



*Legislative Committee on Senior Citizens, Veterans
and Adults with Special Needs Presentation*

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ABLE: Achieving a Better Life Experience Act of 2014

*The National ABLE Alliance is a partnership of States dedicated to
providing those living with disabilities with an ABLE investment
product that offers multiple financial options at low cost.*

What is ABLE?

ABLE helps individuals with disabilities and their families to:

- save for many daily, disability-related expenses on a *tax-free* basis
- preserve their ability to benefit from supplemental security income (SSI), Medicaid, and other federal programs.

Who's eligible?

- Eligible individuals can open the account for themselves, or an authorized individual can open an account on their behalf.
- Eligible individuals must be entitled to SSI or SSDI because of their disability, and their disability must have been present before age 26.

Who's eligible?

Individuals who are eligible for ABLE must certify that:

- they have a physical or mental disability that can be expected to last for at least a year or can cause death

Or

- they are blind

Or

- their disability is included on the Social Security Administration's List of Compassionate Allowances Conditions

And

- such blindness or disability occurred before age 26.

(Proof of eligibility is not required to open an account. However, you should maintain a record of your diagnosis, benefits verification letter or other relevant documents in the event that you are required to prove eligibility at a later time.)

Qualified Disability Expenses.

A Qualified Disability Expense is ANY expense that is incurred as a result of living with a disability and is intended to improve quality of life. Qualified expenses include, but are not limited to:

- Education
- Health and wellness
- Housing
- Transportation
- Legal fees
- Financial management
- Employment training and support
- Assistive technology
- Personal support services
- Oversight and monitoring
- Funeral and burial expenses

(When savings are used for non-qualified expenses, the earnings portion of the withdrawal will be treated as income, so it will be taxed at the account owner's tax rate, and will be subject to a 10% federal tax penalty and applicable state taxes.)

Special tax advantages.

- ABLE savings may grow and be withdrawn tax-free, **provided that savings are used for qualified, disability-related expenses.**¹
- Earnings may compound federally tax-deferred, maximizing the return on your investment.

¹ Earnings on non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as applicable state and local income taxes.

No impact on current benefits.

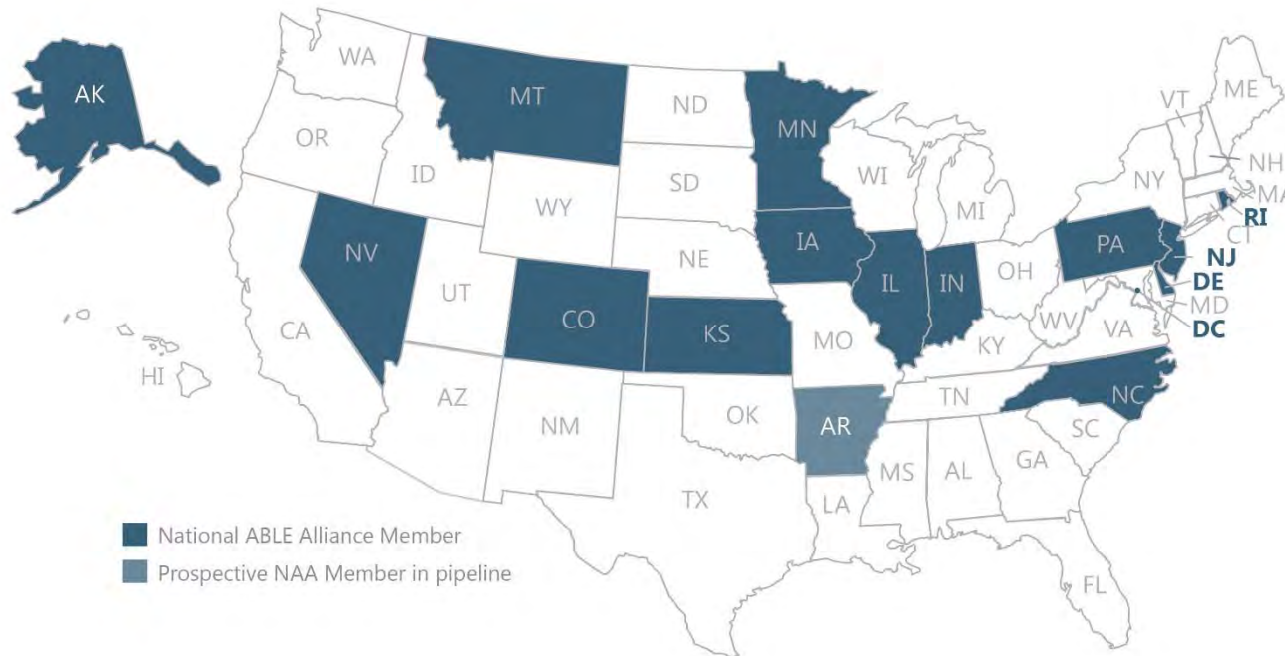
- Balances of \$100,000 or less are excluded from your SSI resource limit.
- Only the amount OVER \$100,000 is counted against your limit, along with assets held in non-ABLE accounts.
- If your account causes you to exceed the SSI resource limit, then your SSI benefits will be suspended until the account balance no longer exceeds your resource limit.²
- You'll continue to be eligible for Medicaid, regardless of your account balance.³

² Please see the Plan Disclosure Documents for complete details on SSI suspension and any requirements on when you use the funds, to prevent suspension of benefits.

³ Upon the death of the account owner, the state Medicaid agency shall be a creditor for the total medical assistance paid under the State's Medicaid program on behalf of the account owner after the establishment of the account, upon filing of a claim for payment by such state.

What is the National ABLE Alliance?

Multi-state partnership that created a high quality, low-cost, flexible option for saving and investing for disability-related expenses. Plans are available to anyone in the country through these 15 states.



- Alaska
- Colorado
- Delaware
- District of Columbia
- Kansas
- Illinois
- Indiana
- Iowa
- Minnesota
- Montana
- Nevada
- New Jersey
- North Carolina
- Pennsylvania
- Rhode Island

What does that mean for Account Owners?

Prudent Oversight - Enrollment process oversight helps protect account owners from fraud or abuse. Strong, continual oversight of funds and all fees.

High-Quality Plan Features

- Low-cost, index-based Investments options.
- Working as an Alliance brings operational efficiencies which allow member states to provide high quality, low cost programs.
- Exclusive fully integrated Fifth-Third, FDIC-insured checking account option available with debit card (*not “downloadable” – this is a “real time” debit card*) and check writing capability.

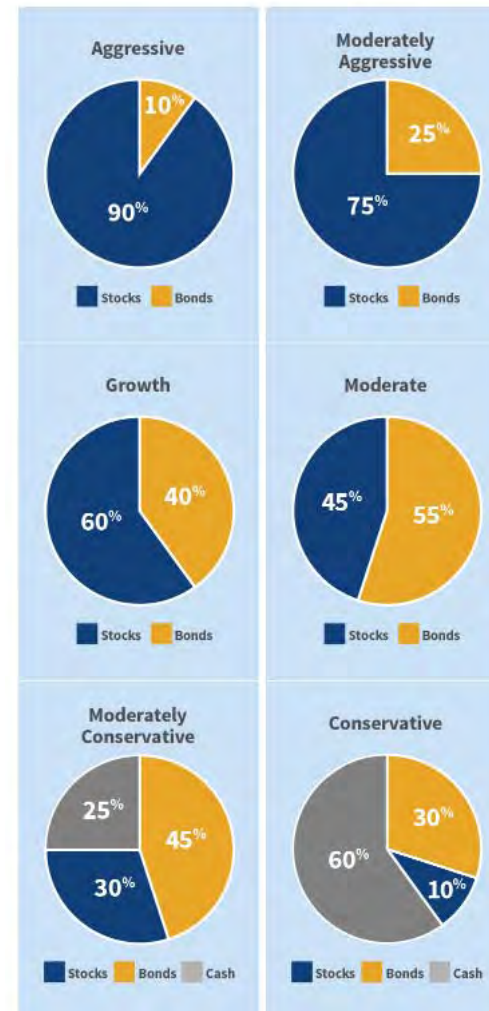
Outstanding Customer Service

- Call Center support available 8am – 5pm, Monday through Friday.
- Call Center support available for non-English speakers, deaf and hard-of-hearing callers.
- ADA compliant plan websites.

Easy-to-understand Investment Options

Investing can be confusing – we made it easy

- Highly-rated index-based underlying investment funds.
- A range of six investment options to more closely match your goals and comfort with risk.
- From aggressive options that seek higher returns to conservative options that place capital preservation over growth, Alliance Member plans offer choices for every investor.
- Cash allocations are invested in a high-yield savings option from Sallie Mae Bank



Plus a Checking Option



- Assets remain under ABLE protections while invested in the checking option
- FDIC insurance up to \$250,000
- Interest bearing
- Direct debit card access to funds in the checking option that helps keep track of qualified expenses
- Optional check writing
- All checking and debit transactions included on quarterly statements
- Use of 54,000+ fee-free ATMs nationwide
- No monthly fee if balance >\$250 or obtain electronic checking statements
- No overdraft fees

Contributions & Fees

Impactful contributions

- Contribute up to \$15,000 per year.
- Account owners who work may be eligible for additional contributions of earned income above the \$15,000 annual maximum.
- Balances of \$100,000 or less are excluded from SSI resource limits.
- Some Alliance Members offer state tax deductions for ABLE contributions. Check with your home state.

Low fees

- The annualized investment costs on assets per investment option range from 0.34% to 0.37%, depending on which investment option(s) you select.
- A discounted account maintenance fee of \$11.25 per quarter for eDelivery of statements and confirmations. (\$15.00 per quarter if paper delivery is selected).
- Certain banking fees may apply to the checking option.

Frequently asked questions.

Do I have to prove eligibility?

No. However, you should have a record of a doctor's signed diagnosis, a benefits verification letter from the Social Security Administration or other relevant documentation for account verification, as needed.

Do I have to prove that withdrawals are for qualified disability expenses?

Not at the time of the withdrawal. Annually, ABLE Nevada will report the total amount of your withdrawals to the IRS and the date and amount of each of your withdrawals to the Social Security Administration. In the event that either entity wants to verify the expenses, it's recommended that you keep detailed records.

Frequently asked questions.

Can I have more than one ABLE Nevada account?

No. You're limited to one ABLE account, except in the case of a rollover from another qualified ABLE program. This extends beyond ABLE Nevada to include accounts in other ABLE programs.

In the case of a rollover to an ABLE account for the same account owner, the account from which the funds are withdrawn must be closed within 60 days of the withdrawal.

Can friends and family make contributions into my account?

Absolutely. Anyone can contribute directly to your ABLE Nevada account. No matter who contributes, you, the account owner or authorized individual, retain control over the account. Keep in mind that contributions made *by you* are considered "income" for means-tested programs.

How often can I change my investments?

Twice per calendar year. You can change your investment options for any NEW contributions at any time.



Opening An Account

It only takes a few minutes.

- **Visit** nv.savewithable.com to learn more about the Program, request an information kit or enroll online.
- **Call** (888)-609-8916 to speak with a Program representative Monday through Friday, 8:00am – 5:00 pm PT.

We're here to help.

Email us: nv.clientservice@savewithable.com

Contact us by mail:

ABLE Nevada
P.O. Box 219538
Kansas City, MO 64121-9781

Overnight Delivery:

ABLE Nevada
920 Main Street
Suite 900
Kansas City, MO 64105

Suggested Legislative Changes

- Create a more streamlined administrative process, by removing the responsibilities of Aging and Disability Services from the enabling statutes (NRS 427A.882 – 886).
 - Allows for one entity to represent the state in all decisions regarding the National ABLE Alliance.
 - Ensures there is ultimate accountability for the growth and health of the program.

The State Treasurer's Office is committed to working hand-in-hand with Aging and Disability Services, as they are the boots on the ground, but removing them from the Administration of the program would create a more streamlined and transparent program.

Important legal information.

- For more information about ABLE Nevada (the “Member Plan”), call (888)-609-8916 or visit nv.savewithable.com to obtain Plan Disclosure Documents, which include investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing.
- Investors should consider before investing whether their home state offers any state tax or other benefits that are only available for investments in such state’s qualified ABLE program. Investors should consult their legal, tax advisor and/or other advisor regarding their specific legal, investment or tax situation.
- The Member Plan is sponsored by the state of Nevada and administered by the ABLE Savings Program Trust Fund. The Member Plan is one of the qualified ABLE plans issued by the Ascensus ABLE Consortium Trust. 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. The Member Plan offers a series of investment options within the Ascensus ABLE Consortium Trust. The Member Plan is intended to operate as a qualified ABLE plan to be used only to save for Qualified Disability Expenses, pursuant to the Section 529A of the U.S. Internal Revenue Code, as amended.
- 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.
- Participation in the Member 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 Member Plan.