

2023 Regular Session

SENATE BILL NO. 30

BY SENATOR FOIL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

EXCEPTIONAL PERSONS. Provides for the transfer of funds in an ABLE account of a deceased designated beneficiary. (gov sig)

1 AN ACT

2 To enact R.S. 17:3088.1, relative to the Achieving a Better Life Experience in Louisiana

3 Fund; to provide for the transfer of monies in a program account of a deceased

4 designated beneficiary; to prohibit certain claims against the program account of a

5 deceased designated beneficiary; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 17:3088.1 is hereby enacted to read as follows:

8 **§3088.1. ABLE accounts of deceased designated beneficiary; termination;**

9 **transfer of monies; prohibited actions**

10 **A. Notwithstanding any other provision of law to the contrary, when a**

11 **designated beneficiary dies, the program account established on his behalf shall**

12 **be terminated. Monies remaining in the account, after payment of all of the**

13 **designated beneficiary's qualified disability expenses defined in this Chapter,**

14 **may be transferred as specified by the account's owner to either another ABLE**

15 **program account permitted by Section 529A of the Internal Revenue Code or**

16 **to the estate of the designated beneficiary.**

17 **B. If the program account of a deceased designated beneficiary does not**

1 specify where monies remaining in the account are to be transferred, the
 2 remaining monies shall be deposited in the Disability Services Fund separate
 3 account established by R.S. 28:826(B)(2)(d) to be appropriated and used as
 4 provided in R.S. 28:286(C)(1)(c).

5 C. The state shall not file a claim for payment under Subsection (f) of
 6 Section 529A of the Internal Revenue Code or seek recovery of any amount
 7 remaining in the program account of a deceased designated beneficiary for
 8 payments made for qualified disability expenses.

9 Section 2. This Act shall become effective upon signature by the governor or, if not
 10 signed by the governor, upon expiration of the time for bills to become law without signature
 11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 13 effective on the day following such approval.

The original instrument was prepared by Cheryl Serrett. The following digest, which does not constitute a part of the legislative instrument, was prepared by LG Sullivan.

DIGEST

SB 30 Engrossed

2023 Regular Session

Foil

Proposed law provides that when a designated beneficiary dies, his ABLE account is terminated. Further provides that an account owner may specify that monies remaining in the program account of the deceased designated beneficiary, after all eligible expenses are paid on the beneficiary's behalf, be transferred to either another ABLE account permitted by the internal revenue code or to the beneficiary's estate. Further provides that if the account owner does not specify how the monies are to be transferred, the monies remaining in the program account shall be deposited into the Disability Services Fund (R.S. 28:826) account that is used solely to support and enhance developmental disabilities services within the Medicaid program or the office for citizens with developmental disabilities, or its successor.

Proposed law prohibits the state from filing a "clawback" claim for monies paid out of the program account of a deceased designated beneficiary.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 17:3088.1)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Education to the original bill

1. Specify which of the three accounts within the Disability Services Fund the monies remaining in the ABLE account will be transferred to.