

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 30** SLS 23RS 74

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 2, 2023	6:14 AM	Author: FOIL
Dept./Agy.: Board of Regents		Analyst: Chris Henry
Subject: ABLE Accounts		

EXCEPTIONAL PERSONS

EG SEE FISC NOTE SD RV See Note

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

Proposed law provides for allowable uses of the remaining funds in an ABLE account in the event of the designated beneficiary's death as part of the Louisiana Achieving a Better Life Experience Act. After payment of any remaining eligible expenses from the account, monies remaining may be transferred to either another ABLE account as permitted in Section 529A of the Internal Revenue Code or to the estate of the designated beneficiary. If the account does not specify how to deal with the remaining monies in the account, then the remaining amount is deposited into the Disability Services Fund account used solely to support developmental disabilities services within Medicaid or the Office for Citizens with Developmental Disabilities. Proposed law provides that the state shall not make claims against the account of a deceased designated beneficiary for payment of outstanding medicaid-related services or recovery of payments made for qualified disability expenses.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There would be no direct material effect on governmental expenditures resulting from the proposed legislation. ABLE accounts are managed on behalf of account owners by the Louisiana Office of Student Financial Assistance (LOSFA) with oversight by the Louisiana Tuition Trust Authority. Monies in the accounts are private funds for the purpose of supporting persons with disabilities.

As of February 28, 2023, LOSFA reports 1,176 ABLE accounts with a total of \$5,719,525 in the portfolio resulting in \$4,864 on average per account.

Note: Federal law currently allows the transfer of money in an ABLE account to the sibling of beneficiary who also meets the ABLE disability eligibility requirements. Additionally, the transfer of an account to a new beneficiary or to the estate of the deceased beneficiary takes place only after all remaining eligible expenses are paid, which includes funeral or burial expenses.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. To the extent an account does not have a successor beneficiary specified and has funding remaining after payment of all eligible expenses the monies are transferred to the Disability Services Fund for future appropriation by the legislature in accordance with R.S. 28:826(C) (1)(c).

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Interim Deputy Fiscal Officer