



OFFICE OF ILLINOIS STATE TREASURER

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Treasurer Frerichs Expands Outreach Efforts For IL ABLE Savings Program

*New law requires Illinois public schools to share information in
Individualized Education Plan packets*

SPRINGFIELD – As students head back to school, parents of children with Individualized Education Plans will receive information about a State Treasurer’s Office program that helps families save money for disability-related expenses.

For the first time, Illinois school districts are required by law to include material about the Illinois ABLE (Achieving a Better Life Experience) program as part of a student’s IEP review meeting.

“We want more families to be aware of an important program that allows them to save for their child’s future,” said Illinois Treasurer Michael Frerichs, whose office administers the IL ABLE program. “The IL ABLE information that students and families will start receiving this school year will give them the tools they need to begin setting aside money for their children’s current and long-term expenses.”

IL ABLE accounts make it possible for people with disabilities and their families to save and invest money for disability-related expenses without losing federal benefits. Money in IL ABLE accounts can be spent on many of the expenses that come with living with a disability, such as assistive technology, therapies, specialized equipment, transportation, job coaching, health care, education and more.

Parents are receiving IL ABLE information from school districts thanks to a 2022 law sponsored by Sen. David Koehler of Peoria and Rep. Dagmara “Dee” Avelar of Bolingbrook that passed unanimously with bipartisan support. An estimated 290,000 Illinois public school students have Individualized Education Plans, and many of these students are eligible to own an IL ABLE account.

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“Putting money aside to pay for the costs of helping a child with a disability to reach their full potential should not impact eligibility for federal benefits,” Rep. Avelar said. “The ABLE program, which I am a proud supporter of, gives Illinois families the peace of mind that comes with being able to set money aside for their children without having to worry that it will cause unintended issues with their other benefits. When we have empathy and compassion for those who struggle with things we may take for granted, that helps move our whole society forward.”

“It’s crucial to create a plan that paves the way for students with disabilities to succeed,” Sen. Koehler said. “By making sure these students and their families know about the resources available to them, we offer them an opportunity to get the most out of their education.”

The earlier parents find out about IL ABLE accounts, the sooner they can start to save money --- and starting early is important. Dr. Alysia and Daniel Townsend of Aurora opened an IL ABLE account for their son, Etienne, shortly before he turned 1. Etienne, 7, was born with Down syndrome, and Dr. Townsend said she knew even before he arrived that it was important to plan.

“When we got news about Etienne’s diagnosis, I became intentional about making sure he could be provided for. I became very motivated to get our finances in place,” Dr. Townsend said. “Our Illinois ABLE account is giving us peace of mind and providing security about Etienne’s future.”

“I think it’s a wonderful idea to provide information (about IL ABLE accounts)” to families like ours, she added.

The State Treasurer’s Office launched IL ABLE in 2017. Before ABLE, people with disabilities who relied on means-tested benefits, such as Supplemental Security Income, could not have more than \$2,000 in assets or they would lose their benefits, leaving them chronically financially insecure. With an ABLE account, people with disabilities and their families can save while preserving benefits. Up to \$17,000 a year can be contributed to an IL ABLE account.

Almost 5,000 IL ABLE accounts are open with more than \$47 million in assets. In 2022, Treasurer Frerichs reduced annual maintenance fees by 25% for those who receive electronic statement notifications.

To be eligible for an ABLE account, the onset of the disability must have occurred before the person’s 26th birthday. Starting in 2026, that age rises to 46 as a result of the ABLE Age Adjustment Act, which Congress passed last December.

There are [tax benefits](#) as well. Earnings and withdrawals are tax-free when used for qualified expenses. In addition, Illinois taxpayers who contribute to an IL ABLE account may be eligible to take a state income tax deduction of up to \$10,000 if filing as an individual and \$20,000 jointly.

You can learn more and sign up at illinoisable.com.

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About the Illinois Treasurer

The Illinois State Treasurer's Office is a powerful economic engine that invests in people to drive prosperity, development and growth throughout the state. As State Treasurer, Michael Frerichs (FRAIR-iks) is the state's Chief Investment and Banking Officer and actively manages approximately \$55 billion. The investments help families pay for college and trade school; workers save for a dignified retirement; and local governments process bill payments more efficiently so they can pass along the savings to taxpayers. The office provides financial institutions money to loan to farmers, small business owners, and qualified individuals at below-market rates because better jobs create stronger communities. The office operates the state's largest consumer-protection initiative, the unclaimed property I-Cash program, which has returned a record-breaking \$1.8 billion since Frerichs was elected.

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