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Representatives Dever, Conditt

Cosponsors: Representatives Amstutz, Anielski, Becker, Boyd, Brown, Buchy, Derickson, DeVitis, Dovilla, Driehaus, Duffey, Ginter, Grossman, Hall, Hambley, Hayes, Henne, Huffman, Koehler, Landis, LaTourette, Lepore-Hagan, Maag, Manning, McClain, Patmon, Patterson, Ramos, Retherford, Romanchuk, Ryan, Schuring, Sears, Slesnick, Sweeney, Terhar, Zeltwanger, Antani, Antonio, Baker, Barnes, Bishoff, Blessing, Boose, Brenner, Burkley, Butler, Clyde, Craig, Cupp, Fedor, Gerberry, Gonzales, Green, Hackett, Hagan, Howse, Johnson, G., Johnson, T., Kraus, Kuhns, Kunze, Leland, McColley, O'Brien, M., O'Brien, S., Pelanda, Phillips, Reece, Reineke, Rezabek, Rogers, Ruhl, Schaffer, Slaby, Stinziano, Strahorn, Thompson, Vitale, Speaker Rosenberger

A BILL

To amend section 2329.66 and to enact sections 1
113.50, 113.51, 113.52, 113.53, 113.54, 113.55, 2
and 113.56 of the Revised Code to require the 3
Treasurer of State to create a program offering 4
federally tax-advantaged savings accounts used 5
to pay for a person's qualified disability 6
expenses and to disregard the value of and 7
income from that account in determining whether 8
that person is eligible for state or local 9
means-tested public assistance. 10

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 2329.66 be amended and sections 11
113.50, 113.51, 113.52, 113.53, 113.54, 113.55, and 113.56 of 12
the Revised Code be enacted to read as follows: 13

Sec. 113.50. As used in sections 113.50 to 113.56 of the 14
Revised Code: 15

(A) "Account" or "ABLE account" means an individual 16
savings account opened in accordance with sections 113.50 to 17
113.56 of the Revised Code. 18

(B) "Account owner" means a designated beneficiary or any 19
other person authorized to be the owner of an ABLE account under 20
federal law. 21

(C) "Designated beneficiary" means an eligible individual 22
who is a resident of this state whose qualified disability 23
expenses may be paid from an account. 24

(D) "Eligible individual," "member of the family," 25
"qualified disability expenses," and "qualified ABLE program" 26
have the same meanings as in section 529A of the Internal 27
Revenue Code. 28

(E) "Financial organization" means an insurance company, 29
bank, or other financial institution or a broker-dealer 30
registered with the securities and exchange commission. 31

(F) "Management contract" means a contract between the 32
treasurer of state and a program manager under division (B) of 33
section 113.52 of the Revised Code. 34

(G) "Maximum account value" means the dollar amount 35
calculated by the Ohio tuition trust authority pursuant to 36
sections 3334.01 to 3334.21 of the Revised Code as the maximum 37
amount that may be necessary to pay for the qualified higher 38
education expenses of a beneficiary under those sections, 39
consistent with the maximum contributions permitted under 40
section 529 of the Internal Revenue Code. 41

(H) "Program" means the ABLE account program established 42
under sections 113.50 to 113.56 of the Revised Code. 43

(I) "Program manager" means a financial organization 44
selected by the treasurer of state to be a depository and 45
manager of the program under section 113.52 of the Revised Code. 46

(J) "Secretary" means the secretary of the treasury of the 47
United States. 48

(K) "Internal Revenue Code" has the same meaning as in 49
section 5747.01 of the Revised Code. 50

Sec. 113.51. (A) The treasurer of state shall implement 51
and administer a program under the terms and conditions 52
established under sections 113.50 to 113.56 of the Revised Code. 53
For that purpose, the treasurer shall do all of the following: 54

(1) Develop and implement the program in a manner 55
consistent with the provisions of sections 113.50 to 113.56 of 56
the Revised Code; 57

(2) Engage the services of consultants on a contract basis 58
for rendering professional and technical assistance and advice; 59

(3) Seek rulings and other guidance from the secretary and 60
the internal revenue service relating to the program; 61

(4) Make modifications to the program as necessary for 62
participants in the program to qualify for the federal income 63
tax benefits or treatment provided under section 529A of the 64
Internal Revenue Code or rules adopted thereunder; 65

(5) Impose and collect administrative fees and service 66
charges in connection with any agreement or transaction relating 67
to the program; 68

- (6) Develop marketing plans and promotional materials to publicize the program; 69
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- (7) Establish the procedures by which funds held in accounts shall be disbursed; 71
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- (8) Establish the procedures by which funds held in accounts shall be allocated to pay for administrative costs; 73
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- (9) Take any other action necessary to implement and administer the program; 75
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- (10) Adopt rules in accordance with Chapter 119. of the Revised Code necessary to implement and administer the program; 77
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- (11) Notify the secretary when an account has been opened for a designated beneficiary and submit other reports concerning the program as required by the secretary or under section 529A of the Internal Revenue Code. 79
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- (B) The treasurer of state may enter into agreements with other states to either allow residents of this state to participate in an ABLE account plan operated by another state or to allow residents of other states to participate in the program. 83
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- Sec. 113.52.** (A) The treasurer of state shall solicit proposals from financial organizations to act as depositories and managers of the program. Financial organizations submitting proposals shall describe the investment instruments that will be held in accounts. The treasurer may select more than one investment instrument for the program. The treasurer shall select as program managers the financial organization or organizations, from among the bidding financial organizations, that demonstrate the most advantageous combination, both to potential program participants and the state, of the following 88
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<u>factors:</u>	98
<u>(1) Financial stability and integrity of the financial organization;</u>	99 100
<u>(2) The safety of the investment instruments being offered;</u>	101 102
<u>(3) The ability to satisfy record keeping and reporting requirements prescribed under sections 113.50 to 113.56 of the Revised Code;</u>	103 104 105
<u>(4) The organization's plan for promoting the program and the investment the organization is willing to make to promote the program;</u>	106 107 108
<u>(5) The fees, if any, proposed to be charged to account owners;</u>	109 110
<u>(6) The minimum initial deposit and minimum contributions that the financial organization will require;</u>	111 112
<u>(7) The ability of the organization to accept electronic deposits, including payroll deduction plans;</u>	113 114
<u>(8) Other benefits to the state or its residents included in the proposal, including fees payable to the state to cover the program's operating expenses.</u>	115 116 117
<u>(B) The treasurer of state may enter into a contract or a series of contracts with one or more financial organizations that submit a proposal under division (A) of this section for an organization to act as a manager and depository for the program. A contract or series of contracts shall include, at a minimum, terms requiring the financial organization to do all of the following:</u>	118 119 120 121 122 123 124

- (1) Take any action required to keep the program in compliance with the requirements of sections 113.50 to 113.56 of the Revised Code and any actions not contrary to its contract to manage the program to qualify as a qualified ABLE program; 125
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- (2) Keep adequate records of each account, keep each account segregated from each other account, and provide the treasurer with the information necessary to prepare the statements required by section 113.53 of the Revised Code; 129
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- (3) Compile and calculate information contained in statements required to be prepared under section 113.53 of the Revised Code and provide such calculations to the treasurer; 133
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- (4) If there is more than one program manager, provide the treasurer with information as is necessary to determine compliance with section 113.53 of the Revised Code; 136
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- (5) Provide the treasurer with access to the books and records of the program manager to the extent needed to determine compliance with the management contract, sections 113.50 to 113.56 of the Revised Code, and section 529A of the Internal Revenue Code; 139
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- (6) Hold all accounts for the benefit of the account owner; 144
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- (7) Be audited at least annually by a firm of certified public accountants selected by the program manager and provide the results of such audit to the treasurer; 146
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- (8) Provide the treasurer with copies of all regulatory filings and reports made by the financial organization during the term of the management contract or while the financial organization is holding any accounts, other than confidential filings or reports that will not become part of the program; 149
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(9) Make available for review by the treasurer the results of any periodic examination of such organization by any state or federal banking, insurance, or securities agency, except to the extent that such report or reports may not be disclosed under law; 154
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(10) Ensure that any description of the program, whether in writing or through the use of any other media, is consistent with the marketing plan developed under division (A) (6) of section 113.51 of the Revised Code. 159
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(C) The treasurer of state may do any of the following: 163

(1) Enter into management contracts as the treasurer considers necessary and proper for the implementation of the program; 164
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(2) Require that an audit be conducted of the operations and financial position of a program manager at any time if the treasurer has any reason to be concerned about the financial position, the record keeping practices, or the status of accounts of that program manager; 167
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(3) Terminate or not renew a management contract. 172

(D) The treasurer of state, the department of medicaid, the department of job and family services, the department of health, the department of mental health and addiction services, the department of developmental disabilities, opportunities for Ohioans with disabilities agency, and the department of aging may exchange information relating to eligible individuals for the purpose of administering or enforcing sections 113.50 to 113.56 of the Revised Code, except to the extent prohibited under federal law. 173
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(E) If the treasurer of state terminates or does not renew 182

a management contract under this section, the treasurer shall 183
take custody of accounts held by the program manager and shall 184
seek to promptly transfer such accounts to another financial 185
organization that is selected as a program manager and into 186
investment instruments as similar to the original instruments as 187
possible. 188

Sec. 113.53. (A) A designated beneficiary, or a trustee or 189
guardian of a designated beneficiary who lacks capacity to enter 190
into an agreement, may apply, on forms prescribed by the 191
treasurer of state, to open an ABLE account. A beneficiary may 192
have only one account. The treasurer of state may impose a 193
nonrefundable application fee. The application shall require the 194
applicant to provide the following information: 195

(1) The name, address, social security number, and birth 196
date of the account owner; 197

(2) The name, address, and social security number of the 198
designated beneficiary, if the account owner is not the 199
beneficiary; 200

(3) Certification by the applicant that the applicant 201
understands the maximum account value and the consequences under 202
division (C) of this section for excess contributions and 203
understands how account values exceeding the amount designated 204
under section 103 of the "Stephen Beck, Jr., ABLE Act of 2014," 205
26 U.S.C. 529A note, may affect the applicant's resources for 206
determining the applicant's eligibility for the supplemental 207
security income program; 208

(4) Any additional information required by the treasurer 209
of state. 210

(B) (1) To qualify for an account, a designated beneficiary 211

must be an eligible individual at the time the account is 212
opened. Before opening an ABLE account, the treasurer of state 213
or program manager shall enter into an agreement with the 214
account owner that discloses the requirements and restrictions 215
on contributions and withdrawals from the account. 216

(2) Any person may make contributions to an ABLE account 217
after the account is opened, subject to the limitations imposed 218
by section 529A of the Internal Revenue Code and any rules 219
adopted by the secretary. 220

(C) Contributions to ABLE accounts shall be made in cash. 221
The treasurer of state or program manager shall reject or 222
promptly withdraw a contribution to an account if that 223
contribution would exceed the annual limits prescribed in 224
subsection (b) (2) (B) of section 529A of the Internal Revenue 225
Code. The treasurer or program manager shall reject or promptly 226
withdraw a contribution if the value of the account equals or 227
exceeds the maximum account value or the designated beneficiary 228
is not an eligible individual in the current calendar year. 229

(D) (1) To the extent authorized by federal law, and in 230
accordance with rules adopted by the treasurer of state, an 231
account owner may change the designated beneficiary of an 232
account to another individual. 233

(2) No account owner may use an interest in an account as 234
security for a loan. Any pledge of an interest in an account 235
shall be void and of no force and effect. 236

(E) (1) A distribution from an account to any individual or 237
for the benefit of any individual during a calendar year shall 238
be reported to the internal revenue service and each account 239
owner, the designated beneficiary, or the distributee to the 240

extent required under state or federal law. 241

(2) Statements shall be provided to each account owner at 242
least four times each year within thirty days after the end of 243
the quarterly period to which a statement relates. The statement 244
shall identify the contributions made during the preceding 245
quarter, the total contributions made to the account through the 246
last day of that quarter, the value of the account on the last 247
day of that quarter, distributions made during that quarter, and 248
any other information that the treasurer of state requires to be 249
reported to the account owner. 250

(3) Statements and information relating to accounts shall 251
be prepared and filed to the extent required under sections 252
113.50 to 113.56 of the Revised Code and any other state or 253
federal law. 254

(F) The program shall provide separate accounting for each 255
designated beneficiary. An annual fee may be imposed upon the 256
account owner for the maintenance of an account. 257

(G) Money in an ABLE account shall be exempt from 258
attachment, execution, or garnishment as provided in section 259
2329.66 of the Revised Code, and is subject to claims made under 260
the medicaid estate recovery program instituted pursuant to 261
section 5162.21 of the Revised Code, in accordance with 262
subsection (f) of section 529A of the Internal Revenue Code and 263
subject to any limitations imposed by the secretary. 264

(H) (1) Notwithstanding any other provision of state law, 265
all of the following shall be disregarded for the purposes of 266
determining an individual's eligibility for a means-tested 267
public assistance program funded only with state, local, or 268
state and local funds and the amount of assistance or benefits 269

<u>the individual is eligible to receive under the program:</u>	270
<u>(a) Any amount in an ABLE account, including earnings on the account;</u>	271 272
<u>(b) Any contributions to an ABLE account;</u>	273
<u>(c) Any distribution from an ABLE account for qualified disability expenses.</u>	274 275
<u>(2) Division (H) (1) of this section applies only to an individual who is either of the following:</u>	276 277
<u>(a) The account owner or designated beneficiary of the ABLE account;</u>	278 279
<u>(b) An individual whose eligibility for the means-tested program is conditioned on the ABLE account's account owner or designated beneficiary disclosing the account owner's or designated beneficiary's income, resources, or both to the entity administering the means-tested public assistance program.</u>	280 281 282 283 284
<u>Sec. 113.54. (A) Nothing in sections 113.50 to 113.56 of the Revised Code creates any obligation of the treasurer of state, the state, or any state agency to guarantee for the benefit of any account owner or designated beneficiary any of the following:</u>	285 286 287 288 289
<u>(1) Return of principal;</u>	290
<u>(2) Rate of interest or other return on any account;</u>	291
<u>(3) Payment of interest or other return on any account.</u>	292
<u>(B) Every contract, application, or other similar document that may be used in connection with opening an account shall clearly indicate that the account is not insured by the state and that the principal deposited and the investment return are</u>	293 294 295 296

not guaranteed by the state. 297

Sec. 113.55. (A) The Ohio ABLE savings program trust fund 298
is hereby created, which shall be in the custody of the 299
treasurer of state but shall not be part of the state treasury. 300
The fund shall be used if the treasurer of state elects to 301
accept deposits from contributors rather than have deposits sent 302
directly to a program manager. The fund shall consist of any 303
moneys deposited by contributors in accordance with sections 304
113.50 to 113.56 of the Revised Code that are not deposited 305
directly with the program manager. Money shall be disbursed from 306
the fund upon an order of the treasurer. All interest from the 307
money in the fund shall be credited to the Ohio ABLE savings 308
expense fund. 309

(B) (1) The Ohio ABLE savings expense fund is hereby 310
created in the state treasury. The fund shall consist of money 311
received from program managers, governmental or private grants, 312
or appropriations for the program. 313

(2) All expenses incurred by the treasurer of state in 314
developing and administering the ABLE account program and all 315
expenses and reimbursements allowed for the ABLE account program 316
advisory board created under section 113.56 of the Revised Code 317
shall be payable from the Ohio ABLE savings expense fund. 318

Sec. 113.56. (A) There is hereby created the ABLE account 319
program advisory board, consisting of nine members, composed of 320
the following: 321

(1) The director of developmental disabilities or the 322
director's designee; 323

(2) One member of the house of representatives appointed 324
by the speaker of the house of representatives; 325

<u>(3) One member of the senate appointed by the president of</u>	326
<u>the senate;</u>	327
<u>(4) One member appointed by the governor who is a</u>	328
<u>representative of an intellectual or developmental disability</u>	329
<u>advocacy organization;</u>	330
<u>(5) One member appointed by the governor who is a</u>	331
<u>representative of a service provider for individuals with</u>	332
<u>disabilities;</u>	333
<u>(6) One member appointed by the governor who is the parent</u>	334
<u>of a child with a disability and who has significant experience</u>	335
<u>with disability issues;</u>	336
<u>(7) One member appointed by the governor who is a person</u>	337
<u>with a disability and who has significant experience with</u>	338
<u>disability issues;</u>	339
<u>(8) Two members appointed by the governor who have</u>	340
<u>significant experience in finance, accounting, investment</u>	341
<u>management, or other areas that may assist the board in carrying</u>	342
<u>out its duties.</u>	343
<u>(B) Terms of office of the appointed members described in</u>	344
<u>divisions (A) (4) to (8) of this section are for four years,</u>	345
<u>which shall end on the thirty-first day of December. Terms of</u>	346
<u>office of the appointed members described in divisions (A) (2)</u>	347
<u>and (3) of this section shall be for the term of the general</u>	348
<u>assembly. Any member may be reappointed, provided the member</u>	349
<u>continues to meet all other eligibility requirements. Vacancies</u>	350
<u>shall be filled in the manner provided for original</u>	351
<u>appointments. Any such member appointed to fill a vacancy before</u>	352
<u>the expiration of the term for which the predecessor was</u>	353
<u>appointed shall hold office as a member for the remainder of</u>	354

that term. Appointed members of the board serve at the pleasure 355
of the member's appointing authority and may be removed only by 356
that authority. 357

(C) The member described in division (A) (1) of this 358
section shall call the first meeting of the ABLE account program 359
advisory board, which shall occur not later than sixty days 360
after the effective date of the enactment of this section. At 361
the board's first meeting, members of the board shall elect a 362
chairperson. If a vacancy occurs in the office of chairperson, 363
members shall elect a new chairperson. The board shall meet at 364
least four times each year or more frequently at the call of the 365
chairperson. The board is a public body for purposes of section 366
121.22 of the Revised Code. 367

(D) A vacancy on the board does not impair the right of 368
the other members to exercise all the functions of the board. 369
The presence of a majority of the members of the board 370
constitutes a quorum for the conduct of business of the board. 371
The concurrence of at least a majority of the members of the 372
board is necessary for any action to be taken by the board. On 373
request to the treasurer of state, each member of the board 374
shall be reimbursed for the actual and necessary travel expenses 375
incurred in the performance of the member's official duties. 376

(E) (1) The board shall do all of the following: 377

(a) Review the work of the treasurer of state related to 378
the program; 379

(b) Advise the treasurer on the program as requested by 380
the treasurer; 381

(c) Make recommendations to the treasurer for the 382
improvement of the program; 383

(d) On or before the thirty-first day of December of each 384
year, in consultation with the treasurer of state, prepare a 385
report of the board's activities and recommendations and deliver 386
that report to the governor, speaker of the house of 387
representatives, and president of the senate. 388

(2) The board may prepare reports of the board's 389
activities and recommendations in addition to the report 390
described in division (E) (1) (d) of this section. The board shall 391
deliver such a report to the governor, speaker of the house of 392
representatives, and president of the senate. 393

(F) The treasurer of state shall provide the board with 394
the resources necessary to conduct its business. The board may 395
accept uncompensated assistance from individuals, research 396
organizations, and other state agencies. 397

Sec. 2329.66. (A) Every person who is domiciled in this 398
state may hold property exempt from execution, garnishment, 399
attachment, or sale to satisfy a judgment or order, as follows: 400

(1) (a) In the case of a judgment or order regarding money 401
owed for health care services rendered or health care supplies 402
provided to the person or a dependent of the person, one parcel 403
or item of real or personal property that the person or a 404
dependent of the person uses as a residence. Division (A) (1) (a) 405
of this section does not preclude, affect, or invalidate the 406
creation under this chapter of a judgment lien upon the exempted 407
property but only delays the enforcement of the lien until the 408
property is sold or otherwise transferred by the owner or in 409
accordance with other applicable laws to a person or entity 410
other than the surviving spouse or surviving minor children of 411
the judgment debtor. Every person who is domiciled in this state 412
may hold exempt from a judgment lien created pursuant to 413

division (A) (1) (a) of this section the person's interest, not to 414
exceed one hundred twenty-five thousand dollars, in the exempted 415
property. 416

(b) In the case of all other judgments and orders, the 417
person's interest, not to exceed one hundred twenty-five 418
thousand dollars, in one parcel or item of real or personal 419
property that the person or a dependent of the person uses as a 420
residence. 421

(c) For purposes of divisions (A) (1) (a) and (b) of this 422
section, "parcel" means a tract of real property as identified 423
on the records of the auditor of the county in which the real 424
property is located. 425

(2) The person's interest, not to exceed three thousand 426
two hundred twenty-five dollars, in one motor vehicle; 427

(3) The person's interest, not to exceed four hundred 428
dollars, in cash on hand, money due and payable, money to become 429
due within ninety days, tax refunds, and money on deposit with a 430
bank, savings and loan association, credit union, public 431
utility, landlord, or other person, other than personal 432
earnings. 433

(4) (a) The person's interest, not to exceed five hundred 434
twenty-five dollars in any particular item or ten thousand seven 435
hundred seventy-five dollars in aggregate value, in household 436
furnishings, household goods, wearing apparel, appliances, 437
books, animals, crops, musical instruments, firearms, and 438
hunting and fishing equipment that are held primarily for the 439
personal, family, or household use of the person; 440

(b) The person's aggregate interest in one or more items 441
of jewelry, not to exceed one thousand three hundred fifty 442

dollars, held primarily for the personal, family, or household use of the person or any of the person's dependents. 443
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(5) The person's interest, not to exceed an aggregate of two thousand twenty-five dollars, in all implements, professional books, or tools of the person's profession, trade, or business, including agriculture; 445
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(6) (a) The person's interest in a beneficiary fund set apart, appropriated, or paid by a benevolent association or society, as exempted by section 2329.63 of the Revised Code; 449
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(b) The person's interest in contracts of life or endowment insurance or annuities, as exempted by section 3911.10 of the Revised Code; 452
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(c) The person's interest in a policy of group insurance or the proceeds of a policy of group insurance, as exempted by section 3917.05 of the Revised Code; 455
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(d) The person's interest in money, benefits, charity, relief, or aid to be paid, provided, or rendered by a fraternal benefit society, as exempted by section 3921.18 of the Revised Code; 458
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(e) The person's interest in the portion of benefits under policies of sickness and accident insurance and in lump sum payments for dismemberment and other losses insured under those policies, as exempted by section 3923.19 of the Revised Code. 462
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(7) The person's professionally prescribed or medically necessary health aids; 466
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(8) The person's interest in a burial lot, including, but not limited to, exemptions under section 517.09 or 1721.07 of the Revised Code; 468
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(9) The person's interest in the following:	471
(a) Moneys paid or payable for living maintenance or rights, as exempted by section 3304.19 of the Revised Code;	472 473
(b) Workers' compensation, as exempted by section 4123.67 of the Revised Code;	474 475
(c) Unemployment compensation benefits, as exempted by section 4141.32 of the Revised Code;	476 477
(d) Cash assistance payments under the Ohio works first program, as exempted by section 5107.75 of the Revised Code;	478 479
(e) Benefits and services under the prevention, retention, and contingency program, as exempted by section 5108.08 of the Revised Code;	480 481 482
(f) Disability financial assistance payments, as exempted by section 5115.06 of the Revised Code;	483 484
(g) Payments under section 24 or 32 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended.	485 486
(10) (a) Except in cases in which the person was convicted of or pleaded guilty to a violation of section 2921.41 of the Revised Code and in which an order for the withholding of restitution from payments was issued under division (C) (2) (b) of that section, in cases in which an order for withholding was issued under section 2907.15 of the Revised Code, in cases in which an order for forfeiture was issued under division (A) or (B) of section 2929.192 of the Revised Code, and in cases in which an order was issued under section 2929.193 or 2929.194 of the Revised Code, and only to the extent provided in the order, and except as provided in sections 3105.171, 3105.63, 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code, the	487 488 489 490 491 492 493 494 495 496 497 498

person's rights to or interests in a pension, benefit, annuity, 499
retirement allowance, or accumulated contributions, the person's 500
rights to or interests in a participant account in any deferred 501
compensation program offered by the Ohio public employees 502
deferred compensation board, a government unit, or a municipal 503
corporation, or the person's other accrued or accruing rights or 504
interests, as exempted by section 145.56, 146.13, 148.09, 505
742.47, 3307.41, 3309.66, or 5505.22 of the Revised Code, and 506
the person's rights to or interests in benefits from the Ohio 507
public safety officers death benefit fund; 508

(b) Except as provided in sections 3119.80, 3119.81, 509
3121.02, 3121.03, and 3123.06 of the Revised Code, the person's 510
rights to receive or interests in receiving a payment or other 511
benefits under any pension, annuity, or similar plan or 512
contract, not including a payment or benefit from a stock bonus 513
or profit-sharing plan or a payment included in division (A) (6) 514
(b) or (10) (a) of this section, on account of illness, 515
disability, death, age, or length of service, to the extent 516
reasonably necessary for the support of the person and any of 517
the person's dependents, except if all the following apply: 518

(i) The plan or contract was established by or under the 519
auspices of an insider that employed the person at the time the 520
person's rights or interests under the plan or contract arose. 521

(ii) The payment is on account of age or length of 522
service. 523

(iii) The plan or contract is not qualified under the 524
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as 525
amended. 526

(c) Except for any portion of the assets that were 527

deposited for the purpose of evading the payment of any debt and 528
except as provided in sections 3119.80, 3119.81, 3121.02, 529
3121.03, and 3123.06 of the Revised Code, the person's rights or 530
interests in the assets held in, or to directly or indirectly 531
receive any payment or benefit under, any individual retirement 532
account, individual retirement annuity, "Roth IRA," ~~"529 plan,"~~ 533
account opened pursuant to a program administered by a state 534
under section 529 or 529A of the "Internal Revenue Code of 535
1986," 100 Stat. 2085, 26 U.S.C. 1, as amended, or education 536
individual retirement account that provides payments or benefits 537
by reason of illness, disability, death, retirement, or age or 538
provides payments or benefits for purposes of education or 539
qualified disability expenses, to the extent that the assets, 540
payments, or benefits described in division (A)(10)(c) of this 541
section are attributable to or derived from any of the following 542
or from any earnings, dividends, interest, appreciation, or 543
gains on any of the following: 544

(i) Contributions of the person that were less than or 545
equal to the applicable limits on deductible contributions to an 546
individual retirement account or individual retirement annuity 547
in the year that the contributions were made, whether or not the 548
person was eligible to deduct the contributions on the person's 549
federal tax return for the year in which the contributions were 550
made; 551

(ii) Contributions of the person that were less than or 552
equal to the applicable limits on contributions to a Roth IRA or 553
education individual retirement account in the year that the 554
contributions were made; 555

(iii) Contributions of the person that are within the 556
applicable limits on rollover contributions under subsections 557

219, 402(c), 403(a)(4), 403(b)(8), 408(b), 408(d)(3), 408A(c)(3) 558
(B), 408A(d)(3), and 530(d)(5) of the "Internal Revenue Code of 559
1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended; 560

(iv) Contributions by any person into any plan, fund, or 561
account that is formed, created, or administered pursuant to, or 562
is otherwise subject to, section 529 or 529A of the "Internal 563
Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended. 564

(d) Except for any portion of the assets that were 565
deposited for the purpose of evading the payment of any debt and 566
except as provided in sections 3119.80, 3119.81, 3121.02, 567
3121.03, and 3123.06 of the Revised Code, the person's rights or 568
interests in the assets held in, or to receive any payment 569
under, any Keogh or "H.R. 10" plan that provides benefits by 570
reason of illness, disability, death, retirement, or age, to the 571
extent reasonably necessary for the support of the person and 572
any of the person's dependents. 573

(e) The person's rights to or interests in any assets held 574
in, or to directly or indirectly receive any payment or benefit 575
under, any individual retirement account, individual retirement 576
annuity, "Roth IRA," ~~"529 plan,"~~ account opened pursuant to a 577
program administered by a state under section 529 or 529A of the 578
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as 579
amended, or education individual retirement account that a 580
decedent, upon or by reason of the decedent's death, directly or 581
indirectly left to or for the benefit of the person, either 582
outright or in trust or otherwise, including, but not limited 583
to, any of those rights or interests in assets or to receive 584
payments or benefits that were transferred, conveyed, or 585
otherwise transmitted by the decedent by means of a will, trust, 586
exercise of a power of appointment, beneficiary designation, 587

transfer or payment on death designation, or any other method or 588
procedure. 589

(f) The exemptions under divisions (A) (10) (a) to (e) of 590
this section also shall apply or otherwise be available to an 591
alternate payee under a qualified domestic relations order 592
(QDRO) or other similar court order. 593

(g) A person's interest in any plan, program, instrument, 594
or device described in divisions (A) (10) (a) to (e) of this 595
section shall be considered an exempt interest even if the plan, 596
program, instrument, or device in question, due to an error made 597
in good faith, failed to satisfy any criteria applicable to that 598
plan, program, instrument, or device under the "Internal Revenue 599
Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended. 600

(11) The person's right to receive spousal support, child 601
support, an allowance, or other maintenance to the extent 602
reasonably necessary for the support of the person and any of 603
the person's dependents; 604

(12) The person's right to receive, or moneys received 605
during the preceding twelve calendar months from, any of the 606
following: 607

(a) An award of reparations under sections 2743.51 to 608
2743.72 of the Revised Code, to the extent exempted by division 609
(D) of section 2743.66 of the Revised Code; 610

(b) A payment on account of the wrongful death of an 611
individual of whom the person was a dependent on the date of the 612
individual's death, to the extent reasonably necessary for the 613
support of the person and any of the person's dependents; 614

(c) Except in cases in which the person who receives the 615
payment is an inmate, as defined in section 2969.21 of the 616

Revised Code, and in which the payment resulted from a civil 617
action or appeal against a government entity or employee, as 618
defined in section 2969.21 of the Revised Code, a payment, not 619
to exceed twenty thousand two hundred dollars, on account of 620
personal bodily injury, not including pain and suffering or 621
compensation for actual pecuniary loss, of the person or an 622
individual for whom the person is a dependent; 623

(d) A payment in compensation for loss of future earnings 624
of the person or an individual of whom the person is or was a 625
dependent, to the extent reasonably necessary for the support of 626
the debtor and any of the debtor's dependents. 627

(13) Except as provided in sections 3119.80, 3119.81, 628
3121.02, 3121.03, and 3123.06 of the Revised Code, personal 629
earnings of the person owed to the person for services in an 630
amount equal to the greater of the following amounts: 631

(a) If paid weekly, thirty times the current federal 632
minimum hourly wage; if paid biweekly, sixty times the current 633
federal minimum hourly wage; if paid semimonthly, sixty-five 634
times the current federal minimum hourly wage; or if paid 635
monthly, one hundred thirty times the current federal minimum 636
hourly wage that is in effect at the time the earnings are 637
payable, as prescribed by the "Fair Labor Standards Act of 638
1938," 52 Stat. 1060, 29 U.S.C. 206(a)(1), as amended; 639

(b) Seventy-five per cent of the disposable earnings owed 640
to the person. 641

(14) The person's right in specific partnership property, 642
as exempted by the person's rights in a partnership pursuant to 643
section 1776.50 of the Revised Code, except as otherwise set 644
forth in section 1776.50 of the Revised Code; 645

(15) A seal and official register of a notary public, as 646
exempted by section 147.04 of the Revised Code; 647

(16) The person's interest in a tuition unit or a payment 648
under section 3334.09 of the Revised Code pursuant to a tuition 649
payment contract, as exempted by section 3334.15 of the Revised 650
Code; 651

(17) Any other property that is specifically exempted from 652
execution, attachment, garnishment, or sale by federal statutes 653
other than the "Bankruptcy Reform Act of 1978," 92 Stat. 2549, 654
11 U.S.C.A. 101, as amended; 655

(18) The person's aggregate interest in any property, not 656
to exceed one thousand seventy-five dollars, except that 657
division (A)(18) of this section applies only in bankruptcy 658
proceedings. 659

(B) On April 1, 2010, and on the first day of April in 660
each third calendar year after 2010, the Ohio judicial 661
conference shall adjust each dollar amount set forth in this 662
section to reflect any increase in the consumer price index for 663
all urban consumers, as published by the United States 664
department of labor, or, if that index is no longer published, a 665
generally available comparable index, for the three-year period 666
ending on the thirty-first day of December of the preceding 667
year. Any adjustments required by this division shall be rounded 668
to the nearest twenty-five dollars. 669

The Ohio judicial conference shall prepare a memorandum 670
specifying the adjusted dollar amounts. The judicial conference 671
shall transmit the memorandum to the director of the legislative 672
service commission, and the director shall publish the 673
memorandum in the register of Ohio. (Publication of the 674

memorandum in the register of Ohio shall continue until the next 675
memorandum specifying an adjustment is so published.) The 676
judicial conference also may publish the memorandum in any other 677
manner it concludes will be reasonably likely to inform persons 678
who are affected by its adjustment of the dollar amounts. 679

(C) As used in this section: 680

(1) "Disposable earnings" means net earnings after the 681
garnishee has made deductions required by law, excluding the 682
deductions ordered pursuant to section 3119.80, 3119.81, 683
3121.02, 3121.03, or 3123.06 of the Revised Code. 684

(2) "Insider" means: 685

(a) If the person who claims an exemption is an 686
individual, a relative of the individual, a relative of a 687
general partner of the individual, a partnership in which the 688
individual is a general partner, a general partner of the 689
individual, or a corporation of which the individual is a 690
director, officer, or in control; 691

(b) If the person who claims an exemption is a 692
corporation, a director or officer of the corporation; a person 693
in control of the corporation; a partnership in which the 694
corporation is a general partner; a general partner of the 695
corporation; or a relative of a general partner, director, 696
officer, or person in control of the corporation; 697

(c) If the person who claims an exemption is a 698
partnership, a general partner in the partnership; a general 699
partner of the partnership; a person in control of the 700
partnership; a partnership in which the partnership is a general 701
partner; or a relative in, a general partner of, or a person in 702
control of the partnership; 703

(d) An entity or person to which or whom any of the following applies:

(i) The entity directly or indirectly owns, controls, or holds with power to vote, twenty per cent or more of the outstanding voting securities of the person who claims an exemption, unless the entity holds the securities in a fiduciary or agency capacity without sole discretionary power to vote the securities or holds the securities solely to secure to debt and the entity has not in fact exercised the power to vote.

(ii) The entity is a corporation, twenty per cent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the person who claims an exemption or by an entity to which division (C) (2) (d) (i) of this section applies.

(iii) A person whose business is operated under a lease or operating agreement by the person who claims an exemption, or a person substantially all of whose business is operated under an operating agreement with the person who claims an exemption.

(iv) The entity operates the business or all or substantially all of the property of the person who claims an exemption under a lease or operating agreement.

(e) An insider, as otherwise defined in this section, of a person or entity to which division (C) (2) (d) (i), (ii), (iii), or (iv) of this section applies, as if the person or entity were a person who claims an exemption;

(f) A managing agent of the person who claims an exemption.

(3) "Participant account" has the same meaning as in section 148.01 of the Revised Code.

(4) "Government unit" has the same meaning as in section 733
148.06 of the Revised Code. 734

(D) For purposes of this section, "interest" shall be 735
determined as follows: 736

(1) In bankruptcy proceedings, as of the date a petition 737
is filed with the bankruptcy court commencing a case under Title 738
11 of the United States Code; 739

(2) In all cases other than bankruptcy proceedings, as of 740
the date of an appraisal, if necessary under section 2329.68 of 741
the Revised Code, or the issuance of a writ of execution. 742

An interest, as determined under division (D) (1) or (2) of 743
this section, shall not include the amount of any lien otherwise 744
valid pursuant to section 2329.661 of the Revised Code. 745

Section 2. That existing section 2329.66 of the Revised 746
Code is hereby repealed. 747

Section 3. It is the intent of the General Assembly that 748
the program created under sections 113.50 to 113.56 of the 749
Revised Code, as enacted by this act, comply and conform to 750
"Stephen Beck, Jr., ABLE act of 2014," 26 U.S.C. 259A, and rules 751
adopted pursuant to that act. 752

Section 4. Section 2329.66 of the Revised Code is 753
presented in this act as a composite of the section as amended 754
by both Sub. H.B. 479 and Sub. S.B. 343 of the 129th General 755
Assembly. The General Assembly, applying the principle stated in 756
division (B) of section 1.52 of the Revised Code that amendments 757
are to be harmonized if reasonably capable of simultaneous 758
operation, finds that the composite is the resulting version of 759
the section in effect prior to the effective date of the section 760
as presented in this act. 761