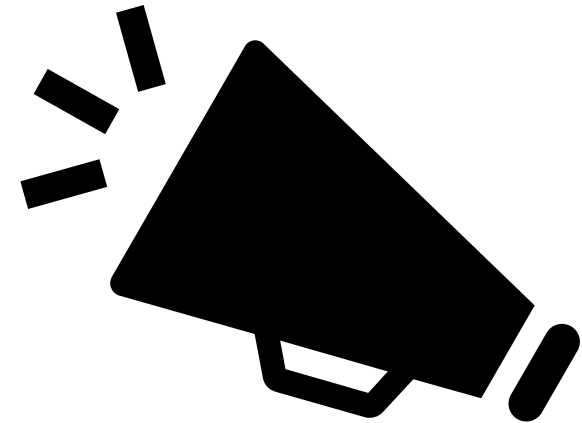


All About CalABLE Accounts (2026)

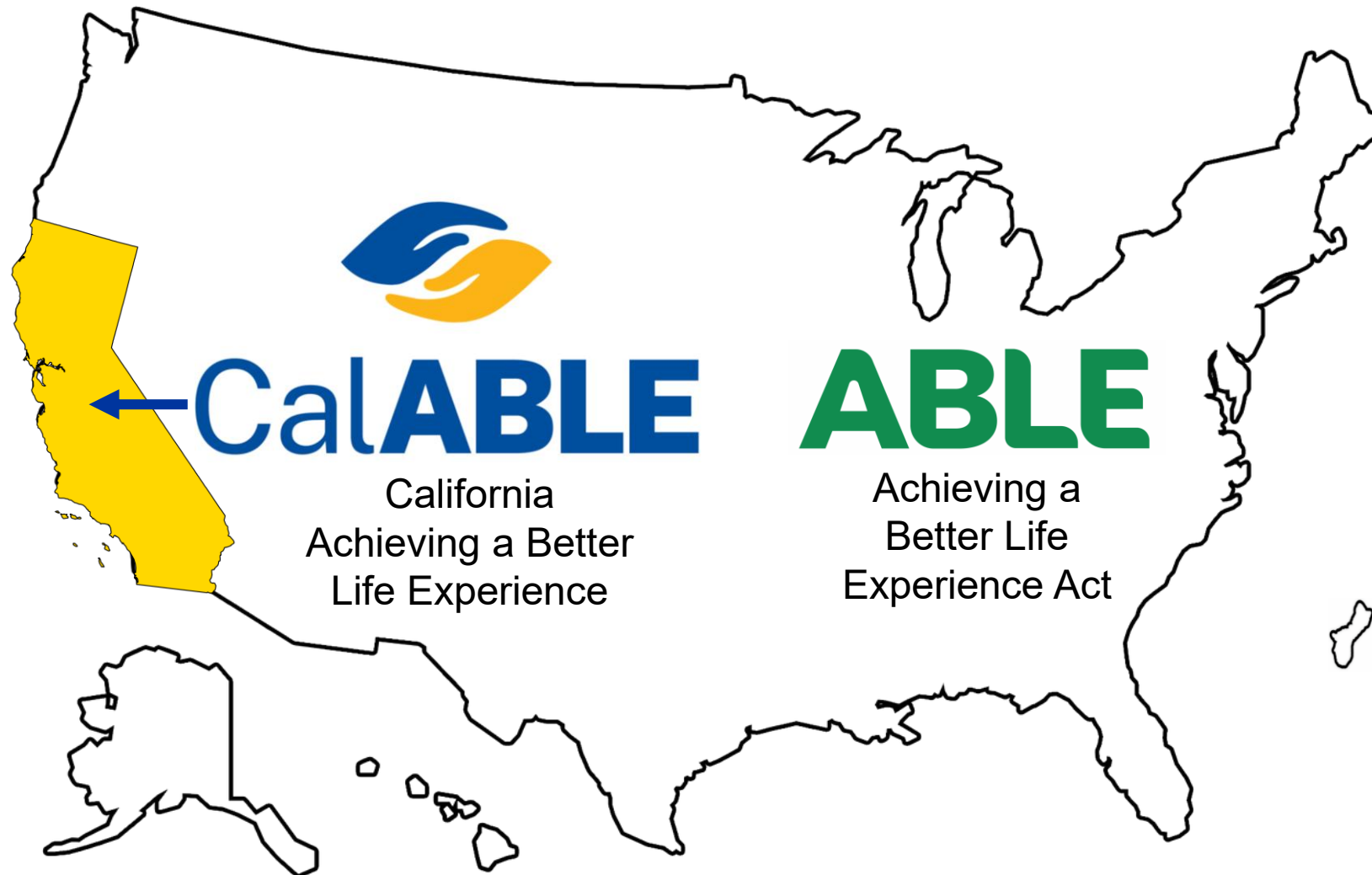
Disclaimer:

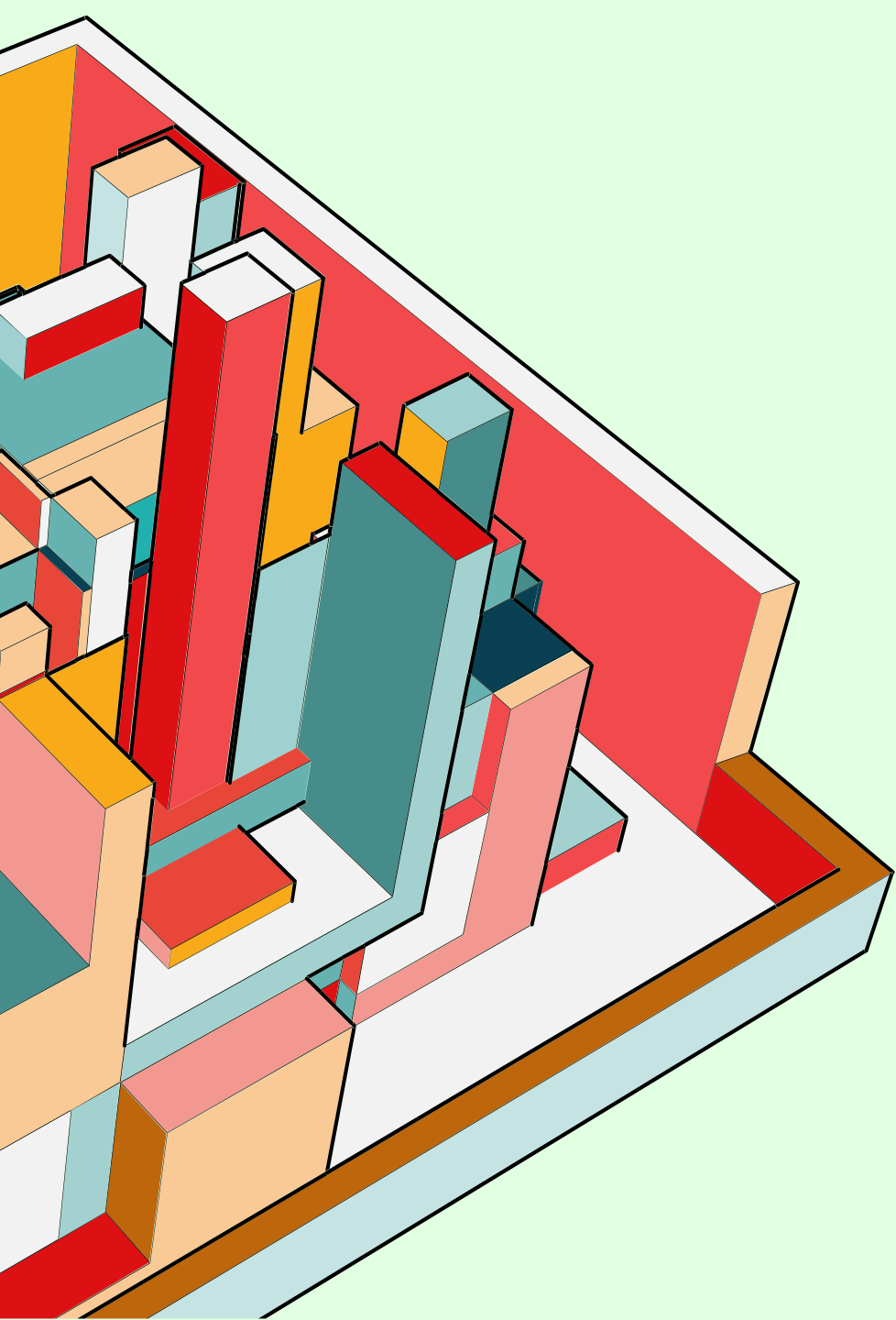
The following presentation is meant for education only and does not constitute legal advice nor counsel. Your situation may be unique and require careful attention.

Keep in mind that the information in these slides could become out of date in the future, as the laws and local practices relating to these matters may develop over time.



What you will learn today:



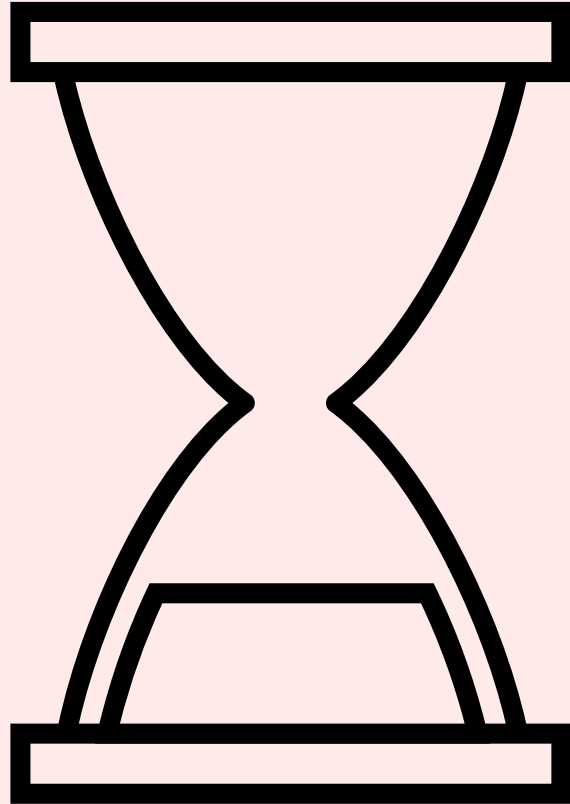


Achieving a Better Life Experience (ABLE) Act

The Achieving a Better Life Experience (ABLE) Act:

- **The ABLE Act** was signed into federal law in 2014.
- The ABLE Act allows states to create **tax-free savings accounts** and **investment programs** for certain people with disabilities.
- Money in ABLE accounts can be used to pay for **disability-related expenses**.
- Money in ABLE accounts **does not affect eligibility for important benefits programs**, like Supplemental Security Income (SSI) or Medicaid (Medi-Cal in California).



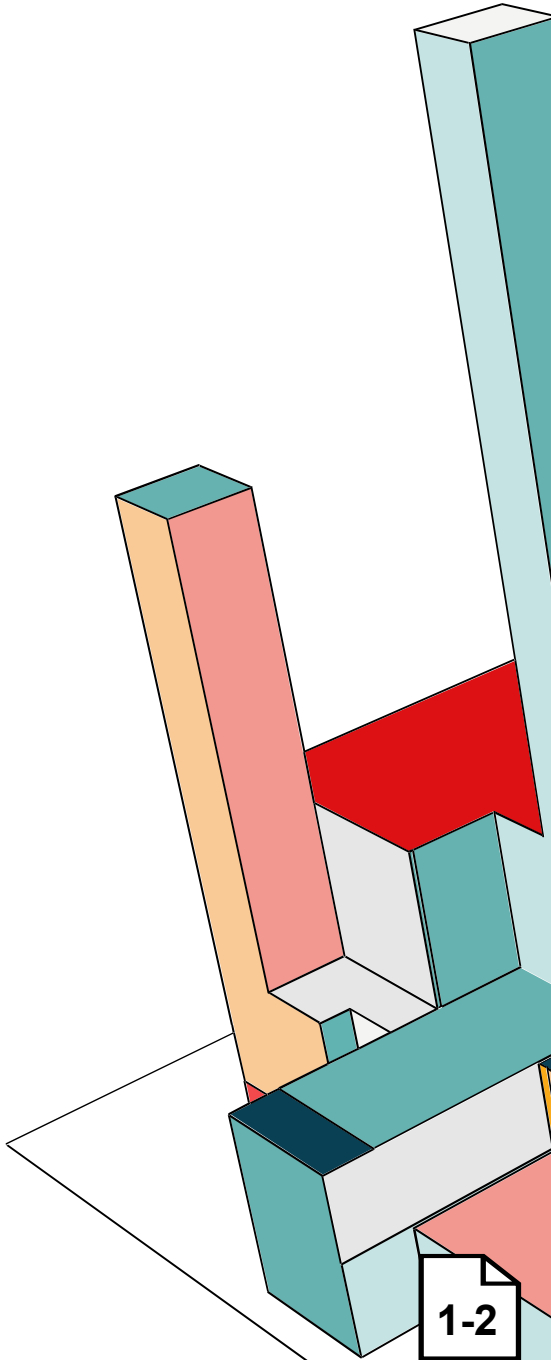


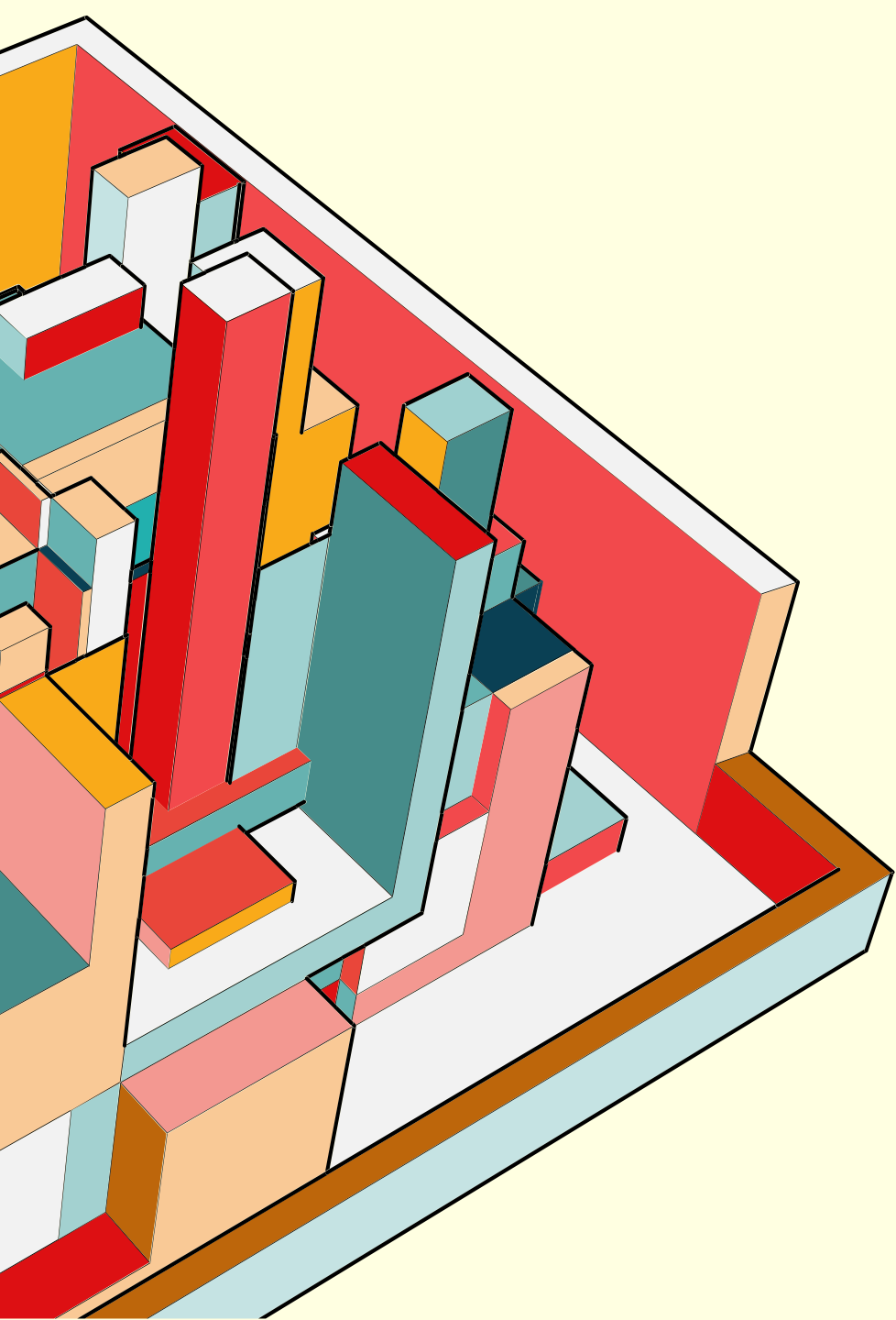
The ABLE Age Adjustment Act:

- In 2022, the U.S. Congress passed the **ABLE Age Adjustment Act**.
- Effective **January 1, 2026**, the onset age of disability for beneficiaries seeking ABLE accounts increased to **forty-six (46)**.
- Prior to 2026, the onset age of disability was twenty-six (26).

State ABLE Programs:

- **47 states**, the **District of Columbia**, and **Guam** have established state ABLE programs.
- As of 2026, **3 states have not** yet established ABLE programs (North Dakota, South Dakota, and Wisconsin).
- Some states **allows out-of-state residents to open** ABLE accounts.
- State ABLE programs **share** eligibility criteria and annual contribution limits.
- State ABLE programs **differ** in state balance limits, savings/investment options, and other features.

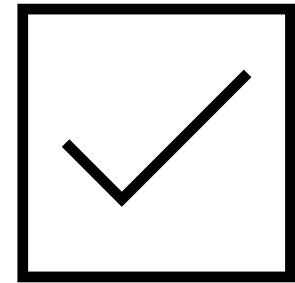




California Achieving a Better Life Experience (CalABLE) Accounts

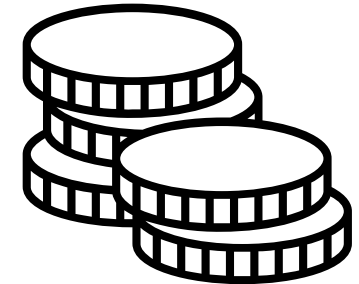
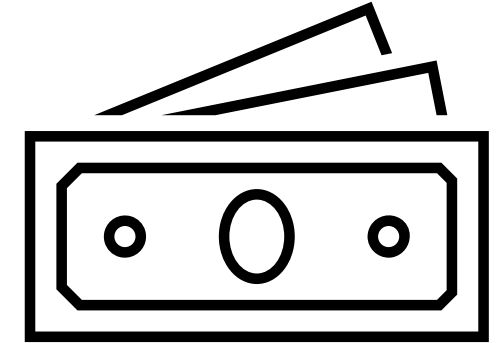
Basic Eligibility:

1. **Disabled** before **age 46**; and
2. **Meet disability criteria** through following:
 - a. Receipt of Supplemental Security Income (SSI) benefits or Social Security Disability Insurance (SSDI) benefits based on blindness/disability, or
 - b. Self-certification of disability.



Qualified Disability Expense (QDE):

- Money in a CalABLE account can be used to make a Qualified Disability Expense (QDE).
- A **Qualified Disability Expense (QDE)** is a purchase you make that helps you maintain/improve your **health, independence, or quality of life** while living with a disability.
- Examples:
 - Housing;
 - Food;
 - Transportation;
 - Employment training or support;
 - Adaptive equipment;
 - Health, preventative care, and wellness;
 - Vacation;
 - Financial management and oversight; or
 - Other expenses approved by the Treasury regulations (catch-all).



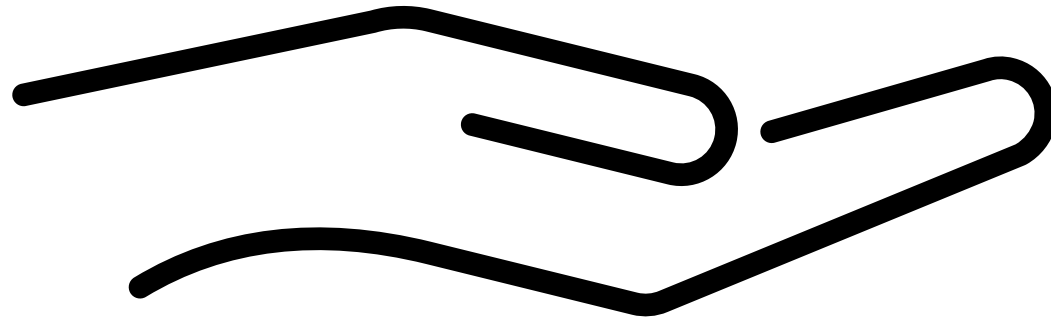
Qualified Disability Expense (QDE): (Cont.)

- Money in a CalABLE account **cannot be used** to make purchases that do not maintain/improve your health, independence, or quality of life while living with a disability.
- This is known as a **Non-Qualified Disability Expense (Non-QDE)**.
- Examples:
 - Gambling;
 - Alcohol;
 - Buying an illegal item;
 - Gift to someone other than the beneficiary; or
 - Questionable expense, per Internal Revenue Service (IRS).
- Using funds for Non-QDE may result in 10% federal tax penalty on the earnings portion of the withdrawal, plus regular income taxes on those earnings.



Annual Contribution Limits (Nation-Wide):

\$20,000 (2026)

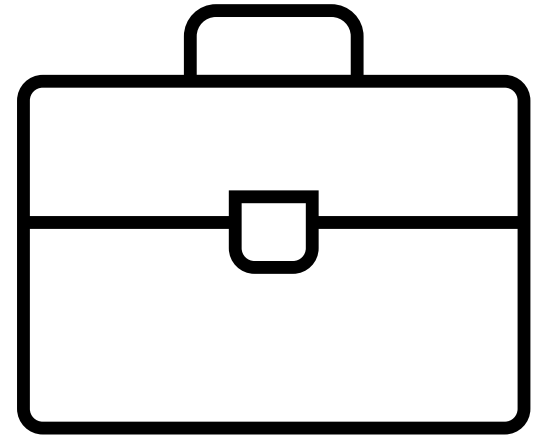


Annual Contribution Limits (Nation-Wide): (Cont.)

ABLE to Work Act:

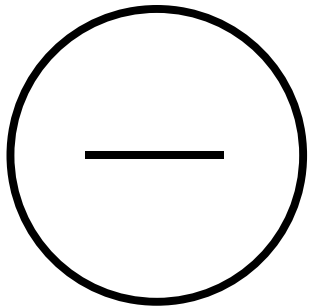
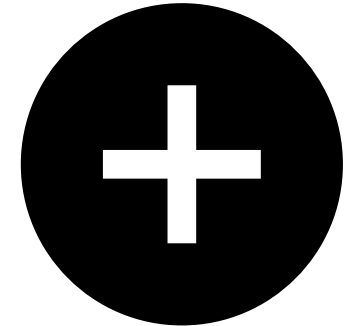
In addition to annual contribution limit, if beneficiary works and does not participate in an employee-sponsored retirement account, **can contribute** any of the following, whichever is less:

- Amount equal to total of your **gross income for the year**; or
- **ABLE to Work Act contribution limit**, tied to previous year's 100% Federal Poverty Level (FPL).
 - **2026 = \$15,650 (California).**



Total Balance Limits for CalABLE Accounts:

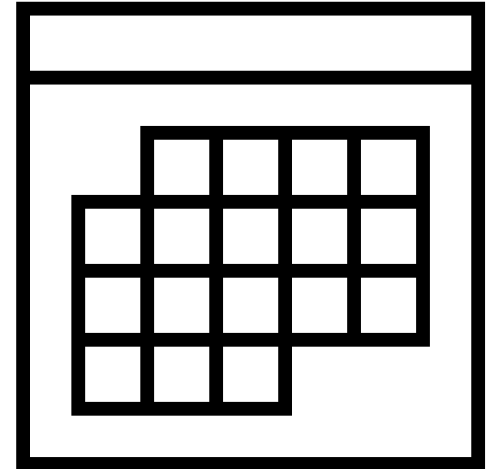
- States impose limits on the total balance that an ABLE account can contain.
- In **California**, the total balance limit for a CalABLE account is **\$529,000**.



- For people receiving **SSI benefits**, the total balance limit of a CalABLE account is **\$100,000**.

SSI Considerations When Making Qualified Disability Expenses:

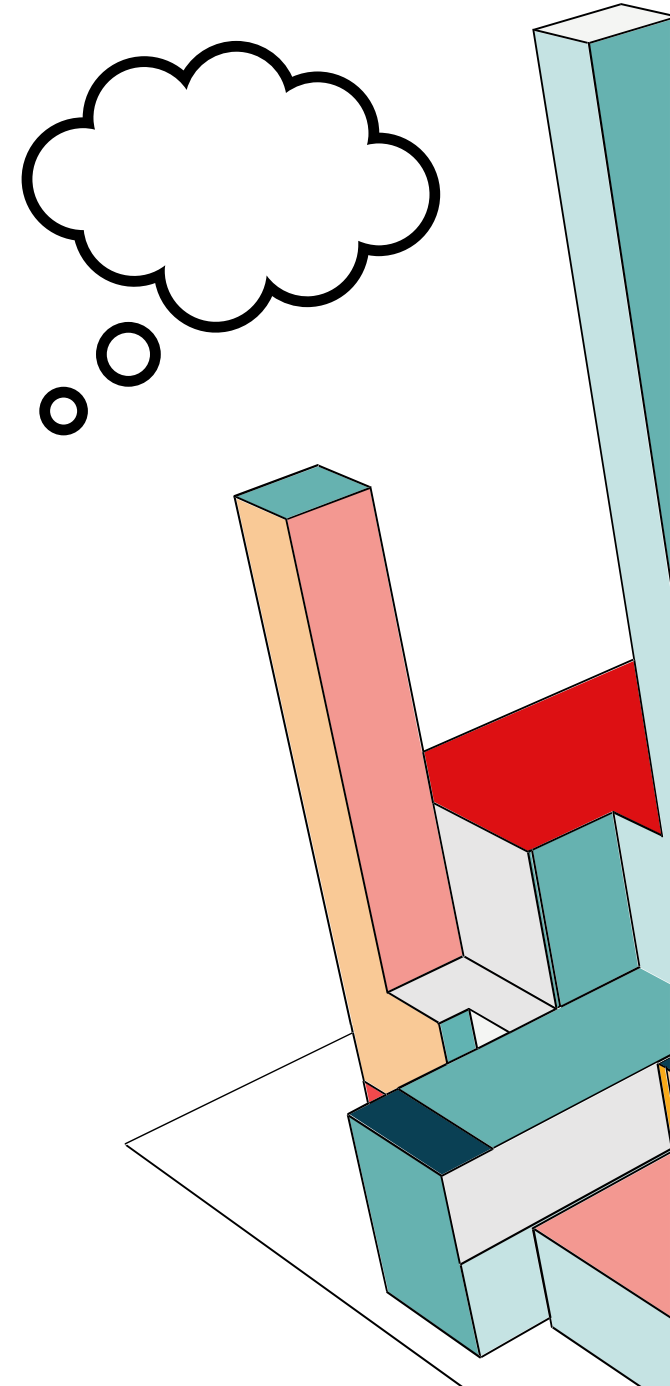
- Social Security Administration (SSA) will consider any money not held in a CalABLE account a **countable resource on the first moment of the month**.
- If a person exceeds the **countable resource limit** of \$2,000* for an individual, it affects SSI eligibility.
- **Housing Expenses:** Make sure that you spend housing money within the same calendar month that you withdraw money from the CalABLE account. Any money that exceeds the SSI resource limit will affect SSI eligibility.



Federal/California Program Considerations:

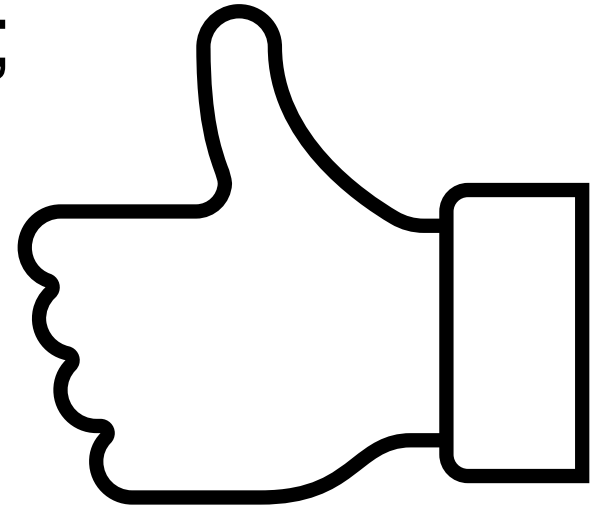
- Money in CalABLE account **does not affect eligibility** for following Federal programs:
 - **Housing Assistance** through U.S. Department of Housing and Urban Development (**HUD**) programs;
 - Supplemental Nutrition and Assistance Program (**SNAP**) [**CalFresh** in California];
 - Free Application for Federal Student Aid (**FAFSA**);
 - **Medicare** of any type of **Medicaid*** benefit; or
 - Social Security Disability Insurance (**SSDI**) benefits.

NOTE: *Though Medi-Cal (California's Medicaid program) has reinstated asset limits as of 2026 (\$130,000/individual), money in CalABLE accounts is excluded as it relates to Medi-Cal asset eligibility.



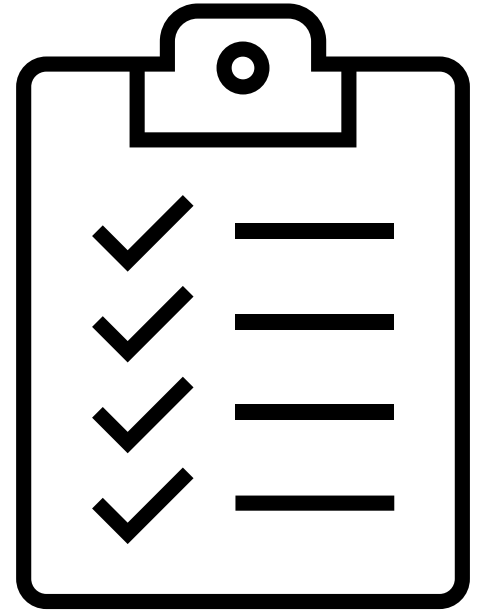
Benefits of CalABLE Accounts:

- Free, easy online enrollment process;
- Electronic gifting by others;
- CalABLE Visa® Prepaid Card;
- Low fees (\$30 a year); and
- CalABLE mobile application.

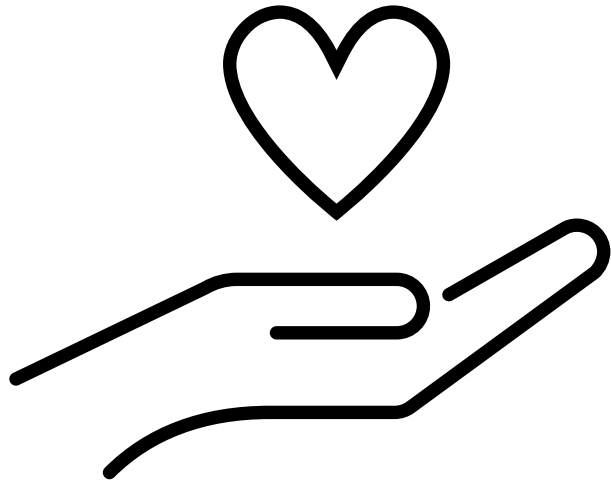


How to Open a CalABLE Account:

- Initiate application process (online through CalABLE/Vestwell registration page), in English or other languages.
- Provide email address, create a password, and review/accept terms.
- Choose savings or investment option(s).
- Link to a bank account.
- Request a prepaid Visa® card.
- Initial investment of \$25.



Who Can Open and Manage a CalABLE Account?

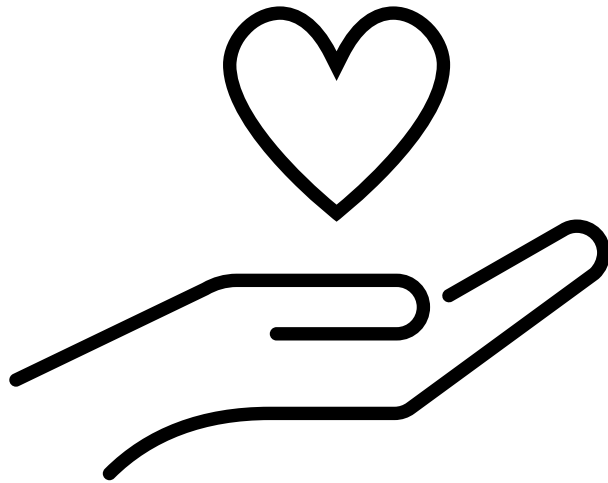


To open and/or manage a CalABLE account, a person must:

1. Be a U.S. citizen or an individual residing in the United States;
2. Be 18 years of age or older with the legal capacity to contract;
3. Have a Social Security Number or other taxpayer identification number; and
4. Have a U.S. permanent address that is not a Post Office (P.O.) Box.

Who Can Open and Manage a CalABLE Account? (Cont.)

The following have authority to open and/or manage an account:



- A. Eligible individual;
- B. If unable to open/manage on own, an Authorized Legal Representative(ALR) (in order of priority);
 1. Individual chosen by the beneficiary;
 2. Individual with Power of Attorney;
 3. Conservator/legal guardian;
 4. Spouse/parent, sibling, or grandparent;
 5. Individual representative payee appointed by SSA.
- C. Organizational ALR.

NOTE: If there is an ALR, only ALR may manage account.

Depositing and Withdrawing Money from CalABLE Account:

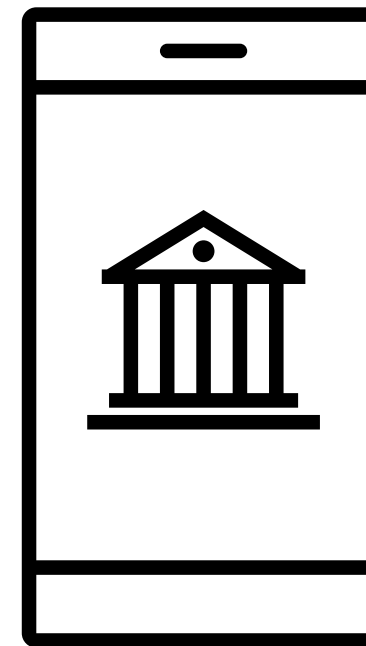
Depositing Money:

- Direct deposit (i.e. SSI benefits); or
- By check or ACH transfer from connected bank (allow 10 business days to complete transfer).

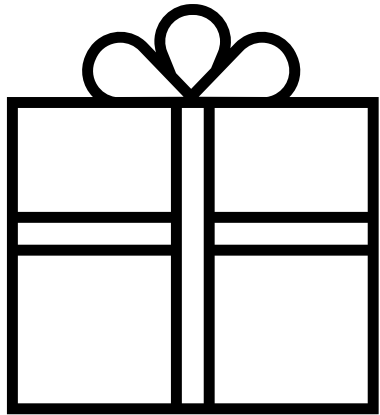
Withdrawing Money:

- Withdrawals/distributions can be requested by check (\$5/check fee) or ACH transfer to connected account;
- Funds can be loaded directly to CalABLE Visa® Prepaid Card, which can be used where Visa cards are accepted.

NOTE: Maintain records, as CalABLE does not track or verify whether purchase is a QDE.



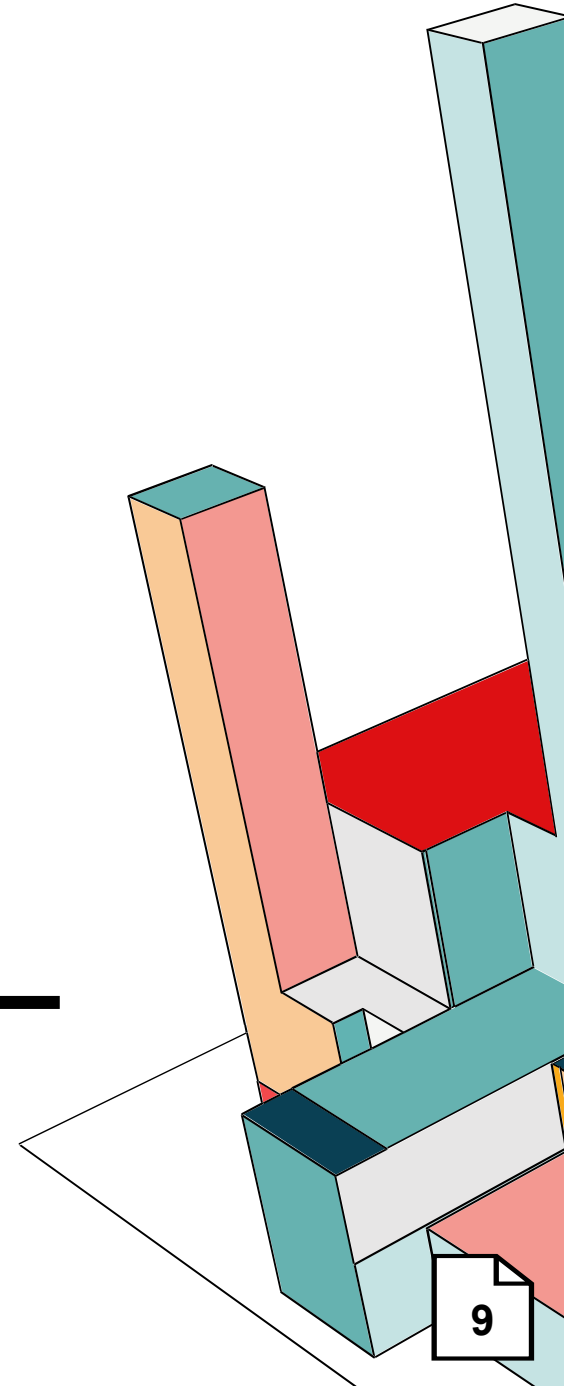
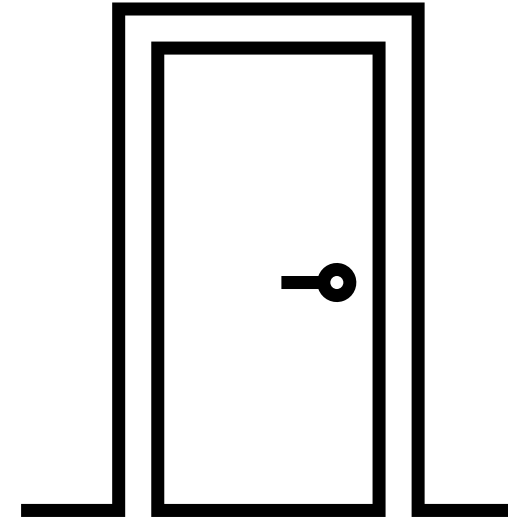
CalABLE Gifting Pages:



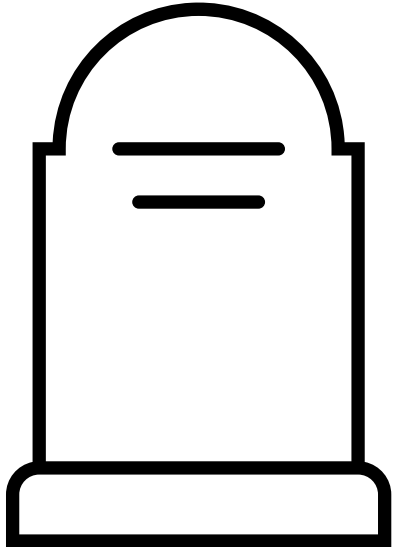
- Others can make contributions to a person's CalABLE account directly.
- Unique URL is created.
- A person can share the URL/link.
- Others can set up gifting profiles.
- Others can set up recurring gifts.

Closing a CalABLE Account:

- “A CalABLE account may be closed at any time via the secure web portal. If contributions were made to the account and then a decision is made to close the account, taxes or penalties may apply if the funds are not used to pay for Qualified Disability Expenses.” (State Treasurer FAQ.)



Death of a CalABLE Account Holder:



- Outstanding QDEs, including funeral/legal expenses, may be paid from CalABLE funds.
- Remaining funds transferred to individual's estate.
- Executor of estate can request funds payable to estate and close account.
- Medi-Cal can file a lien (though consider exceptions under Medi-Cal Recovery Rules).
- CalABLE protection against creditors (\$100,000 exempt in money judgments from general creditors). (See Welf. & Inst. Code § 4880.)

CaABLE Accounts

1. Can open with relative ease (within 30 minutes).
2. Person with disability is the account owner (person with disability or ALR can manage account).
3. Various people, including family and friends, can contribute.
4. Deposit limits (\$529,000 or \$100,000 if receiving SSI).
5. Nominal fees to open and maintain account.
6. Earnings on account are not taxable if used for QDEs.

vs.

Special Needs Trusts

1. Generally need to work with an attorney to create.
2. A trustee manages the trust and has sole discretion over spending.
3. Contributors may be limited (and may not include beneficiary).
4. No deposit limits.
5. Costs vary, perhaps thousands to create a trust plus ongoing costs.
6. Earnings are generally taxable.

Resources:

1. State ABLE Program Overview (ABLE National Resource Center):
<http://www.ablenrc.org/select-a-state-program/>
2. State ABLE Program Comparison Tool (ABLE National Resource Center):
<http://www.ablenrc.org/compare-states/>
3. Sample Certification of Disability (Available Upon Request) (ABLE National Resource Center): <https://www.ablenrc.org/wp-content/uploads/2020/10/spt-able-disability-certification.pdf>
4. CalABLE Overview: <https://calable.ca.gov/overview>
5. Vestwell CalABLE Registration Page (Open a CalABLE Account):
<https://connect.vestwell.com/signup/calable>
6. CalABLE Savings and Investment Options:
<https://calable.ca.gov/investment-options>

Resources:

7. CalABLE Enrollment Brochure: <https://marcom.vestwell.com/sites/calable/attachments/y0g4nmdei6hk16wzykg7atr5-calable-enrollment-brochure-print-ada.pdf>
8. CalABLE Fact Sheet for Parents or Legal Guardians: <https://marcom.vestwell.com/sites/calable/attachments/na837jwvlwrf9olwe6wsgds2-parent-fact-sheet-english-2-3-26-accessible.pdf>
9. What If I Want to Close My Account? (CalABLE): <https://calable.ca.gov/faqs/what-if-i-want-to-close-my-account>
10. Death of Beneficiary Form (CalABLE): <https://marcom.vestwell.com/sites/calable/attachments/cll2p75mj0vcz0jrz1d12cfpn-12-07252023-calable-death-of-beneficiary-form-1-2-ada.pdf>

Resources:

11. Medi-Cal Recovery Information (California Advocates for Nursing Home Reform): <https://canhr.org/medi-cal-recovery-information/>
12. California Welfare and Institutions Code Section 4880: https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=4880&lawCode=WIC
13. CalABLE Website: <https://www.calable.ca.gov/>
14. CalABLE Eligibility Screener: <https://calable.ca.gov/eligibility-screener>
15. CalABLE Program Disclosure Statement: <https://marcom.vestwell.com/program-description/calable.html>
16. CalABLE 2026 Ambassadors: <https://calable.ca.gov/calable-ambassadors>
17. CalABLE 2026 Ambassador Videos (YouTube): <https://www.youtube.com/watch?v=jCwWVa6b1sU&list=PLPCkdg82mloYK-ub18Sf8XkCc4rle6Prv&index=1>
18. ABLE National Resource Center: <https://www.ablenrc.org/>

CaIABLE:

- Website: <https://calable.ca.gov/contact-us>
- General Inquiries: calable@treasurer.ca.gov
- Phone: 1-833-225-2253
- Monday through Friday from 6 a.m. to 5 p.m.

Disability Rights California (DRC):

- Intake Line: 1-800-776-5746
- TTY: 1-800-719-5798
- Monday, Tuesday, Thursday, and Friday from 9 a.m. to 3 p.m.
- Online Request Form:
<https://www.disabilityrightsca.org/get-help>

Office of Clients' Rights Advocacy (OCRA) for Regional Center Clients:

- Intake Line: 1-800-390-7032

