



# OFFICE OF ILLINOIS STATE TREASURER

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## Illinois Joins Nine States to Assist Persons with Disabilities and Blindness

### *ABLE Investment Accounts Similar to College Savings Incentives*

**SPRINGFIELD** - Illinois families planning for the future well-being of a loved one with a disability will be able to leverage the investment power of a multi-state consortium to invest their money for disability-related expenses, Illinois Treasurer Michael Frerichs announced today.

The consortium will manage a tax-advantage investment portfolio similar to those currently used to save for college, such as Illinois' Bright Start or Bright Directions program. Without the consortium, individual states would lack the market share to ensure low cost and high quality investment options.

"Every parent wants the best for their son or daughter. That feeling weighs a bit heavier on parents of children with a disability or blindness," Frerichs said. "By working together with other states, we can accomplish what would be impossible if we were to go it alone."

The federal Achieving a Better Life Experience Act (ABLE) of 2014 authorized these tax-advantaged investment accounts similar to college savings programs such as Illinois' Bright Start or Bright Directions. College investment programs are able to provide low fees and quality investment options by leveraging investments from the hundreds of thousands of individuals who participate.

The opposite is true with ABLE because individual states typically do not have enough potential participants to solicit a competitively priced and structured program. However, with states working together and leveraging resources, an economy of scale is created to drive down cost and attract quality investment products.

Nine states so far have agreed to work together to help these individuals and families - Alaska, Illinois, Iowa, Kansas, Minnesota, Missouri, Nevada, Pennsylvania and Rhode Island. The states represent more than 47 million residents and cover four time zones. Consortium membership remains open and other states are considering joining. Nationally, more than 40 states have passed ABLE legislation. None have yet to open an ABLE program.

The consortium is unique in that each state will have its own ABLE program over which it will exercise authority but will offer common program elements such as investment options. The next step is to seek public bids for investment services, record keeping, and marketing services.

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