and have saved nearly $80 million for their current and future financial needs related to living a life with a disability. Once passed, the ABLE Age Adjustment Act will extend the impact of CalABLE to help improve the lives of even more people.

DRAFT