



California State Treasurer Fiona Ma, CPA

News Release

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Governor Newsom Signs CalABLE Expansion Bill Sponsored by Treasurer Ma and Authored by Assemblymember Irwin Increasing Tax Advantaged Contributions to Savings Program for People with Disabilities

SACRAMENTO – Governor Gavin Newsom signed legislation sponsored by Treasurer Fiona Ma to expand eligible contributions to CalABLE, California’s tax advantaged savings and investment program for people with disabilities. Nearly 8,000 CalABLE accounts have been opened with nearly \$80 million in savings since CalABLE began. Assembly Bill (AB) 2216, authored by longtime CalABLE champion Assemblymember Jacqui Irwin (D-Thousand Oaks), expands the impact of the CalABLE savings plan for qualified people with disabilities.

“This bill is a major step toward improving the lives of people with disabilities through financial empowerment,” said California State Treasurer Ma, who chairs the CalABLE Act Board. “These enhancements will go a long way toward ensuring this community has full access to financial resources that allow them to plan for a brighter future.”

Starting January 1, 2023, CalABLE account holders who are working, and not participating in an employer-based retirement program, will be able to contribute the full amount allowable under federal law, up to \$28,880 per year into their CalABLE account. The bill expands the maximum annual contribution into a CalABLE account, incentivizes participation in California’s ABLE program by limiting Medicaid recovery provisions, and makes additional changes to conform with updated federal ABLE laws that provide greater flexibility to account holders.

“In 2015, in partnership with the State Treasurer, I authored AB 449 establishing the CalABLE program in California. Seven years later, I am proud to say that our CalABLE program is meeting its goal of ensuring that every Californian with disabilities has the opportunity to benefit from financial flexibility and independence without fear of jeopardizing their needed public benefits,” said Assemblymember Irwin. “My sincere thanks to Treasurer Fiona Ma for her work on the implementation of CalABLE and continued partnership as I introduced AB 2216 this year to further strengthen the CalABLE program. I am pleased that Governor Newsom signed my bill AB 2216 into law, and I look forward to CalABLE’s continued success.”

CalABLE is the state of California’s tax-advantaged savings and investment program benefiting people whose qualifying disability began before age 26. Based on the federal Achieving Better Life Experiences (ABLE) Act that Congress passed in 2014, the program allows eligible individuals to save up to \$16,000 per year in an ABLE account and access the money at any time without taxes or penalties when the money is used to maintain or improve the health, independence, or quality of life of the account owner. Up to \$100,000 of funds in an ABLE account are not counted against resource limits of federal and state benefit programs like Supplemental Security Income (SSI) and Medicaid. Established in December of 2018, CalABLE has enrolled more than 8,000 account holders who have saved and invested nearly \$80 million, making CalABLE one of the fastest growing ABLE programs in the nation.

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Fiona Ma is California’s 34th State Treasurer. She was elected on November 6, 2018, with more votes (7,825,587) than any other candidate for treasurer in the state’s history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer’s Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world’s fifth-largest economy and Treasurer Ma is the state’s primary banker. Presently, her office processes more than \$3 trillion in banking transactions. She provides transparency and oversight for the government’s investment portfolio and accounts, as well as for the state’s surplus funds. Treasurer Ma oversees an investment portfolio that currently averages over \$200 billion—a significant portion of which is beneficially owned by more than 2,200 local governments in California. She serves as agent of sale for all State bonds and is trustee of billions of dollars of state indebtedness.

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