

# SENATE BILL 550

O3, J1

8lr3003  
CF 8lr1324

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By: **Senators Zucker, Feldman, Ferguson, Guzzone, King, Middleton, Peters, Serafini, and Smith**

Introduced and read first time: January 31, 2018

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Achieving a Better Life Experience (ABLE) Program – Death of a**  
3 **Designated Beneficiary**

4 FOR the purpose of authorizing money and assets in an ABLE account to be transferred,  
5 on the death of a designated beneficiary, to a certain estate or a certain ABLE  
6 account for an eligible individual, unless prohibited by federal law; prohibiting the  
7 State, unless required by federal law, from seeking payment from an ABLE account  
8 or its proceeds for certain medical benefits paid for the designated beneficiary; and  
9 generally relating to the Maryland ABLE Program.

10 BY repealing and reenacting, without amendments,  
11 Article – Education  
12 Section 18–19C–01(b) and 18–19C–02(b)  
13 Annotated Code of Maryland  
14 (2014 Replacement Volume and 2017 Supplement)

15 BY repealing  
16 Article – Education  
17 Section 18–19C–10  
18 Annotated Code of Maryland  
19 (2014 Replacement Volume and 2017 Supplement)

20 BY adding to  
21 Article – Education  
22 Section 18–19C–10  
23 Annotated Code of Maryland  
24 (2014 Replacement Volume and 2017 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
26 That the Laws of Maryland read as follows:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



**Article – Education**

18–19C–01.

(b) “ABLE account” means an account described under § 529A(e) of the Internal Revenue Code.

18–19C–02.

(b) The purpose of the Maryland ABLE Program is to:

(1) Encourage and assist individuals and families in saving private funds to support individuals with disabilities to maintain health, independence, and quality of life; and

(2) Provide secure funding for disability–related expenses on behalf of designated beneficiaries with disabilities that will supplement, not supplant, benefits provided through private insurance, the Medicaid program under Title XIX of the Social Security Act, the Supplemental Security Income program under Title XVI of the Social Security Act, the beneficiary’s employment, and any other source.

[18–19C–10.

In accordance with § 529A(f) of the Internal Revenue Code, on the death of a designated beneficiary, any state may file a claim for the amount of the total medical assistance paid for the designated beneficiary under the state’s Medicaid plan after the establishment of an ABLE account.]

**18–19C–10.**

**(A) UNLESS PROHIBITED BY FEDERAL LAW, ON THE DEATH OF A DESIGNATED BENEFICIARY, MONEY AND ASSETS IN AN ABLE ACCOUNT MAY BE TRANSFERRED TO:**

**(1) THE ESTATE OF THE DESIGNATED BENEFICIARY; OR**

**(2) AN ABLE ACCOUNT FOR ANOTHER ELIGIBLE INDIVIDUAL SPECIFIED BY THE DESIGNATED BENEFICIARY OR THE ESTATE OF THE DESIGNATED BENEFICIARY.**

**(B) UNLESS REQUIRED BY FEDERAL LAW, AN AGENCY OR INSTRUMENTALITY OF THE STATE MAY NOT SEEK PAYMENT UNDER § 529A(F) OF THE INTERNAL REVENUE CODE FROM AN ABLE ACCOUNT OR ITS PROCEEDS FOR ANY AMOUNT OF MEDICAL ASSISTANCE PAID FOR THE DESIGNATED BENEFICIARY.**

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2018.