

ROBERT SPRAGUE

OHIO TREASURER

Office of Ohio Treasurer Robert Sprague
Kenyatta Chandler, Director of STABLE Account
Proponent Testimony on H.B. 125
House Ways and Means Committee
Tuesday, May 16th, 2023

Chairman Roemer, Vice-Chair Merrin, Ranking Member Troy, and members of the House Ways and Means committee – thank you for allowing me to provide written testimony in support of House Bill 125.

Administered by the Treasurer’s office, the STABLE Account program makes 529-like specialized savings and investment accounts available to individuals living with disabilities. These accounts have made life-changing impacts on individuals, as they have allowed accountholders to work, save, and live more independently without losing means-tested benefits such as Medicaid or Supplemental Security Income.

STABLE accounts are made possible through the federal Achieving a Better Life Experience Act (or “ABLE Act” for short), which was passed in 2014.

Since entering office, Treasurer Sprague has prioritized the STABLE Account program and committed his office to forging a series of new partnerships aimed at growing enrollment. That work has paid off, as total enrollment has more than tripled under Treasurer Sprague’s leadership – having grown from fewer than 10,000 accounts in January 2019 to more than 34,000 accounts today.

As part of this work, the Treasurer’s office has established several STABLE Account Payroll Direct Deposit partnerships across the state. Through these arrangements, employers partner with the STABLE Account program so eligible employees may opt-in to have a portion of their paycheck deposited directly into a STABLE account either for themselves or a qualifying family member. In 2019, Treasurer Sprague announced such a collaboration with the Ohio Department of Administrative Services to provide eligible State of Ohio employees with the STABLE Account Payroll Direct Deposit option. Since then, 17 additional public and private sector employers have also partnered with the Treasurer’s office to offer the benefit to their employees.

Currently, STABLE accountholders in Ohio benefit from some of the lowest fees among similar ABLE accounts across the country. Additionally, these accountholders may claim a state income tax deduction of up to \$4,000 each year.

Benefits such as low fees and annual income tax deductions, as well as the ability to save and invest freely, have become even more important in recent years due to the economic volatility seen at the national level. Continued increases in the year-over-year inflation rates have placed added financial stressors on everyday Ohioans, and a STABLE account can be a valuable tool in managing the basic costs of one’s life while also planning out long-term financial goals.

If passed and enacted, provisions contained in House Bill 125 will only add further benefit to opening and maintaining a STABLE account. The bill’s broadening of the income tax deduction limit for accountholders, as well indexing that limit to the rate of inflation, will help individuals with disabilities and their families to better navigate ever-changing economic conditions and achieve greater financial independence. For these reasons, the Treasurer’s office supports passage of H.B. as presented before this committee.

Thank you again Chairman for allowing me to lend support on behalf of the Ohio Treasurer’s office.

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