



REPORT ON THE STATUS OF THE **MISSISSIPPI ABLE PROGRAM**

Prepared by the Mississippi ABLE Board
January 2025

Origination of the ABLÉ Act

The idea of the ABLÉ Act was originated by Stephen E. Beck, Jr., vice chairman of the National Down Syndrome Society and the Down Syndrome Association of Northern Virginia Board of Directors. Beck's daughter has Down syndrome and he proposed a plan that would help her to save money. The plan became the basis for the Achieving a Better Life Experience (ABLE) Act. In December of 2014, the United States Congress passed the Stephen Beck, Jr. Achieving a Better Life Experience (ABLE) Act. The ABLÉ Act received broad support in Congress, with 85% of Congress signing on as cosponsors. On December 19, 2014, the ABLÉ Act was signed into law by President Obama.

The ABLÉ Act amends Section 529 of the Internal Revenue Code of 1986 to authorize savings accounts for individuals with disabilities. These tax-advantaged savings accounts can be used to cover qualified disability-related expenses such as, but not limited to, education, housing and transportation. The bill supplements, but does not replace, benefits provided through private insurances, the Medicaid program, the Supplemental Security Income program, the beneficiary's employment and other sources. In June 2016, Ohio, Tennessee, and Nebraska were the first three states to launch ABLÉ programs. As of August 2018, 39 states and the District of Columbia run ABLÉ programs, some of which are open to individuals nationwide.

What is an ABLÉ account?

ABLE accounts are tax-advantaged savings accounts for individuals with disabilities. Income earned in the accounts is not taxed if spent on qualified disability-related expenses. Contributions can be made to an account by anyone and may qualify for a state tax deduction. The accounts can be used for daily transactions, as well as for long-term savings.

The rules governing ABLÉ accounts are codified in Internal Revenue Code section 529A. Up to \$100,000 in an ABLÉ account is exempt from the Supplemental Security Income (SSI) asset limit. If an ABLÉ account larger than \$100,000 stops eligibility for SSI, the owner remains eligible for Medicaid. An ABLÉ account can be used instead of, or together with, a special needs trust, to maintain a beneficiary's eligibility for SSI.

The maximum yearly limit for contributions to an ABLÉ account is the annual gift tax exemption amount (\$19,000 in 2025). An individual who is working may contribute an additional amount not exceeding their income or the federal poverty level, whichever is less. The maximum balance for an ABLÉ account is \$235,000. Once an account goes over \$100,000, SSI benefits will be suspended. Other benefits are not affected by any account total.

How can funds be used?

Funds in the account can be used for qualified disability-related expenses. A qualified disability-related expense is any expense related to the designated beneficiary's disability that assists the individual in increasing and/or maintaining their health, independence and/or quality of life. These may include expenses related to education, housing, transportation, employment training and support, assistive technology, personal support services, health care expenses, financial management and administrative services and other similar expenses.

Who is eligible?

The ABLE Act provides eligibility for individuals with a disability (as defined by the SSA) that began before their 26th birthday—or before their 46th birthday starting January 1, 2026, under the ABLE Age Adjustment Act. If you meet this age criteria and are also already receiving benefits under SSI and/or SSDI, you are automatically eligible to establish an ABLE account. If you are not a recipient of SSI and/or SSDI, but still meet the age of onset disability requirement, you could still be eligible to open an ABLE account if you meet Social Security's definition and criteria regarding significant functional limitations and receive a letter of certification from a licensed physician. You need not be under the age of 26 to be eligible for an ABLE account.

Mississippi ABLE Program

On April 11, 2017, the Mississippi Legislature passed Senate Bill 2311, establishing Mississippi's ABLE Act. The members of the Mississippi ABLE Board were appointed by Governor Phil Bryant, and held their first meeting on May 8, 2018. After much research and consideration, the Mississippi ABLE Board voted in October 2018 to join with the National ABLE Alliance. Implementation of the Mississippi program is expected in June 2019.

The fee to maintain a Mississippi ABLE account will be \$3.75 per month. That fee may go down but is not expected to go above \$3.75 per month. Mississippi's ABLE program will offer diverse investment options, ranging from FDIC insured to higher risk stock and bonds. While the Mississippi ABLE account offers a great way to save money, the account can also be very transactional. Participants may withdraw their money through real-time debit cards, electronic transfers and/or paper checks.

The 9 Mississippi ABLE Board Members include (listed in order of Mississippi Code Section 43-28-7(1)):

David McRae, *State Treasurer*

Billy Taylor (Vice-Chairman), *Executive Director of the Department of Rehabilitation Services*

Wendy Bailey, *Executive Director of the Department of Mental Health*

Richard Courtney (Chairman), *1st Supreme Court District and Attorney*

Michael Schloegel, *2nd Supreme Court District and Senior Vice-President, Hancock Whitney Bank*

Justin Bobo, *DeSoto County Market President, First Commercial Bank*

Jayne Buttross, *Attorney and Board Member of Coalition for Citizens with Disabilities*

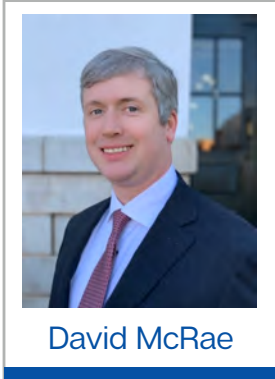
Pam Dollar, *Executive Director of Coalition for Citizens with Disabilities*

Paul Rogers, *Attorney and Board Member of Coalition for Citizens with Disabilities*

Board Recommendations

There are currently no recommendations for statutory changes to enhance the effectiveness and efficiency of the program.

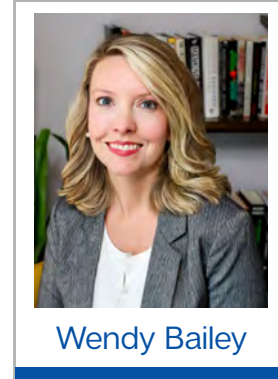
ABLE Board Members



Mississippi State Treasurer



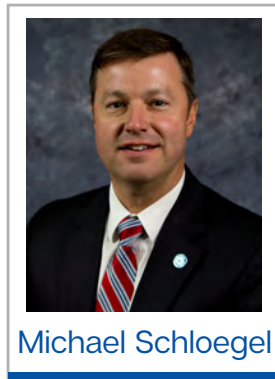
*(Vice-Chairman)
Executive Director,
Mississippi Department
of Rehabilitation Services*



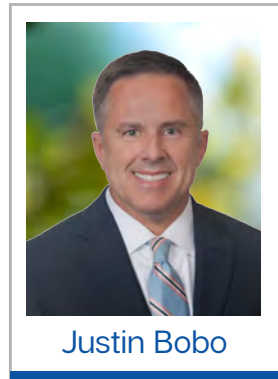
*Executive Director,
Mississippi Department
of Mental Health*



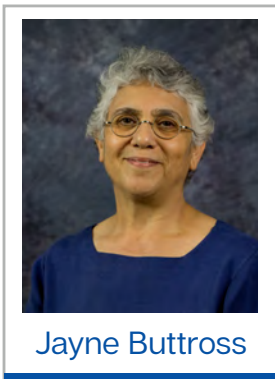
*(Chairman)
1st Supreme Court District
and Attorney*



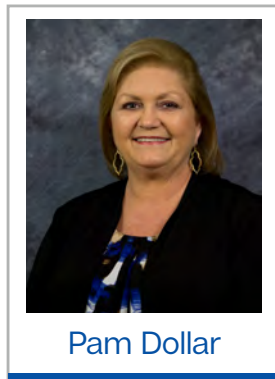
*2nd Supreme Court District
and Senior Vice-President,
Hancock Whitney Bank*



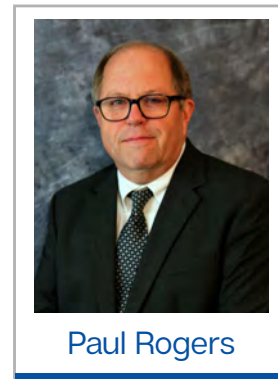
*DeSoto County
Market President
First Commercial Bank*



*Attorney and
Board Member of
Mississippi Coalition for
Citizens with Disabilities*



*Executive Director,
Mississippi Coalition for
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