



CALIFORNIA ACHIEVING A BETTER LIFE EXPERIENCE ACT BOARD

May 11, 2018

Governor's Revised Budget Adds \$1.1 million to CalABLE

Good news! It looks like we will be increasing our resources to better meet our program needs, thanks to Governor Jerry Brown's just announced May revisions to the fiscal year 2018-19 budget.

The revised budget includes an additional expenditure authority of \$1.1 million for a critical external contract expenditure by CalABLE, the state's soon-to-be-launched savings program for people with disabilities.

The additional allocation, in the form of a general fund loan to the CalABLE Act Board, will be used to retain a Program Administrator who will provide investment management, customer service, and record keeping services. CalABLE will be required to repay the loan once it achieves self-sustainability.

"The additional money for CalABLE announced today represents a significant increase in the State's commitment to people with disabilities and their families," said State Treasurer John Chiang. "We are confident that this increased investment will allow us to attract and retain a program administrator partner with the necessary experience to navigate the intricacies of ABLE while providing the superior consumer protections that Californians deserve and have come to expect."

The funding provides CalABLE with a solution to procurement challenges that have delayed the program's official launch. Two previous requests for proposals were unsuccessful because vendors were not confident that potential enrollment and maintenance fees would be sufficient to cover their cost to setup the program and they had concerns with our strict fiduciary requirements.

Even though it meant a temporary delay and moving forward with less haste and fewer cut-corners than some advocated, the CalABLE Board held fast to the conviction that the program must include solid protections for its stakeholders.

With the receipt of the loan, CalABLE will issue a Request for Proposal in late May, with submissions due in mid-June. We hope to be able to award the contract in late August and launch the program in December.

The next step in the funding process will include approval by Legislative sub-committees. As CalABLE stakeholders, we encourage you to reach out to the following committee members to ensure your voice is heard. (See committee list below.)

In 2015, Governor Brown signed the California ABLE Act into law, which allows qualified individuals with disabilities and their families to open tax-free savings accounts without the worry of losing vital government assistance. This law establishes the California ABLE Act Board, which will administer the CalABLE Program. Since its inception, CalABLE has been expanded by supporting legislation that further protects funds deposited into ABLE accounts from recovery to satisfy legal judgments, and limiting of funds in ABLE accounts to recover for Medi-Cal services after the death of the beneficiary, as well as opening to program up to residents nationally.

Thank you State Treasurer John Chiang for your leadership in advancing CalABLE's agenda and continuing program enhancements. Our thanks also to the CalABLE Board and Governor Jerry Brown for unstinting support of CalABLE and people with disabilities everywhere in California.

Appreciatively,

Dante Allen

Executive Director, CalABLE

Senate Subcommittee #4: State Administration and General Government Members:

Richard D. Roth (Chair):

- District 31 – northwestern Riverside (Corona, Eastvale, Jurupa Valley, Moreno Valley, Norco, Perris, Riverside)

Steven M. Glazer (Dem):

- District 7 – Contra Costa (Lafayette, Moraga, Orinda, San Ramon Valley, Tri-Valley), and part of Alameda (Dublin, Livermore, Pleasanton)

Scott Wilk (Rep):

- District 21 – parts of northern Los Angeles (Lancaster, Palmdale, Santa Clarita) and San Bernardino (Adelanto, Apple Valley, Hesperia, Victorville)

Assembly Subcommittee #4: State Administration Members:

Jim Cooper (Chair):

- District 9 – parts of Sacramento (Elk Grove, Florin, Galt, Parkway, Sacramento) and San Joaquin (Lodi)

Travis Allen (Rep):

- District 72 – western Orange County (Seal Beach, Los Alamitos, Fountain Valley, Westminster, and portions of Garden Grove, Huntington Beach and Santa Ana)

Anna Caballero (Dem):

- District 30 – San Benito, and parts of Monterey (Greenfield, Gonzales, King City, Salinas, Soledad), Santa Clara (Gilroy, Morgan Hill), and Santa Cruz (Watsonville)

David Chiu (Dem):

- District 17 – eastern half of San Francisco (core communities include LGBTQ community, Chinatown, Excelsior, Visitacion Valley, Bayview-Hunters Point)

Steven Choi (Rep):

- District 68 – central Orange County (Villa Park, Tustin, North Tustin, Lake Forest, and portions of Orange, Anaheim, Irvine)

Philip Ting (Dem Alt):

- District 19 – western San Francisco (the Farallon Islands, the cities of Daly City and Colma, and part of South San Francisco)

Jay Obernolte (Rep Alt):

- District 33 – parts of San Bernardino (Adelanto, Apple Valley, Barstow, Big Bear, Hesperia, Needles, and unincorporated areas of Victorville, Crestline, Lake Arrowhead, Running Springs)