

## **Kent County SECAC Meeting**

November 18, 2020

5:30pm – 7:00pm

**Participants:** Wendy Keen, Dan Hushion, Elizabeth Proffitt, Kelly Nelson, Nancy Martin, Aimee Boumiea, Kenny Smith

**Notes:** The meeting was held virtually in accordance with COVID-19 precautions.

### ***Introduction:***

Wendy Keen:

- We are still currently face to face in hybrid for our students. This is important for both students and teachers.
- Kids are keeping their masks on and we are doing what we can to meet their needs.
- We are within the health metrics to stay open.
- Children grow up fast. It is important to think about the long run since the future is important. It is never too early to plan.

Kelly Nelson:

### ***Maryland ABLE: Achieving A Better Life Experience.***

***What is Maryland ABLE?*** Maryland ABLE accounts are a way for people with disabilities and their families to save money without jeopardizing state or federal benefits, such as SSI, Medicaid, waiver services, etc.

### ***History:***

- Signed into a law by President Obama in 2014.
- Was signed into a Maryland law by Hogan in 2016
- Part of the Internal Revenue Code: IRC – 529A
- Save money beyond the \$2000 limit on savings/assets for people with disabilities receiving SSI benefits.

***Eligibility:*** To be eligible for an ABLE account you must:

- Have the developed disability prior to the age of 26.
- Must meet the Social Security definition of disability.
  - Showing you have been found eligible for SSI or SSDI.
  - Providing a “disability certification” from a licensed physician.

***Account Management:***

- Owned and managed by one with disability.
  - They are the beneficiary and/or account holder.
- Once the person turns 18, they have to give permission to parents or caregivers. (authorized legal representative)
- You can take a copy of guardianship.
- Prior to age 18, like any savings account or bank accounts, a parent or caregiver is required.

***Key features of an ABLE account:***

- Easy enrollment – online enrollment and manage online
- Easily accessible funds – card loaded with funds that cost \$125/month.
- Contributions are up to \$15,000 per calendar year
- Saving up to \$100,000 in an ABLE account before impacting SSI cash benefits.
- Save without jeopardizing state or federal means of Medicaid, SSI, food or housing assistance.
- No federal or state taxes on the earnings while the funds are in the ABLE account
- No taxes on withdrawals if the funds are used for Qualified Disability Expenses.
  - Health, prevention and wellness
  - Housing (rent and mortgage)
  - Education
  - Employment training and support
  - Transportation
  - Basic living expenses
  - Assistive technology and personal support services
  - Financial management and administrative services
  - Legal fees
  - Expenses for oversight and monitoring
  - Funeral and burial expenses

***Maryland ABLE account features:***

- \$25 minimum deposit to start the account.
- Contributions can be made via check, automatic deposit, or by electronic funds transfer.
- Accepts contributions over the lifetime of the account up to \$500,000.
- ABLE account beneficiaries who are employed may qualify to contribute above the \$15,00 annual contribution.
  - The beneficiary or his/her employer does not contribute to their retirement plan, including a defined contribution plan (401k) within the tax year.

- Great way to save money but not great for large settlements or large amounts of inheritance.

***Maryland ABLÉ tax incentives:***

- Maryland state income taxpayers can claim up to \$2,500 income tax deduction per contributor, per ABLÉ account.
- Joint filers can claim up to \$5,000.

***Account fees:***

- \$35 annual Account Maintenance Fee
  - Annual fee is prorated based on when the account is opened.
- \$1.25 monthly card fee. Card is loaded with funds.

***Account Types:***

1. Cash Option – FDIC –insured banking similar to a savings account
2. Investment Options
  - i. Account owners are allowed to change their investment options up to twice a year.
    - Conservative
    - Moderate
    - Aggressive

***Enrollment:***

To enroll and manage your account, visit our website:

[www.marylandable.org](http://www.marylandable.org)

Via this site, you can also access our:

- Program disclosure booklet
- Frequently asked questions
- Forms

***Questions?***

Maryland ABLÉ offers many ways to get in touch:

- Live chat @ marylandable.org
- Online request
- Customer Support
  - 1-855-5MD-ABLE
  - 1-855-563-2253

[www.marylandABLE.org](http://www.marylandABLE.org)

[questions@marylandable.org](mailto:questions@marylandable.org)

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