



Contact: Kaellen Hessel

503-378-6085 | [Kaellen.hessel@ost.state.or.us](mailto:Kaellen.hessel@ost.state.or.us)

## **Oregon ABLÉ Savings Plan to launch in December**

### **Oregon 529 Savings Board chooses BNY Mellon as program manager**

SALEM, Ore. – July 25, 2016 — After selecting BNY Mellon as the program manager for the Oregon ABLÉ Savings Plan, the Oregon 529 Savings Board announced Monday that the program will launch by the end of 2016.

ABLE is a tax-advantage savings plan that will allow individuals with disabilities and their families to save for disability-related expenses without disqualifying them for crucial state and federal benefits, like Medicaid and Supplemental Security Income (SSI). Currently, people become disqualified for those benefits when their assets reach \$2,000. That will no longer be the case when funds are deposited into an ABLÉ account.

“Now that a program manager has been chosen, we can focus on working to solidify the plan’s details that will be key to financially empowering people with disabilities,” said Michael Parker, executive director of the Oregon 529 Savings Network, which administers the plan. “By using an ABLÉ plan, individuals who depend on these benefits will no longer be forced into poverty in order to continue qualifying for them.”

Through ABLÉ, people can set aside money for long-term savings, through several investment options, or for spending, through a secured option. Any earnings in an ABLÉ account are tax-free if used for qualified expenses, like education, housing, assistive technology, personal support services and other disability-related expenses.

Individuals who have a significant disability that was diagnosed before the age of 26 are eligible for an account. Eligibility is based off of the Social Security Administration’s definition of disability, which includes people with Down syndrome, autism, cerebral palsy and other intellectual or developmental disabilities.

Oregon residents are eligible for a state tax deduction — up to \$4,620 for joint tax filers and \$2,310 for single filers in 2016 — when contributing to ABLÉ plans with a beneficiary under the age of 21. Anyone can contribute to an account up to the annual gift tax exclusion of \$14,000. The maximum account balance for ABLÉ plans is \$310,000, however once an account exceeds \$100,000 it starts to count against the \$2,000 asset limit for SSI.

“The freedom to set financial goals and save your own money is so basic,” said Sen. Sara Gelser (D-Corvallis), a sponsor of the legislation that created ABLÉ. “Unfortunately, for too long people with disabilities have been denied that basic opportunity. With the launch of the Oregon ABLÉ Savings Plan

this December, that will all change for Oregonians. Parents will be able to save for their children's future, and adults with disabilities can save for the things that will help them build the lives they choose. I'm so proud that Oregon will be one of the first states where saving is possible. I'm eager to see what happens when people with disabilities finally have the ability to take control of their financial future. This is a great day for Oregon!"

Nationally, the disability community has spent the past 10 years working to pass the Achieving a Better Life Experience (ABLE) Act to help people with disabilities become more financially secure. In Dec. 2014, President Barack Obama signed the ABLE Act into law which gave states the opportunity to create federal tax-advantaged accounts, similar to 529 college savings plans, which would allow people to save for disability-related expenses. Eight months later, Gov. Kate Brown signed Senate Bill 777, co-sponsored by Sen. Gelser and Rep. Cedric Hayden, into law directing the Oregon 529 Savings Board to establish an ABLE plan.

Since then, the network has been working closely with disability organizations throughout the state to make sure the plan would be uniquely tailored to the needs of people with disabilities. Due to the vital collaboration of the working group, made up of 13 organizations that support people with a variety of disabilities, the plan will include wraparound services aimed to promote users' financial independence. The working group consists of Albertina Kerr, Aging and People with Disabilities, The Arc Oregon, Autism Society of Oregon, Community Vision, Disability Rights Oregon, FACT Oregon, Northwest Down Syndrome Association, Office of Developmental Disabilities Services, Oregon Council on Developmental Disabilities, Oregon Training and Consultation, United Cerebral Palsy of Oregon & Southwest Washington and Work Incentives Network.

As the program manager, BNY Mellon will be a strategic partner responsible for hosting a website and mobile app which allow people to open and manage accounts; offering customer service by representatives trained to work with people with disabilities; and keeping account records for the plan.

Interviews can be arranged with Sen. Gelser, representatives of the Oregon 529 Savings Network and BNY Mellon.

To learn more about the Oregon ABLE Savings Plan, visit [OregonABLEsavings.com](http://OregonABLEsavings.com). For more information about ABLE accounts in general, visit the ABLE National Resource Center's website at [ABLEnrc.org](http://ABLEnrc.org).

*The Oregon 529 Savings Network, previously called the Oregon 529 College Savings Network, was launched in Jan. 2001 to administer 529 college savings plans, including the Oregon College Savings Plan and MFS Savings Plan. As of March 31, 2016, the Oregon College Savings Plan reported \$1.28 billion in assets and nearly 89,000 accounts across the state. After being tasked by the 2015 Legislature to oversee ABLE, the network changed its name in May 2016.*

###