

National ABLE Alliance

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State Treasurers, U.S. Senator Burr, and Advocacy Groups Join Forces to Raise Awareness for Investment Program to Benefit Children, Adults with a Disability or Blindness *13-State Alliance Will Offer ABLE Investment Accounts to Help Families Save for Better Future*

WASHINGTON, D.C. – Illinois Treasurer Michael Frerichs joined members of the National Achieving a Better Life Experience (ABLE) Alliance, U.S. Senator Richard Burr (R-NC), and advocates of people with disabilities in Washington, D.C. today to tout a new investment program for people with a disability or blindness that does not jeopardize their federal disability benefits. ABLE accounts are now available in multiple states across the country.

The ABLE Alliance is led by Illinois and serves as the country's largest multi-state agreement for this special investment program that allows for tax-free investment growth when savings are spent on qualifying disability-related expenses. The National ABLE Alliance includes Alaska, Arizona, Illinois, Iowa, Kansas, Missouri, Minnesota, Montana, Nevada, New Jersey, North Carolina, Pennsylvania, and Rhode Island. The 13 states have a combined population of nearly 75 million people. Other states can still join the alliance.

The legislation to create ABLE accounts was sponsored by U.S. Senator Richard Burr (R-NC) and U.S. Senator Bob Casey (D-PA). Following the passage of the ABLE Act at the federal level, states across the country passed legislation to create these ABLE programs.

Ascensus, headquartered in Dresher, PA, administers the program on behalf of the 13-state alliance following an open and competitively bid process and will service the program from its Newton, MA, Kansas City, MO, and Warwick, RI locations. The initial five-year contract can be extended up to an additional five years. The states jointly negotiated a master contract with Ascensus and then each state negotiated additional details to reflect their unique needs.

The fee structure is among the lowest in the nation. Costs will vary by participant depending upon the investment strategy. The typical fee will be 34 basis points, which is 34 cents for every \$100 invested. Ascensus will partner with Fifth Third Bank to provide an integrated checking and debit card option within the plan.

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For more information about ABLÉ accounts, please visit www.SavewithABLE.com.

Who Would Qualify and Other Rules

To qualify for an ABLÉ account, the account owner must have developed the disability or blindness before the age of 26. A person meeting the age requirement who qualifies for Social Security Administration benefits, or has received a waiver from the IRS, will qualify for an ABLÉ account.

Annual contribution limits are tied to the federal gift tax amount, which today is \$14,000. The ABLÉ investment can grow up to \$100,000 and not impact eligibility for Social Security Income or other means-tested programs at the federal level. When an ABLÉ account balance exceeds the \$100,000 cap, Social Security Income benefits are suspended. The benefits automatically resume if the account value falls below \$100,000. ABLÉ balances have no implications on Medicaid eligibility.

Investment growth is tax-free at the federal level when used for qualifying purchases, such as medical services, transportation and job training.

About Ascensus

Ascensus is the largest independent retirement and college savings services provider in the United States, helping over 7 million Americans save for the future. With more than 35 years of experience, the firm partners with financial institutions to offer tailored solutions that meet the needs of financial professionals, employers, and individuals. Ascensus specializes in recordkeeping, administrative, and program management services, supporting over 47,000 retirement plans, over 3.9 million 529 college savings accounts, and a growing number of [ABLE savings accounts](#). It also administers more than 1.5 million IRAs and health savings accounts and is home to one of the largest ERISA consulting teams in the country. For more information about Ascensus, visit <http://www.ascensus.com>.

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