

# ALASKA STATE LEGISLATURE

## House Labor & Commerce Committee



Rep. Ivy Spohnholz  
Co-Chair  
State Capitol, Room 406  
Juneau, AK 99801  
907.465.3732

Rep. Zack Fields  
Co-Chair  
State Capitol, Room 24  
Juneau, AK 99801  
907.465.2647

Rep. Calvin Schrage  
Rep. Liz Snyder  
Rep. David Nelson  
Rep. James Kaufman  
Rep. Ken McCarty

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### CSHB 133 ver I Sectional Analysis

*“Achieving a Better Life Experience” (ABLE) Act Update Bill*

- Section 1** Establishes AS 06.65.020(b). Directs the Department of Health and Social Services to consult with the Governor’s Council on Disabilities and Special Education when overseeing the Alaska Savings Program.
- Section 2** Amends AS 06.65.100. Expands the age of eligibility for a program account from 26 to match that in the federal authorizing law.
- Section 3** Amends AS 06.65.160(a). Expands the rules allowing a person to make a contribution for a designated beneficiary to match the guidelines in AS 14.40.802(f)(3).
- Section 4** Amends AS 06.65.160(c). Expands the rules regarding who is eligible to make a program account contribution to match the guidelines in AS 14.40.802(f)(3).
- Section 5** Amends AS 06.65.160(c). Specifies that rollover may occur between a program account to another account as long as the new account is authorized by federal law.
- Section 6** Amends AS 09.38.015(a). Replaces “higher education” with “education” when referring to an education savings account.
- Section 7** Amends AS 14.10.170(a). Replaces “postsecondary education” with “education” when referring to an education savings account and renames the “Alaska Higher Education Savings Trust” to the “Education Trust of Alaska”.
- Section 8** Amends AS 14.40.802(a). Renames the “Alaska Higher Education Savings Trust” to the “Education Trust of Alaska” and replaces “postsecondary education” with “education” when referring to education savings accounts. Removes the allowance that education savings accounts can be used to pay for room and board when using funds for education costs as this language is included already included federal law.
- Section 9** Establishes AS 14.40.802(f)(3). Allows a participant of an account to change the beneficiary of their account to any individual, not just a family member. Allows participants to transfer all or a portion of their account as a contribution to another account if it does not exceed

federal limits when added to any other contributions and is for the beneficiary of that new account or for a family member who is an eligible individual as well.

- Section 10** Amends AS 14.40.802(g). Makes transfers between accounts limitable or deniable if the transfer does not meet the guidelines established in AS 14.40.802(f)(3).
- Section 11** Amends AS 14.40.802(j). Removes the restriction that when a beneficiary designates a successor participant to their account the change cannot take effect until after the death or mental incapacity of the beneficiary.
- Section 12** Amends AS 14.40.802(n)(2). Redefines “beneficiary” to match what is defined under federal law.
- Section 13** Amends AS 14.40.802(n)(7). Replaces “qualified higher education expenses” with “qualified education expenses” and redefines the phrase to mean qualified higher education expenses as defined in federal law.
- Section 14** Amends AS 14.40.802(n)(8). Redefines “trust” to reflect the name change of “Alaska Higher Education Savings Trust” to the “Education Trust of Alaska”.
- Section 15** Amends AS 14.40.809(b). Renames the “Alaska Higher Education Savings Trust” to the “Education Trust of Alaska”.
- Section 16** Amends AS 40.25.120(a). Renames the “Alaska Higher Education Savings Trust” to the “Education Trust of Alaska”.
- Section 17** Amends AS 47.10.093(b). Removes the distinction of higher education when referring to the Alaska education savings program.
- Section 18** Amends AS 47.12.310(b). Removes the distinction of higher education when referring to the Alaska education savings program.
- Section 19** Amends AS 47.14.400(a). Removes the distinction of higher education when referring to an education investment program and replaces “University of Alaska college savings plan” with “education savings plan”.
- Section 20** Amends AS 47.14.400(b). Removes the distinction of higher education when referring to an education investment program.
- Section 21** Amends AS 47.14.400(c). Replaces “college savings plan” with “education savings plan” and replaces “University of Alaska College savings plan” with “education savings plan”.
- Section 22** Amends AS 47.14.400(e)(3). Replaces “higher education savings program” with “education savings program” and “college savings account” with “education savings plan”.
- Section 23** Establishes AS 47.14.400(e)(5). Defines “education savings plan” to mean an education savings program.
- Section 24** Repeals AS 47.14.400(e)(2).