



JOSH MANDEL

STATE TREASURER OF OHIO

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By Tana Weingartner
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Ohio is rolling out a savings account plan for people with disabilities. STABLE accounts allow qualified individuals to save and invest up to \$14,000 per year without losing government benefits like Medicaid or Supplemental Security Income (SSI).

Jenny Cunningham of Columbus is a self advocate who helped push the initiative along. "I wanted to save money to pay my own expenses in my own home, but I couldn't. Now I can. I have a STABLE account."

Ohio Treasurer Josh Mandel launched the program in Cincinnati Wednesday. His office is administering it for the state.

Speaking at the launch, Cunningham said, "Now I, and millions of persons with disabilities can save for our future. We can be independent and rely on ourselves to do the right thing. We can pay for our medical needs that aren't covered by insurance. We can seek training that will help us get better jobs. And finally, if our furnace breaks down, we don't have to panic and find someone to borrow money. That happened to me."

Ohio is the first state to launch this program and anyone who is eligible, regardless of residency, can sign up for an account. The National Down Syndrome Society puts that number at approximately 54 million people nationwide.

Congress approved the Achieving a Better Life Experience (ABLE) legislation in 2014 making the program possible. Ohio lawmakers authorized it last year.

Cincinnati attorney and lobbyist Chip Gerhardt is a board member with the National Down Syndrome Society. State legislators are crediting him with pushing Ohio to set up the STABLE accounts. His daughter, Anne, was the first person to open an account.

STABLE Accounts

From the Treasurer's office:

STABLE Accounts have similar features to normal bank accounts, but are also investment accounts, similar to 529 college savings accounts or 401(k) retirement accounts. When a participant deposits money into their STABLE Account, the money can be invested in different options chosen by the participants. While participants can still withdraw and spend money as needed, a STABLE Account also allows money to grow and to save long-term for disability expenses.

Eligible individuals can set up their STABLE Account for free at www.stableaccount.com. An initial contribution of at least \$50 is required in order to set up an account.

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These tax-advantaged savings accounts allow families to set aside money to use on qualified expenses such as education, healthcare, housing and transportation. Earnings and distributions from an ABLE Account for qualified disability expenses do not count as taxable income of the contributor or eligible beneficiary.

There are minimal costs associated with maintaining a STABLE Account. Ohio residents will pay \$2.50 per month (\$30 annually) to maintain their accounts. Residents of other states will pay \$5.00 per month (\$60 annually) to maintain their accounts. Ohio residents will also have a small asset-based fee of between 0.19% and 0.34%, depending on their chosen Investment Options. Similarly, non-Ohio residents will have an asset-based fee of between 0.45% and 0.60%, depending on their chosen Investment Options.

Under the Federal ABLE legislation, which was signed into law on December 19, 2014 with strong bipartisan support, each state is responsible for establishing and operating ABLE accounts. On July 16, 2015, Governor John Kasich signed into law HB 155, which passed unanimously by both the Ohio House and Senate, authorizing the Treasurer's Office to open and administer these accounts.

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