Moderator

Laurie Schaller, BA, CWIC
Manager, Financial Empowerment
National Disability Institute
202.449.9521
Lschaller@ndi-inc.org
Listening to the Webinar

The audio for today’s meeting can be accessed using computer audio or by calling in by phone. If you select computer audio, please make sure your speakers are turned on or your headphones are plugged in.

If you do not have sound capabilities on your computer or prefer to listen by phone, dial:

1-929-205-6099
Meeting Code: 829 7603 5405
Captioning

- Real-time captioning is provided during this webinar.
- The captions can be found by clicking on the “cc” button in your Zoom controls at the bottom of the screen.
- If you do not see the captions after clicking the button, please alert the host via the chat box. You may also view captions in your browser at: streamtext.net/player?event=NDI.
Submitting Questions

• Please use the Q&A box to submit any questions you have during the webinar and we will direct them accordingly.

• If your question is not answered during the webinar, or you are listening by phone and not logged in, you may email: lschaller@ndi-inc.org
Technical Assistance

• If you experience any technical difficulties during the webinar, please use the chat box to send a message to the NDI Host, or you may email: kauchenbach@ndi-inc.org.

• Please note: This webinar is being recorded and the materials will be placed on the following websites:
  
  o National Disability Institute: nationaldisabilityinstitute.org/resources/webinars
  
  o Illinois Council on Developmental Disabilities: www2.illinois.gov/sites/icdd
National Disability Institute

- Our Vision: We envision a society in which people with disabilities have the same opportunities to achieve financial stability and independence as people without disabilities.

- Our Mission: We collaborate and innovate to build a better financial future for people with disabilities and their families.

www.nationaldisabilityinstitute.org
Financial Wellness for People with Disabilities

In partnership with the Illinois Council on Developmental Disabilities

This project is supported, in part by grant numbers 19/2001ILSCDD-02, from the U.S. Administration for Community Living, Department of Health and Human Services, Washington, D.C. 20201. Grantees undertaking projects with government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not, therefore, necessarily represent official ACL policy.
Welcome

Mariel R. Hamer
Associate Director of Program & Policy
Illinois Council on Developmental Disabilities
Webinar Agenda

• What is ABLE?
• Illinois ABLE Account Basics
• ABLE Beyond Illinois
• Illinois ABLE News & Updates
• Q&A
Presenter

JJ Hanley
Director, Illinois ABLE
What is an ABLE Account?

A = Achieving a
B = Better
L = Life
E = Experience

Financial accounts that eligible people with disabilities can own, while preserving benefits such as SSI, SSDI, Medicaid, Medicare, FAFSA, HUD and SNAP. Used to save and invest money to build independence and maintain, or improve, quality of life.
Both chambers of U.S. Congress passed unanimously
Amended the Internal Revenue Code to include tax-exempt ABLE accounts for individuals with disabilities (I.R.C. 529a)
Signed into law December 2014
Illinois General Assembly passed enabling legislation in 2015
Illinois ABLE plan launched in January 2017
42 states, plus D.C. currently administer ABLE plans
Why Was ABLE Fought for by Disability Advocates?

“...to assure equality of opportunity, full participation, independent living, and economic self-sufficiency” for and by people with disabilities

– Americans with Disabilities Act 1990

Before ABLE

- Benefits caps created chronic financial instability
- People with disabilities had little incentive to work
- Only those with means had a pathway to achieve the promise of the ADA
Why Do People With Disabilities Open IL ABLE Accounts?

- Build savings while preserving benefits, such as SSI, SSDI and Medicaid
- Have a way to save earnings
- Deposit gifts, small inheritances and small insurance settlements
- No Medicaid asset cap
- Alternative or add-on to special needs / pooled trust
- Tax–free earnings and withdrawals from the account
- Rollover of a 529 College Savings account
- Easy investment and checking options
- IL taxpayers can deduct contributions from IL State income taxes
- Person with disability owns the account
Who is Eligible to Own an IL ABLE Account?

- Onset of disability before age 26 and

- Receives or qualifies for Social Security disability benefits (SSI, SSDI) or

- If not receiving benefits, has a disability Certification from a licensed physician indicating condition and onset prior to age 26
ABLE Account Basics:
250,000 Illinoisans with disabilities are eligible to own ABLE accounts!

“It was so easy to setup an IL ABLE account. It took just 15 minutes. I tell all my friends to set one up for their children.”

Nancy, Parent & Authorized Individual
Who Can Open the IL ABLE Account?

**Account Owner:** Eligible adult who is not under guardianship.

**Authorized Individual:** Parent or guardian of minor. Parent, guardian or power of attorney for eligible adult with proof of:

- Guardianship
- Birth Certificate
- Power of Attorney

**Rep-Payee:** If rep payee is also one of the above
IL ABLE Fundamentals

- $15,000 aggregate annual account contribution
- Working account owners can contribute additional amount = lesser of gross earnings up to the U.S. Health and Human Services (HHS) Federal Poverty Guidelines for the previous calendar year
- One account per individual nationwide
- Any eligible individual can own an IL ABLE account no matter where they live
- Maximum total balance permitted in IL ABLE account = $450,000
- No withdrawal limits
Account Contributions Can Come From Almost Any Source

- Money gifts (family, friends, third parties)
- Paychecks (auto payroll debit option)
- Small inheritances, insurance settlements
- Rollover from 529 college savings
- Distributions from a special needs or pooled trust
- Fundraiser
- Social Security Administration benefits
Six High-Quality, Low-Cost Investment Options
(Investment option change allowed twice per year)

- **Aggressive**: Asset-Based Fee: 0.37%
  - Stocks: 90%
  - Cash: 10%

- **Moderately Aggressive**: Asset-Based Fee: 0.37%
  - Stocks: 75%
  - Cash: 25%

- **Growth**: Asset-Based Fee: 0.37%
  - Stocks: 60%
  - Cash: 40%

- **Moderate**: Asset-Based Fee: 0.37%
  - Stocks: 55%
  - Cash: 25%
  - Bonds: 20%

- **Moderately Conservative**: Asset-Based Fee: 0.36%
  - Stocks: 45%
  - Cash: 25%
  - Bonds: 30%

- **Conservative**: Asset-Based Fee: 0.34%
  - Stocks: 60%
  - Cash: 10%
  - Bonds: 30%
What can Funds in the IL ABLE be Spent on?

- Education
- Food
- Housing
- Transportation
- Employment training and job coaching
- Assistive technology
- Personal support services
- Healthcare, prevention and wellness
- Financial management and administrative services
- Legal fees
- Oversight and monitoring
- Funeral and burial expenses

Qualified Disability Expenses (QDE)

List is not exhaustive:
- Includes expenses that maintain or improve health, independence or quality of life.
- Should be construed broadly to include basic living expenses.
- Not limited to expenses that are medically necessary or that provide no benefit to others in addition to the account owner.
- Including COVID-19 expenses: food and grocery delivery, personal protective wear, sheltering in-place, tele-medicine, etc.
How Can You Decide Which Options Are Right for You?

Ask yourself these questions:

- What qualified disability expenses do I want to save for?
- When will I need the money?
- What is the risk?
- What is my risk tolerance?

Download IL ABLE “What Type of Investor Are You?”
Read the Plan Disclosure Documents
What are the Account Fees?

- **Annual asset-based fees**
  - 0.34% to 0.37%

- **Quarterly account maintenance fee**
  - $15.00 for paper delivery
  - $11.25 for e-delivery

- **Checking account fee**
  - $2.00 monthly
  - waived for average balances > $250 or statement e-delivery
  - paper checks can be purchased for $6.00
To Open an IL ABLE Account:

- Online:  [illinoisable.com](illinoisable.com) (recommended)

- Download application and mail to:
  
  IL ABLE
  
  PO Box 219420
  
  Kansas City, MO 64121

- Call Customer Service at 888-609-8683
  
  Monday-Friday
  
  PO Box 219420
  
  Kansas City, MO 64121
IL ABLE and COVID Preparedness

- COVID-19 notice on enrollment site
- Work-from-home – ISTO & Program manager
- Account processing continues uninterrupted
accessABLE Monthly Newsletter

- 4,400+ subscribers
- Monthly Updates about ABLE
- Sign up via email to: able@illinoistreasurer.gov
Thank you!

The Illinois Achieving a Better Life Experience (IL ABLE) plan is sponsored by the State of Illinois and administered by the Office of the Illinois State Treasurer. IL ABLE is designed to be a qualified ABLE plan offered through the National ABLE Alliance. Ascensus College Savings Recordkeeping Services, LLC, the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services for IL ABLE.

Accounts in IL ABLE are not guaranteed or insured by the State of Illinois, the state administrator, the Trust, IL ABLE or the Program Manager. IL ABLE offers investment options across the risk spectrum from Conservative to Aggressive. Except for the checking account option, investments in the IL ABLE plan are not insured by the FDIC. The Checking Option offers FDIC insurance up to $250,000, subject to certain restrictions. Interests in IL ABLE are municipal securities and the value of your account will vary with market conditions and the performance of the investment options you choose. Account owners assume all investment risks as well as responsibility for any federal and state tax consequences. Participation in the IL ABLE plan does not guarantee that contributions and the investment return on contributions, if any, will be adequate to cover future expenses or that an Account Owner is eligible to participate in the IL ABLE Plan.

Before investing in any ABLE plan, you should consider whether the state in which you reside or pay taxes offers an ABLE plan that provides its taxpayers with favorable state tax or other benefits that are only available through investment in the home state’s ABLE plan. You also should consult your financial, tax, or other adviser to learn more about how state-based benefits, or any limitations, would apply to your specific circumstances.

This material is provided for general and educational purposes only, and is not intended to provide legal, tax or investment advice, or for use to avoid penalties that may be imposed under federal or state tax laws. This material is not an offer to sell or a solicitation of an offer to buy any securities.

Testimonials may not be representative of the experience of other customers and is no guarantee of future performance or success. For more information about IL ABLE, call (888) 609-8683, or visit Illinoisable.com to obtain Plan Disclosure Documents, which include investment objectives, risks, charges, expenses, and other important information about IL ABLE.
Resources

• National Disability Institute webinars: nationaldisabilityinstitute.org/resources/webinars

• ABLENRC: ablenrc.org/
COVID-19 Online Resource Center for People with Disabilities and Chronic Health Conditions

nationaldisabilityinstitute.org/financial-resilience-center

The Financial Resilience Center was developed by National Disability Institute with generous funding from the Wells Fargo Foundation.
Upcoming Webinar: Credit Matters

• July 23, 2020  10:00 Central/11:00 Eastern

• Join National Disability Institute to learn about the importance of credit and a personal credit profile. Learn ways that credit profiles are used in everyday life. This webinar will identify what makes up a credit score and how good credit scores can save an individual money.

• REGISTER
Contact Us

If you have any questions on this project, financial wellness for people with disabilities, or ABLE accounts, please send an email to ask@ndi-inc.org.
Financial Wellness for People with Disabilities

In partnership with the Illinois Council on Developmental Disabilities

In partnership with the Illinois Council on Developmental Disabilities. This project is supported, in part by grant numbers 19/2001ILSCDD-02, from the U.S. Administration for Community Living, Department of Health and Human Services, Washington, D.C. 20201. Grantees undertaking projects with government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not, therefore, necessarily represent official ACL policy.