



April 2, 2015

TO: Senator Sara Gelser, Chair  
Senate Human Services and Early Childhood Committee  
FR: Bob Joondeph, Executive Director  
RE: SB 777

Disability Rights Oregon (DRO) is Oregon's federally-funded *Protection and Advocacy* office that provides legal-based advocacy services to Oregonians with disabilities. DRO strongly supports SB 777 as a responsible way to allow people with disabilities to avoid being relegated to lives of poverty.

Last December, President Obama signed the Stephen Beck, Jr., Achieving a Better Life Experience Act<sup>1</sup> (ABLE) Act. The new law allows people with disabilities to open special accounts to save up to \$100,000 without risking their eligibility for Social Security, Medicaid and other government programs. Modeled after 529 college savings plans, interest earned on savings in ABLE accounts is tax-free. Funds from the accounts can be used to pay for education, health care, transportation, housing and other disability-related expenses.

Each state may decide whether to offer a qualified ABLE program to its residents. States that opt into the program need to decide many details of how it will operate. SB 777 wisely directs the State Treasurer to work out the details of the program by rule in order to take advantage of developing federal regulations and investment opportunities.

ABLE accounts provide an opportunity to significantly improve the lives of those who receive Social Security benefits based on their disability or who are meet standards for disability certification. The qualifying disability must have occurred before the age 26.

An eligible person may have only one ABLE account to which anyone may contribute. Yearly contributions cannot exceed the federal gift-tax exemption or state-based limits for 529 accounts. Funds from an ABLE account can be used for expenses of the person with disabilities that are related to the disability without taxation.

We thank State Treasurer Ted Wheeler, Senator Gelser and legislators who see the ABLE Act as a wonderful opportunity to improve the lives of Oregonians with disabilities.