

ELIZABETH A. PEARCE
STATE TREASURER



UNCLAIMED PROPERTY DIVISION
TEL: (802) 828-2407

RETIREMENT DIVISION
TEL: (802) 828-2305
FAX: (802) 828-5182

ACCOUNTING DIVISION
TEL: (802) 828-2301
FAX: (802) 828-2884

STATE OF VERMONT
OFFICE OF THE STATE TREASURER

NEWS RELEASE— November 21, 2016

Press Contacts: Tim Lueders-Dumont (802) 595-3197
Kristen Murphy (802) 828-1312

State Treasurer Beth Pearce Announces New VT-ABLE Savings Initiative for Vermont Individuals with Disabilities

MONTPELIER, Vt.— Vermont State Treasurer Beth Pearce today announced that Vermonters who experience a disability will soon be able to save money in a federally tax-advantaged VT-ABLE savings plan, making Vermont one of only a handful of states to offer a plan since President Obama signed the Achieving a Better Life Experience (ABLE) Act into law in December 2014.

"I am excited to announce that we have reached an agreement to launch Vermont's ABLE savings plan for Vermonters who experience a disability," said Treasurer Pearce. "Once launched in early 2017, these accounts will allow eligible Vermonters to save adequate money for future needs in federal tax-deferred accounts. We are expanding access to savings, independence, and enabling individuals to save the dollars they have earned through employment." Previously, individuals with a disability were often precluded from saving by federal benefit cliffs. This federally tax-deferred plan will permit individuals to save for their future needs."

VT-ABLE will allow eligible Vermonters to receive preferred federal tax treatment as they save for disability related expenses like housing, transportation, employment training, and other important needs. VT-ABLE participants will be able contribute up to \$14,000 annually – greatly improving the savings options for Vermonters who experience a disability. Treasurer Pearce noted that, "VT-ABLE will help further the goal of empowering more Vermonters to achieve a lifetime of financial well-being."

"ABLE programs meet several needs. Parents and other relatives want a flexible, low cost way to put aside money for the future of a family member with a disability. Working adults with disabilities want to keep what they earn without frequent adjustments to benefits like Social Security, which has a \$2000 asset limit. In either case, the savings remains in the name of the person with the disability, which is empowering. We should all learn the importance of saving," said Kirsten Murphy, Executive Director of the Vermont Developmental Disabilities Council.

VT-ABLE will be administered through a partnership with the Ohio State Treasurer's Office. The Vermont/Ohio platform was selected after a lengthy vetting process by the Vermont ABLE Task Force, which met throughout 2015 and 2016 to convene an extensive stakeholder process.

Tim Lueders-Dumont, Policy Director for the Vermont Treasurer's Office, who staffed the Task Force, noted the hard work that stakeholders put into making the best decision for Vermonters in need: "We looked at a range of options before entering into a partnership with the Ohio State Treasurer's Office. The Task Force came together to find a solution that would enhance the well-being of Vermonters who have waited a long time for the opportunity to save for their current and future needs."

"I'd like to thank Ohio Treasurer Josh Mandel and his staff for the collaborative spirit they have brought to developing VT-ABLE," said Treasurer Pearce. "We are confident we are building a savings product that will allow Vermonters to save more dollars and take control of their lives."

VT-ABLE will allow Vermonters to enroll in a savings plan through a secure web portal. A range of saving plans will be available to eligible Vermonters, with user-friendly functionality to allow online electronic funds transfers, easy withdrawals, and a debit card. The goal of the system is to maximize ease of use for VT-ABLE plan participants.

"We received a wealth of feedback from stakeholders who participated in our ABLE Task Force process," explained Treasurer Pearce. "I'd like to acknowledge the efforts of Vermont disability advocates and other parties who have participated in the ABLE Task Force. The launch of VT-ABLE would not be possible without your insight and feedback. I would also like to thank the House and Senate Economic Development Committees for working with the Treasurer's Office to pass enabling legislation in 2015," she concluded.

It is expected that VT-ABLE will be launched and made available to Vermonters in the first quarter of 2017. With any questions regarding the program please contact Tim Lueders-Dumont, Policy Director in the Treasurer's Office at 802-828-1451 or at treasurers.office@vermont.gov

###