



CALIFORNIA STATE TREASURER JOHN CHIANG

NEWS RELEASE

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State Treasurer Chiang Announces CalABLE Administrator, Next Step in Ensuring Those with Disabilities Can Save Money without Fear of Losing Government Benefits

TIAA-CREF Tuition Financing, Inc. also Oversees Treasurer's ScholarShare Program

SACRAMENTO – California State Treasurer John Chiang today announced the selection of TIAA-CREF Tuition Financing, Inc. (TFI) to administer the California Achieving a Better Life Experience (CalABLE) Program.

“TFI’s selection means we’re one step closer to turning on CalABLE’s ‘Open for Business’ sign,” said State Treasurer John Chiang. “TFI’s expertise and oversight are a welcome help in reaching Californian’s with disabilities and their families, who will soon be able to save up to \$15,000 a year, tax free, without jeopardizing their federal and state assistance.”

Currently, savings for individuals receiving Supplemental Security Income (SSI) or other public benefits have a \$2,000 resource limit. Once a beneficiary is determined to have more than this \$2,000, their benefits may be suspended until savings fall below that level. CalABLE — the state’s version of the federal ABLE Act — allows people with disabilities to establish a tax-advantaged savings account in which they can save up to \$15,000 per year, up to a total of \$100,000, *without* jeopardizing their ability to continue to receive existing public benefits. Earnings into CalABLE accounts are not subject to federal income tax or California state income tax, so long as the earnings are spent on a broad range of disability related expenses.

“We are excited to see the CalABLE program move forward in providing people with disabilities the opportunity to build their futures,” added Christina Mills, executive director of the California Foundation for Independent Living Centers. “There are very few ways for people in our community to save money without penalties. Opening a CalABLE account will be a game-changer for individuals with disabilities, and parents of children with disabilities, who have been limited by programs and services that prevent us from saving and becoming more independent.”

TFI was selected to manage the new CalABLE program by a vote on Tuesday by the CalABLE Act Board, based on the firm's low costs, proposed investment portfolio that offered simple choices for enrollees with clear preferences, and the simplicity of its program for those new to such a savings program.

TFI is a national leader in providing program management services for college savings plans and currently serves as the manager for California's successful ScholarShare 529 college savings program.

Any individual whose disability occurred before age 26 is eligible to open a CalABLE account so long as they receive benefits based on disability, such as SSI or Social Security Disability Insurance, or if they have disability certification (including a copy of a diagnosis signed by a physician).

CalABLE participants can:

- Make automatic contributions from a bank account,
- Invite family and friends to contribute directly to an account,
- Deposit online or by check, and
- Select from easy to understand investment options.

Chiang added, "No one should have to fear losing their disability benefits because they decided to save wisely and invest in their future. This program will help ensure no Californian with a disability will be penalized for thinking ahead."

CalABLE will launch by the end of 2018.

For more information about CalABLE visit

<https://www.treasurer.ca.gov/able/resources/factsheets/factsheet-en-us.pdf> or call 916-653-1728.

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