



State of Rhode Island
Office of the General Treasurer

James A. Diossa
General Treasurer

15 March 2024
The Honorable Joseph McNamara
Chair, House Education Committee

The Honorable Members of the House Education Committee

RE: *2024-H 7612, An Act Relating to State Affairs and Government – Office of Health and Human Services*

Chair McNamara:

I write in strong support of 2024-H 7612, introduced by Representative Cortvriend at my request. This bill helps individuals with disabilities and their families save for disability-related expenses without jeopardizing their ability to qualify for state and federal public assistance programs.

First enacted in 2015, the Achieving a Better Life Experience (“ABLE”) Act was intended to ease financial strains faced by individuals with disabilities by making tax-free savings accounts available for qualified disability expenses.¹ R.I. Gen. Laws § 42-7.2-20.1 (creating ABLE accounts with federal authorization). Through this account, a qualified beneficiary is able to deposit funds and receive third-party contributions without impacting eligibility for state and federal public assistance programs. *See* R.I. Gen. Laws § 42-7.2-20.7.

Across Rhode Island, thousands of disabled individuals and their families depend on public benefits for income, health care, and food and housing assistance. However, eligibility for these public benefits (such as Supplemental Security Income, the Supplemental Nutrition Assistance Program, and Medicaid) generally depends on a means/resource test that restricts eligibility to individuals with less than \$2,000 in liquid assets, including savings.

But living with a disability – or caring for one with a disability – can be quite expensive. Proper healthcare, housing, education, and assistive technologies all come with a cost that families and

¹ Qualified disability expenses include education, housing, transportation, employment training and support, assistive technology, health, prevention and wellness, financial management and administrative services, legal fees, expenses for ABLE account oversight and monitoring, funeral and burial, and basic living expenses. *See* R.I. Gen. Laws § 42-7.2-20.1 (3).

those with disabilities must cover. ABLE accounts permit individuals with disabilities to accrue savings to cover disability-related expenses without sacrificing eligibility for other public benefits.

My Office manages and invests these accounts in conjunction with the State Investment Commission. Despite rigorous outreach efforts, comparatively few Rhode Islanders are utilizing this program. Currently, Treasury manages just 400 accounts.

This bill is aimed at expanding Program awareness and access by requiring local education authorities (“LEAs”) to distribute information about the ABLE Program to the families of children with an individualized education program (“IEP”). Though not every individual with an IEP will qualify for ABLE, an individual who qualifies for ABLE is highly likely to have an IEP.² This casts a wide net but it is a low-cost way to inform families of a financial assistance option that is available to them.

All materials would be prepared by the Office of the General Treasurer and distributed to LEAs with the assistance of the Rhode Island Department of Education. LEAs can distribute ABLE materials in the same way they currently distribute other IEP materials to parents or guardians. Once the LEA distributes these materials, they have no continuing administrative obligation relative to the ABLE program.

I urge this Committee to recommend passage and help disabled Rhode Islanders.

Respectfully,



James A. Diossa
General Treasurer

cc: The Honorable K. Joseph Shekarchi
 The Honorable Terri-Denise Cortvriend

² An individual is considered “disabled” under the ABLE Act if the individual is entitled to benefits based on blindness or disability under the Social Security Act or have a disability certification filed with the federal Secretary of Treasury and the disability manifested itself before age 46. *See* R.I. Gen. Laws § 42-7.2-20.2 (7) (adopting the definition under 26 U.S.C. § 529A).