



colorado**ABLE**
Coloradans Achieving a Better Life Experience

COLORADO ABLE ACCOUNTS ENHANCED WITH NEW BENEFITS AND PROTECTIONS FOR COLORADOANS WITH DISABILITIES

Governor Polis signs bill that prevents Medicaid clawbacks, adds new tax benefits, and provides a more inclusive and equitable path for long-term financial independence.

Denver, CO, May 31, 2022 – Colorado ABL announced today that the Achieving A Better Life Experience (ABLE) Savings Accounts bill was signed into law by Governor Jared Polis, creating a more inclusive and equitable path to financial security for Coloradoans who experience disabilities. The new law implements significant improvements in three key areas impacting access and ease of use, security of savings, and additional tax benefits for Coloradoans to create sustainable financial independence through long-term savings.

Under the new law which goes into effect January 1, 2023, the State may no longer file certain claims against an ABLE account upon the death of the designated beneficiary. Known as the *Medicaid clawback*, the previous practice allowed for the capture of funds to reimburse certain Medicaid expenses, and ultimately discouraged participation by placing private savings at risk.

The new law also enhances the tax benefits for Colorado ABLE savings accounts, providing a dollar-for-dollar State tax deduction for contributions made into a Colorado ABLE account.

And, to broaden access and ease of use, a person other than the individual with a disability can now open and administer an ABLE account on behalf of a person with disabilities.

Colorado's college savings experts, CollegenInvest, administers the Colorado ABLE program.

“Since we launched Colorado ABLE in 2017, we have applied our savings and investment knowledge of 529 savings plans to empower Coloradoans with disabilities to move toward financial independence,” said Angela Baier, chief executive officer for CollegenInvest. “We are grateful to Governor Polis and the Colorado legislature for continuing to prioritize our neighbors who need some extra help in planning for their futures.”

The bill was sponsored by Representatives Cathy Kipp and Colin Larson and Senators Rachel Zenzinger and Robert Woodward.

The Colorado ABLE plan offers a wide range of investment options from aggressive plans seeking higher returns to conservative investments that place capital preservation over growth, all managed by Ascensus. A partnership with Fifth Third Bank also offers an integrated checking and debit account option providing the convenience of paying for qualified expenses with a debit card. For detailed information about the program, please visit www.coloradoable.org.

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About Colorado ABLE

Colorado ABLE (Achieving a Better Life Experience) is Colorado's savings program for people living with disabilities. A not-for-profit agency within the Colorado Department of High Education that receives no taxpayer funding, Colorado ABLE provides a diverse menu of tax-advantaged savings plans to help persons with disabilities save for their futures and promote independence, while protecting their eligibility for public assistance programs. Earnings on Colorado ABLE savings accounts are federally tax-free when used for qualified disability expenses. For more information about Colorado ABLE call (888) 609-3468, or visit www.coloradoable.org.