

**JOSH GREEN, M.D.**  
GOVERNOR  
KE KIA'ĀINA



**CATHY BETTS**  
DIRECTOR  
KA LUNA HO'OKELE

**JOSEPH CAMPOS II**  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

**STATE OF HAWAII**  
KA MOKU'ĀINA O HAWAI'I  
**DEPARTMENT OF HUMAN SERVICES**  
KA 'OIHANA MĀLAMA LAWELAWE KANAKA  
Office of the Director  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

**TRISTA SPEER**  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

February 26, 2024

To: The Honorable Representative Kyle T. Yamashita, Chair  
House Committee on Finance

FROM: Cathy Betts, Director

SUBJECT: **HB 2556 HD 1 – RELATING TO THE HAWAII ABLE SAVINGS PROGRAM.**

Hearing: Wednesday, February 28, 2024, 10:00 a.m.  
Conference Room 308, State Capitol & Video Conference

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this bill, defers to the Department of Budget and Finance, the Department of Health, and the State Council on Developmental Disabilities, and provides comments.

**PURPOSE:** This bill amends the sources of funding for the Hawai'i ABLE Saving Program Trust Fund. Amends the authorized uses of moneys in the trust fund, including providing incentive payments to Hawai'i public school ABLE account owners. Appropriates funds. Effective 7/1/3000. (HD1):

The Committee on Health & Homelessness amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

DHS recognizes the importance of the ABLE savings program, as it allows individuals with disabilities to have flexible savings accounts to enhance their opportunities for independent living, health care, education, community-based support, employment training, assistive technology, housing, and transportation.

February 26, 2024

Page 2

Additionally, this bill appropriates funds and a permanent position to the State Council on Developmental Disabilities to assist individuals with disabilities and their families to better understand the benefits of participation in the ABLE program.

Thank you for the opportunity to provide testimony in support of this measure.



## DISABILITY AND COMMUNICATION ACCESS BOARD

---

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813  
Ph. (808) 586-8121 (V) • Fax (808) 586-8129 • TTY (808) 586-8162

February 28, 2024

### TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

House Bill 2556 HD1 – Relating to the Hawaii ABLE Savings Program

The Disability and Communication Access Board (DCAB) supports House Bill 2556 HD1 – Relating to the Hawaii ABLE Savings Program.

This bill authorizes the Director of Finance to use funds deposited into the Hawaii ABLE Savings Program Trust Fund for any expenses incurred in developing and administering the Hawaii ABLE Savings Program and establishes a position within the State Council on Developmental Disabilities of the Department of Health to support the Hawaii ABLE Savings Program.

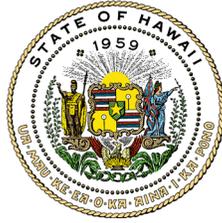
DCAB believes that dedicating a permanent position to statewide outreach, advocacy, and relationship management for the Hawaii ABLE Savings Program should help people with disabilities and their families understand the benefits of this program and increase their participation.

Thank you for considering our position.

Respectfully submitted,

KIRBY L. SHAW  
Executive Director

**JOSH GREEN, M.D.**  
GOVERNOR OF HAWAII  
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII



**CAROLINE CADIRAO**  
DIRECTOR  
Executive Office on Aging

**KENNETH FINK, MD, MGA, MPH**  
DIRECTOR OF HEALTH  
KA LUNA HO'OKELE

**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
**KA 'OIHANA OLAKINO**  
**EXECUTIVE OFFICE ON AGING**  
NO. 1 CAPITOL DISTRICT  
250 SOUTH HOTEL STREET, SUITE 406  
HONOLULU, HAWAII 96813-2831

Telephone  
(808) 586-0100

Fax  
(808) 586-0185

**Testimony in SUPPORT of HB2556 HD1**  
**RELATING TO THE HAWAII ABLE SAVINGS PROGRAM**

REP. KYLE T. YAMASHITA, CHAIR  
REP. LISA KITAGAWA, VICE CHAIR  
COMMITTEE ON FINANCE

Testimony of Caroline Cadirao  
Director, Executive Office on Aging  
Attached Agency to the Department of Health

Hearing: Wednesday, February 28, 2024, 10:00 A.M., Conference Room 308

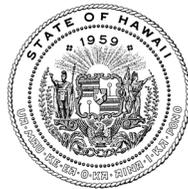
- 1 **EOA Position:** The Executive Office on Aging (EOA), an attached agency to the Department of
- 2 Health (DOH) **supports** HB2556 HD1.
- 3 **Fiscal Implications:** Appropriates funds to the Hawai'i ABLE Savings program to provide
- 4 incentive payments and to support a 1.0 full time equivalent (FTE) within the Department of
- 5 Health's Council on Developmental Disabilities. Appropriation to exceed the state general fund
- 6 expenditure ceiling.
- 7 **Purpose and Justification:** Amends the sources of funding for the Hawai'i ABLE Saving Program
- 8 Trust Fund. Amends the authorized uses of the trust fund monies, including providing incentive
- 9 payments to Hawai'i public school ABLE account owners.

1 Approximately 23,000 individuals with developmental disabilities in the State of Hawai'i are  
2 eligible to open an ABLÉ Savings Program and an estimate of another 20,000 individuals with  
3 other disabilities are eligible for an ABLÉ Savings Program. An ABLÉ account would enable  
4 individuals with a disability to save money to pay for necessary expenses, such as medical and  
5 dental care, education, community-based supports, employment training, assistive technology,  
6 housing, and transportation.

7 The staff position would provide outreach, advocacy, and education about the ABLÉ Savings  
8 Program to increase participation and grow the program. This position would inform and  
9 support individuals with disabilities, who want to get into the workforce and improve their  
10 overall quality of life.

11 **Recommendation:** EOA supports this measure and defers to Budget and Finance and the DDC  
12 for implementation.

13 Thank you for the opportunity to testify.



JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

**WRITTEN ONLY**  
TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON FINANCE  
ON  
HOUSE BILL NO. 2556, H.D. 1

**February 28, 2024**  
**10:00 a.m.**  
**Room 308 and Videoconference**

RELATING TO THE HAWAII ABLE SAVINGS PROGRAM

The Department of Budget and Finance (B&F) supports this bill to the extent that it does not adversely affect priorities set forth in the Executive Supplemental Budget request. B&F is willing to work with the Committee on the bill to make sure any proposed changes to Chapter 256B, HRS, do not have unintended consequences to the Hawai'i ABLE Savings Program, and to address the fiscal impact of the bill.

Recently, the State of Illinois passed a law<sup>1</sup> requiring school districts in Illinois to share information about ABLE accounts with a parent or guardian at the student's annual individual education program review meeting. With the approval of the State Department of Education (DOE), something similar could be done in the State of Hawai'i.

---

<sup>1</sup> <https://www.ilga.gov/legislation/ilcs/fulltext.asp?DocName=010500050K14-8.02i>

Sec. 14-8.02i. ABLE account program information. Beginning with the 2023-2024 school year, a school district shall provide informational material about the Achieving a Better Life Experience (ABLE) account program established under Section 16.6 of the State Treasurer Act to the parent or guardian of a student at the student's annual individualized education program (IEP) review meeting, whether the annual review meeting is held in person, convened remotely, or convened in any other manner. The Office of the State Treasurer shall prepare and deliver the informational material to the State Board of Education, and the State Board of Education shall distribute the informational material to school districts.

A school may transmit the informational material to a parent or guardian in the same manner as other documents and information related to an IEP meeting are provided to the parent or guardian. (Source: P.A. 102-841, eff. 5-13-22.)

In addition, this bill proposes an incentive payment of a nominal value that could be made directly into a DOE student ABLE Savings account by the plan administrator upon completion of a milestone event, such as opening an account, maintaining an account for a period of time, or funding an account at a certain value. The incentive payment could encourage people to inquire about the Hawai'i ABLE Savings Program and Act. B&F supports the concept of incentive payments for the Hawai'i ABLE Savings Program.

Thank you for your consideration of our comments.



**STATE OF HAWAII**  
STATE COUNCIL  
ON DEVELOPMENTAL DISABILITIES  
1010 RICHARDS STREET, Room 122  
HONOLULU, HAWAII 96813  
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543  
February 28, 2024

The Honorable Representative Kyle Yamashita, Chair  
House Committee on Finance  
The Thirty-Second Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Representative Yamashita and Committee Members:

**SUBJECT: HB2556 HD1 RELATING TO THE HAWAII ABLE SAVINGS PROGRAM**

The Hawaii State Council on Developmental Disabilities is in **STRONG SUPPORT HB2556 HD1**, which amends the sources of funding for the Hawai'i ABLE Saving Program Trust Fund. Amends the authorized uses of moneys in the trust fund, including providing incentive payments to Hawai'i public school ABLE account owners. Appropriates funds. Effective 7/1/3000. (HD1)

Act 206 of Hawaii Session Laws of 2015 enacted the Hawai'i ABLE Savings Program. The ABLE Savings Program is modeled after 529 (Section 529 of the Internal Revenue Code) college savings plans, where interest earned on savings will be tax-free. It allows individuals with disabilities the same types of flexible savings accounts that people without disabilities have, such as college savings accounts, health savings accounts, and individual retirement accounts. Furthermore, an ABLE account would enable individuals with a disability to accrue funds to pay for a variety of expenses, such as medical and dental care, education, community-based supports, employment training, assistive technology, housing, and transportation.

There are approximately 23,000 individuals with developmental disabilities in the State of Hawaii who are eligible to open an ABLE Savings Program. Data taken from the July 2022 ALICE in Focus-People with Disabilities brief (the brief used the dataset reported in the 2019 U.S. Census Bureau's American Community Survey) shows, in Hawaii 3% of our population is a child under age 18 with a disability. This equals 43,054 individuals under the age of 18 who have a disability. Parents had always been warned not to have a savings or an investment account for their child with a disability with a balance greater than \$2,000 because they won't qualify for Medicaid.

With an ABLE account, parents can save for their child's future regardless if the child has a disability or not. Grandparents, family members and friends can contribute to the savings of a

child with a disability without jeopardizing their eligibility for Medicaid. This can support an individual with a disability as they enter adulthood, to have access to a resource of their own. It will support them to get a job and save for their own place to live, to achieve a better life experience.

The full-time staff position would be devoted to statewide outreach, advocacy, and relationship management for the Hawaii ABLE savings program, the program we will grow. Growing the use of these accounts also requires continued education for a population that has been told for decades that if they worked or saved any money they would lose everything; their home, their income, their services, and their supports. This job position is undoing decades of misinformation for our most vulnerable population who we are trying to re-educate and get into our workforce. The funding for this position would come from the general fund and would be recurring.

Thank you for the opportunity to submit testimony **offering strong support on HB2556 HD1.**

Sincerely,

Daintry Bartoldus  
Executive Administrator

**HB-2556-HD-1**

Submitted on: 2/26/2024 4:19:53 PM

Testimony for FIN on 2/28/2024 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Louis Erteschik	Hawaii Disability Rights Center	Support	Remotely Via Zoom

Comments:

ABLE is a great program but it is underutilized. It was passed years ago but its implementation was seriously delayed. Anything that can be done to increase participation is helpful. In particular we believe that an additional staff position at the DD Council is particularly important. The DD Council has done a great job but it can really use additional staff to achieve the true potential of the program

Randelle Lee  
9819A Uuku Road, Waimea, HI 96796

## Committee on Finance

Aloha Rep Kyle T. Yamashita, Chair, Representative Lisa Kitagawa, Vice Chair and Committee Members  
My name is Randelle Lee.

Thank you for this chance to speak in (Support) of HB 2556.

I am from Kauai Easterseals.

Bill HB 2556 will help me learn how to open an ABLE Savings account.

It is important to me because Hawaii needs staff to support us working with our ABLE Savings Accounts.

I support Bill HB 2556.

Thank you for allowing me to speak.

\*\* Randelle anticipates providing this testimony during the Hawaii Development Disability Council's Day at the Capitol event 3.7.2024

Katarina Avdienki  
3914 Kilohana Street, Kalaheo, HI 96741

## Committee on Finance

Aloha Rep Kyle T. Yamashita, Chair, Representative Lisa Kitagawa, Vice Chair and Committee Members:

My name is Katarina Avdienko.

Thank you for this chance to speak in (Support) of HB 2556.

I am from Kauai Easterseals.

Bill HB 2556 will help me plan for my future.

It is important to me because I am working toward employment goals. If I get a job, an ABLE savings account will help me manage my money. Having a staff person that can help my family and I with questions about ABLE savings accounts would be very helpful.

I support Bill HB 2556.

Thank you for allowing me to speak.

\*\* Katarina intends to provide this testimony during the Hawaii Development Disability Council's Day at the Capitol event 3.7.2024

Alexandra McClurg  
4263 Kai Ikena Drive, Kalaheo, HI 96741

## Committee on Finance

Aloha Rep Kyle T. Yamashita, Chair, Representative Lisa Kitagawa, Vice Chair and Committee Members:

My name is Alexandra McClurg.

Thank you for this opportunity to provide testimony in (Support) of HB 2556.

I am from Kauai, Easterseals.

Bill HB 2556 will help me manage my ABLE Savings account to allow me to save for my future.

It is important to me because I am responsible for my household expenses of rent, dental, medical, cell phone and some of my paratransit expenses. Budgeting my expenses is a challenge for me.

I support Bill HB 2556.

Thank you for allowing me to speak.

\*\* Alexandra anticipates providing this testimony during the Hawaii Developmental Disability Council's Day at the Capitol event 3.7.2024

**HB-2556-HD-1**

Submitted on: 2/27/2024 2:23:20 PM

Testimony for FIN on 2/28/2024 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Annette Mente	Individual	Support	Written Testimony Only

Comments:

I strongly support the ABLÉ program and the expansion of state resources to assure Hawaii's families with disabled children learn about and utilize this important tool to support greater self-sufficiency/independence for this population. Although I don't have children, as a supportive 'Aunty' I regularly contribute to the 529 accounts for the younger children in our family. It's such an important investment into their futures. All children should have access to these benefits that help assure they thrive/succeed into adulthood.