

The following press release was issued by the Department of Human Services on June 18, 2018. It includes a quote from The Arc of New Jersey's Executive Director Tom Baffuto.

Human Services Commissioner Johnson Unveils Tax-Free Savings Accounts for Individuals with Disabilities

Murphy Administration NJ ABLE Launch Welcomed by Individuals, Families & Advocates

June 18, 2018

(TRENTON) - New Jersey Human Services Commissioner Carole Johnson on Monday announced the launch of a major new program to help individuals with disabilities become more independent and better thrive in their communities. With the newly launched NJ ABLE program, individuals with disabilities can save tax-free for eligible expenses such as education, housing and transportation without losing eligibility for Medicaid and other benefits. Residents can now visit [here](#) to learn more and begin saving. ABLE stands for Achieving a Better Life Experience.

“This is an exciting new program for New Jersey that gives individuals with disabilities and their families the opportunity to improve their financial security,” Johnson said. “They deserve the peace of mind that comes with being able to save for vital day-to-day expenses. Individuals with disabilities can do anything - and NJ ABLE is now another tool to help them live full and independent lives.”

The tax-free NJ ABLE accounts will not be included as an asset or income when determining an individual’s eligibility for state assistance programs. The program also offers a range of investment options. The NJ ABLE accounts can be used to pay for expenses incurred as a result of living with a disability. Qualified expenses include, but are not limited to, education, health and wellness, housing, transportation, legal fees, financial management, job training and support, assistive technology and personal support services. The earnings on NJ ABLE investments are federally tax-deferred and tax-free, if used for qualified disability expenses. This can help savings compound.

“With NJ ABLE, individuals with disabilities will have a new option to help plan for real-life costs that concern every family,” Johnson said. “Saving for the future has never been more important, and just as families save for retirement or college, NJ ABLE will help provide fiscal self-sufficiency - without putting eligibility for benefits at risk. The Murphy Administration looks forward to seeing individuals with disabilities benefit from NJ ABLE for years to come.”

The launch was welcomed by families and advocates. Individuals with disabilities who receive supports from DHS said they're excited by the idea of being able to save without losing access to benefits and the opportunities they will have as a result.

"I am meeting about budgeting with staff because it is important to me," said Annie Sims of Elizabeth. "I like NJ ABLE because I will be able to have money for the things I need like surgery or going to school. My family can even give me money to help me save so I can have a better life without thinking, if they help me I'll lose my Medicaid or other benefits."

"I think NJ ABLE could help me save for a computer or other things that can help me read," said Marcella Truppa of Cranford. "You never know, I might even need a lawyer in the future. Without a savings account, I wouldn't be able to pay for one. My dad passed away and he really wanted to help me to save for the future, but he really couldn't do much because I would lose my important benefits if he did. Now my family can help to save for the important things without worrying that I'll lose something I need like my Medicaid."

"I feel like it will help me because I want to be able to save up to learn different things," said Mark Bloom of Cranford. "I want to get a better education. I also want to be able to travel to conferences where I can learn, and I think NJ ABLE could help me to save for it."

"I love living by myself and NJ ABLE can help me save," said Carol Petties of Elizabeth. "I can also save for any health issues that might come up as I get older."

"As a parent, I am grateful for the opportunities my daughter Natalie, who has intellectual and developmental disabilities, will have now that New Jersey is moving forward with ABLE accounts," said Kelly Borden-Joye, who lives in Monmouth County. "Staying within the resource requirements for federal programs like Medicaid, makes it difficult to save for her future and for her to afford other important components that make a meaningful life in the community a reality for Natalie and all residents with intellectual and developmental disabilities living throughout the state. These accounts will make a big difference in the lives of many and I look forward to creating one for Natalie in the near future."

"Every day on our helpline, Autism New Jersey supports parents across the state who struggle financially and emotionally to meet their children's treatment and service needs," said Dr. Suzanne Buchanan, Autism New Jersey executive director. "It's clear that Governor Murphy and the Department of Human Services are sympathetic to these struggles and are demonstrating their commitment to New Jersey families of individuals with developmental disabilities through the establishment of these financial savings accounts and emotional safety nets."

"People with disabilities and their families are delighted to learn that ABLE accounts are now a viable option in New Jersey," said Mercedes Witowsky, chair of the New Jersey Family Support Planning Council. "The ability for a person with a disability to

save money toward expenses for housing, education, transportation, employment training, health and wellness, financial management, legal fees, and more while protecting state disability related payments is a positive step forward in improving the quality of life for people with disabilities and their families."

"With the launch of the New Jersey ABLE accounts, residents with intellectual and developmental disabilities will now have access to a very important savings tool," said Thomas Baffuto, executive director of The Arc of New Jersey. "These accounts will allow individuals to work more, to save more and to plan more. The tax-advantaged savings accounts will give individuals with I/DD more freedom to live an integrated life, achieve their goals and to afford education, housing, transportation and other expenses that may be hard to pay for while also maintaining eligibility for critically-important federal programs and benefits."

"People with disabilities are often among the poorest citizens in our state," said Dan Keating, executive director of the Alliance for the Betterment of Citizens with Disabilities. "NJ ABLE will allow them to save for their future without jeopardizing their benefits."

The program originates from the federal Achieving a Better Life Experience (ABLE) Act of 2014 signed into law by President Obama. New Jersey then passed a law to join the program. The New Jersey bill was sponsored by Senators Stephen Sweeney and Dawn Marie Addiego and Assembly members Pamela Lampitt, Louis Greenwald, Valerie Vainieri Huttler, Daniel Benson and Vincent Mazzeo.