



**STATE OF HAWAII**  
STATE COUNCIL  
ON DEVELOPMENTAL DISABILITIES  
1010 RICHARDS STREET, Room 122  
HONOLULU, HAWAII 96813  
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543  
March 20, 2023

The Honorable Senator Joy A. San Buenaventura, Chair  
Senate Committee on Health and Human Services  
The Thirty-Second Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Senator San Buenaventura and Committee Members:

SUBJECT: HB1263 HD2 RELATING TO THE HAWAII ABLE SAVINGS PROGRAM

The Hawaii State Council on Developmental Disabilities **STRONGLY SUPPORTS HB1263 HD2**, which authorizes the Director of Finance to use funds deposited into the Hawai'i ABLE savings program trust fund for any expenses incurred in developing and administering the Hawai'i ABLE savings program. Establishes a position within the state council on developmental disabilities of the department of health to support the Hawai'i ABLE savings program. Appropriates funds.

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 account 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 and an estimate of another 20,000 individuals with other disabilities who are eligible for an ABLE Savings Program. However, we currently have less than 75 individuals enrolled in the Hawaii ABLE Savings Program. Throughout the past two years, the Council has been providing outreach to promote the Hawaii ABLE Savings program. We have learned many agencies, families and eligible individuals have been misinformed about ABLE Accounts, "it sounds too good to be true, what's the catch" is what we often hear. For years, they have been told do not allow your savings to go above \$2,000 or you will lose your state and federal funding supports. In addition, the only way to sign up for an ABLE account is online. Many individuals do not feel comfortable providing their personal information online. The Council will spend time with a qualified individual or their family member to explain the process and then additional time to walk them through the process of signing up online.

The \$100,000 in a special fund is to be used in case of an audit. These funds would not need to be recurring, it would be a onetime fund. 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

Honorable Senator San Buenaventura, Chair  
March 20, 2023  
HB1263 HD2 - Support  
Page 2

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 in **strong support of HB1263 HD2.**

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus". The signature is written in a cursive, flowing style.

Daintry Bartoldus  
Executive Administrator

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

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



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**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

**Testimony in SUPPORT of HB 1263, HD2**  
**Relating to the HAWAII ABLE SAVINGS PROGRAM**

COMMITTEE ON HEALTH AND HUMAN SERVICES  
SENATOR JOY A. SAN BUENAVENTURA, CHAIR  
SENATOR HENRY J.C. AQUINO, VICE CHAIR

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

Hearing Date: March 20, 2023  
1:00 PM

Room Number: 225  
Via videoconference

- 1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department
- 2 of Health, **supports HB1263 HD2**, relating to the Hawai'i ABLE Savings Program.
- 3 **Fiscal Implications:** This measure appropriates funds for fiscal year 2023-2024 to be deposited
- 4 into the Hawai'i ABLE Savings Program trust fund and establishes one full-time equivalent (1.0
- 5 FTE) permanent position within the State Council on Developmental Disabilities (DD Council).
- 6 **Purpose and Justification:** The purpose of this bill is to authorize the Director of the Budget
- 7 and Finance to administer funds deposited into the Hawai'i ABLE Savings Program Trust Fund,
- 8 establishes a full-time equivalent (1.00 FTE) permanent position within DD Council to provide
- 9 statewide outreach, advocacy, and relationship management for the Hawai'i ABLE Savings
- 10 Program, and appropriates funds to be deposited into the Hawai'i ABLE Savings Program Trust
- 11 Fund. The Hawai'i ABLE Savings Program allows individuals with disabilities the same types of
- 12 flexible savings account that people without disabilities have, such as college savings accounts,

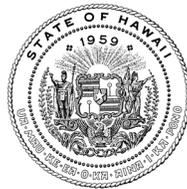
1 health savings accounts, and individual retirement accounts. Additionally, an ABLE account  
2 would enable individuals with a disability to accrue funds to pay for a variety of expenses, such  
3 as medical and dental care, education, community-based supports, employment training, assistive  
4 technology, housing, and transportation.

5 By supporting the program with one (1.0) FTE position, DD Council will be able to  
6 provide the necessary outreach and education about the program and its benefits to the  
7 approximately **23,000** individuals with developmental disabilities in Hawai'i to be able to save  
8 money for their futures.

9 **Recommendation:** EOA strongly supports this measure provided that its enactment does not  
10 reduce or replace priorities with the Administration's budget request.

11 Thank you for the opportunity to testify.

JOSH GREEN, M.D.  
GOVERNOR



LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

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

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

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 SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES  
ON  
HOUSE BILL NO. 1263, H.D. 2

**March 20, 2023**  
**1:00 p.m.**  
**Room 225 and Videoconference**

RELATING TO THE HAWAII ABLE SAVINGS PROGRAM

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1263, H.D. 2: 1) amends Section 256B-8, HRS, to authorize the Director of Finance to use funds from the Hawai'i ABLE Savings Program Trust Fund (HASPTF) for expenses incurred in developing and administering the Hawai'i ABLE Savings Program (HASP); 2) establishes 1.00 Program Specialist IV position within the State Council on Developmental Disabilities attached to the Department of Health (DOH) to provide outreach, advocacy, and relationship management for HASP; and 3) appropriates an undetermined amount of general funds in FY 24 to be deposited into the HASPTF.

Regarding Section 1 of the bill, B&F has no objections; however, it should be noted that the HASPTF's annual revenues have been and are expected to continue to be \$0 a year. Even if the HASPTF managed to generate interest on contributor deposits, the interest earnings would be minimal due to limited participation in the HASP.

Regarding Section 2 of the bill, it is unclear what funding source would be utilized for the position. B&F defers to DOH on their available resources to fund the position.

Regarding Section 3 of the bill, B&F has no objections to a small cash infusion to provide funding for any potential future needs for auditing services or other administrative costs.

Thank you for your consideration of our comments.



## DISABILITY AND COMMUNICATION ACCESS BOARD

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March 20, 2023

### TESTIMONY TO THE SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

#### House Bill 1263 HD2 – Relating to the Hawai'i ABLE Savings Program

The Disability and Communication Access Board (DCAB) supports House Bill 1263 HD2 – Relating to the Hawai'i ABLE Savings Program.

This would authorize the Director of Finance to use funds deposited into the Hawai'i ABLE Savings Program Trust Fund for any expenses incurred in developing and administering the Hawai'i ABLE Savings Program and establish a position within the State Council on Developmental Disabilities of the Department of Health to support the Hawai'i ABLE Savings Program.

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

Thank you for the opportunity to provide testimony.

Respectfully submitted,

KIRBY L. SHAW  
Executive Director

**HB-1263-HD-2**

Submitted on: 3/17/2023 6:12:41 PM

Testimony for HHS on 3/20/2023 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Louis Erteschik	Testifying for Hawaii Disability Rights Center	Support	Written Testimony Only

Comments:

ABLE is a great program and this bill will strengthen it.

**HB-1263-HD-2**

Submitted on: 3/16/2023 9:10:24 PM

Testimony for HHS on 3/20/2023 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kaili Swan	Individual	Support	Remotely Via Zoom

Comments:

i am in strong support in HB1263 beacuse my mom help me open my able account it was very confusing for me to do by myself not everyone like mine please pass this HB1263 thank you.