

BILL ANALYSIS

S.B. 1184
By: Perry
Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The federal Achieving a Better Life Experience (ABLE) Act was signed into law in 2014 and provided for the establishment of the Texas ABLE Program, which allows people with disabilities to have a tax-advantaged savings account to fund and manage their disability expenses, thus leading to greater independence and healthier living. There are concerns that state law is too ambiguous with regard to who may participate in the program on a beneficiary's behalf and the circumstances under which that participation may occur, potentially preventing a court-appointed guardian or a legal guardian or agent operating under power of attorney from participating in the program and operating the account on an adult beneficiary's behalf. S.B. 1184 seeks to provide clarity with regard to who may participate in the Texas ABLE program.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1184 amends the Education Code to revise provisions relating to the eligibility of certain persons to participate in the Texas Achieving a Better Life Experience (ABLE) Program to authorize the parent, legal guardian, or other fiduciary of a designated ABLE account beneficiary who is permitted by applicable provisions of the federal Internal Revenue Code to serve as the program participant if the designated beneficiary of the account is not able to exercise signature authority over the account or chooses to establish an account but not exercise signature authority.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.