

A-Engrossed
Senate Bill 571

Ordered by the Senate March 31
Including Senate Amendments dated March 31

Sponsored by Senators GELSER BLOUIN, HAYDEN, PATTERSON (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Requires employer to offer contribution to ABLE account in lieu of contribution to retirement account.]

[Requires employer to offer payroll deduction for ABLE account in lieu of deduction for OregonSaves account.]

[Requires State Treasurer to provide information to specified individuals regarding options relating to ABLE accounts and retirement accounts. Requires State Treasurer to establish process to direct payroll deductions to ABLE account in lieu of OregonSaves account.]

[Becomes operative January 1, 2025.]

Directs Oregon 529 Savings Board to provide information to designated beneficiaries of ABLE accounts regarding potential impact to benefits and services if contributions are made to workplace retirement account.

A BILL FOR AN ACT

1
2 Relating to ABLE accounts; amending ORS 178.380.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 178.380 is amended to read:

5 178.380. (1) The Oregon 529 Savings Board shall establish by rule and maintain a qualified ABLE
6 program in accordance with the requirements of the ABLE Act.

7 (2) The rules must:

8 (a) Allow a person to make contributions for a taxable year to an ABLE account established for
9 the purpose of meeting the qualified disability expenses of the designated beneficiary of the account;

10 (b) Limit a designated beneficiary to one ABLE account for purposes of this section;

11 (c) Require cash-only contributions to ABLE accounts;

12 (d) Provide for a separate accounting for each designated beneficiary of an ABLE account;

13 (e) Provide that a designated beneficiary of an ABLE account may not, directly or indirectly,
14 direct the investment of contributions to the account, or earnings on the account, more than two
15 times in any calendar year;

16 (f) Prohibit the use of a designated beneficiary's interest in an ABLE account as security for a
17 loan;

18 (g) Establish limitations on aggregate contributions to an ABLE account on behalf of a desig-
19 nated beneficiary; and

20 (h) Satisfy all other requirements of section 529A of the Internal Revenue Code, the ABLE Act,
21 rules adopted by the United States Secretary of the Treasury under the ABLE Act and other ap-
22 plicable federal law.

23 (3) Notwithstanding any other provision of law that requires consideration of one or more fi-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 nancial circumstances of an individual for the purpose of determining the eligibility to receive, or
2 the amount of, any assistance or benefit authorized by law to be provided to or for the benefit of
3 the individual, any amount in an ABLE account of the individual, including earnings on the account,
4 any contributions to the ABLE account of the individual and any distribution for qualified disability
5 expenses, shall be disregarded for such purpose with respect to any period during which the indi-
6 vidual maintains, makes contributions to or receives distributions from the ABLE account.

7 (4)(a) Except as provided by federal law, upon the death of a designated beneficiary, amounts in
8 an ABLE account may be transferred to the estate of the designated beneficiary or an ABLE ac-
9 count of another eligible individual specified by the designated beneficiary or the estate of the des-
10 ignated beneficiary.

11 (b) Except as required by federal law, the Department of Human Services and the Oregon Health
12 Authority may not seek payment under ORS 416.350 or section 529A(f) of the Internal Revenue Code
13 from amounts in an ABLE account or from amounts transferred from an ABLE account under par-
14 agraph (a) of this subsection.

15 (5) The board may collect application, account or administrative fees to defray the costs of the
16 ABLE program.

17 **(6) The board shall provide information to designated beneficiaries regarding the potential**
18 **impact to their benefits and services if contributions are made to a workplace retirement**
19 **account.**

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