

AZ ABLE Oversight Committee Meeting Minutes

February 1, 2021

In Attendance (via Google Meets):

Brittaney Chipley – Executive Director
Cassidy Taylor - Committee Member
Karla Phillips - Committee Member
Jason Snead – Committee Member
Fareed Bailey – Committee Member

1. Karla Phillips calls the meeting to order at 10:04am.
2. Welcome and introductions are completed with a roll call.
3. Minutes Approval for 5/5/2020 – Ms. Phillips motions to approve 5/5/2020 meeting minutes. There are none opposed, and the motion carries unanimously.
4. Reports Review (Brittaney Chipley) - Monthly/Transaction Reports (April-December 2020) and Outreach/Metrics Reports- Mrs. Chipley asks if there are any questions regarding the reports. There are none.
5. National Association of State Treasurers (NAST) ABLE Committee Updates (Brittaney Chipley)
 - a. ABLE Final Regulations – Mrs. Chipley provides a quick overview of what the ABLE final regulations mean for AZ ABLE and all ABLE programs across the nation. She explains that some elements need clarification from the IRS, and the national ABLE committee has subcommittees that are tackling such elements. Mrs. Chipley clarifies that the final regulations' elements that need clarification from the IRS are not unique to AZ ABLE, but apply to all ABLE programs. Mrs. Chipley will keep the Committee updated on the progress.
 - b. National Numbers - Mrs. Chipley asks if there are any questions regarding the 3Q2020 national numbers. There are none.
6. OH STABLE & Partner States Updates (Brittaney Chipley)
 - a. Program Updates – 1. Year 2020 Numbers; 2. Accounts & AUM (Assets Under Management) - Mrs. Chipley asks if there are any questions. There are none.

3. New Lifetime Maximum & ABLE to Work Limits – Mrs. Chipley explains the following: While the gift tax exclusion for calendar year 2021 will remain at \$15,000, the new lifetime maximum limit is \$501,000. This is a 3.94% increase over the old total of \$482,000. The new ABLE to Work limit is an increase to \$12,760 per year. Mrs. Chipley clarifies that the lifetime maximum limit is OH's 529 plan maximum limit.
4. New Program Manager – True Link (PP, Benefits, FAQs). Mrs. Chipley explains the following: OH has finally decided on a new program manager that will take over on 7/1/21, which is True Link. Their primary focus and consumer base are people with disabilities. One of the benefits includes a decrease in monthly maintenance fees (\$3.50 to \$3), True Link contract guarantees a maintenance fee price reduction of \$2.75 for all beneficiaries, when True Link realizes 75,000 paying accounts. Lastly, OH is working on a way to communicate to our beneficiaries and ALRs about the transition and one of the proposed tools is creating a robust FAQ. The FAQ will be linked to other communications and will serve to get specific questions answered. Mrs. Chipley further explains that OH wants to be transparent, assuring the Committee that there will not be any disruption to accounts. Mrs. Chipley will also express the concern of ensuring the FAQ is written in plain language and is easy for beneficiaries and ALRs to understand. Mrs. Chipley will continue to keep the Committee updated on the transition.
7. AZ ABLE Contract Renewal with OH STABLE (Brittaney Chipley) – Mrs. Chipley explains to the Committee that the current agreement with OH is set to expire on 2/6/21, and the Committee will need to decide the terms (renew for another 3 years, more or less). The Committee discusses, and Ms. Phillips motions to approve a term of 3 years. There are none opposed, and the motion carries unanimously.
8. Open Forum & Call to the Public – Ms. Phillips announces an open forum and call to the public. There are no public comments. The Committee discusses Bills that may or may not impact AZ ABLE. The Committee further discusses potential legislation for an AZ ABLE tax deduction, which Arizona currently lacks. Mrs. Chipley explains that this is something the Department has been working on. Mr. Taylor informs the Committee that he will follow up with the Department's legislative director. Mrs. Chipley will continue to put forth the need for proposed legislation to the Department in the meantime.
9. Adjournment – Ms. Phillips adjourns the meeting at 10:44am.