

RÉSUMÉ DIGEST

ACT 411 (HB 598)

2015 Regular Session

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Existing law, known as the "Achieving a Better Life Experience in Louisiana Act" or "Louisiana ABLÉ Act", establishes a governance framework and broad guidelines for a state ABLÉ Account savings program (the "program") for persons with disabilities. New law provides for implementation of the program in a manner consistent with federal law, the "federal ABLÉ Act".

Existing law sets forth program purposes:

- (1) To pay qualified disability expenses so that persons with disabilities may maintain health, independence, and quality of life.
- (2) To provide secure funding for disability-related expenses on behalf of designated beneficiaries that will supplement, but not supplant, certain other benefits. Prior law specified that such beneficiaries have disabilities. New law deletes this qualification.

Existing law provides for the ABLÉ Account Authority, the "authority", to govern the program and for authority membership. New law increases membership from seven to 11 members by adding the following:

- (1) Executive director of The Arc of La. or his designee.
- (2) Executive director of People First of La. or his designee.
- (3) Person with a disability selected by the executive director of People First of La.
- (4) Parent or family member of a person with a disability selected by the chairperson of the La. Developmental Disabilities Council.

For purposes of organization of the executive branch of state government, prior law placed the authority within the Dept. of Health and Hospitals. New law transfers it to the Dept. of Education.

New law requires the executive director of The Arc of La. to ensure that the authority members are seated on or before Sept. 1, 2015, and the authority's initial convening by Dec. 1, 2015. Authorizes the authority to enter into any agreement with the La. Tuition Trust Authority as necessary to provide for combining the administration of the program and La. Student Tuition Assistance and Revenue Trust (START) Program.

Existing law specifies aspects of the program that the authority shall provide for in administrative rule. New law adds the following as program elements the authority shall provide for in rule:

- (1) Individual eligibility factors, including the age limits.
- (2) Documentation and other standards relating to determination of eligibility.
- (3) Number of ABLÉ Accounts per eligible individual.
- (4) Maximum annual contributions to an ABLÉ Account.
- (5) Separate accounting for each designated beneficiary.
- (6) Limitation on the number of times per year a designated beneficiary may direct the investment of contributions.
- (7) Prohibition on pledging an ABLÉ Account as security for a loan.
- (8) Safeguards to prevent contributions in excess of federal limits.
- (9) Types and categories of qualified disability expenses.

(10) Prevention of fraud and abuse.

New law requires the state treasurer to invest funds in ABLÉ Accounts in the same manner as monies deposited in START Program accounts.

New law provides that for the purpose of determining eligibility to receive any federal means-tested assistance (such as Medicaid, Supplemental Security Income, Supplemental Nutrition Assistance Program benefits, etc.), the following amounts shall be disregarded for an ABLÉ Account beneficiary:

- (1) Any amount, including earnings thereon, in the ABLÉ Account.
- (2) Any contributions to the ABLÉ Account.
- (3) Any distribution from the ABLÉ Account for a qualified disability expense.

New law provides that for tax years beginning on and after Jan. 1, 2016, amounts deposited in an ABLÉ Account on behalf of any designated beneficiary may be excluded from tax table income for purposes of La. income tax if authorized by applicable provisions of existing law (R.S. 47:293(9)(a)).

Effective upon signature of governor (July 1, 2015).

(Amends R.S. 36:802.24 and R.S. 46:1722(1), (2), and (7)(intro. para.) and (h), 1723, and 1725(B)(2); Adds R.S. 17:3093.1, R.S. 36:651(T)(6), and R.S. 46:1722(8) and (9) and 1726-1730; Repeals R.S. 36:259(Y) and R.S. 46:1722(4)-(6), 1724, and 1725(D))