LC001692

2025 -- Н 5973

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

AN ACT

RELATING TO STATE AFFAIRS AND GOVERNMENT -- OFFICE OF HEALTH AND HUMAN SERVICES

<u>Introduced By:</u> Representatives Cortvriend, Tanzi, Dawson, Handy, McGaw, and Spears <u>Date Introduced:</u> February 28, 2025 <u>Referred To:</u> House Finance (General Treasurer)

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Section 42-7.2-20.8 of the General Laws in Chapter 42-7.2 entitled "Office
- 2 of Health and Human Services" is hereby amended to read as follows:
- 3 42-7.2-20.8. Creditors.

4 Notwithstanding any provision of the general or public laws to the contrary, money in the 5 ABLE program shall be exempt from creditor process and shall not be liable to attachment, 6 garnishment, or other process, nor shall it be seized, taken, appropriated or applied by any legal or 7 equitable process or operation of law to pay any debt or liability or any contributor or beneficiary; 8 provided, however, that the state of residency of the designated beneficiary of an ABLE account 9 shall be a creditor of such account in the event of the death of the designated beneficiary. Upon death of a designated beneficiary, an agency or instrumentality of state shall not seek payment 10 11 pursuant to 26 U.S.C § 529A from any ABLE savings trust account or its proceeds for benefits provided to a designated beneficiary, except as required by federal law. 12

13 SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

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1 This act would prohibit the state from seeking reimbursement for expenditures made on

2 behalf of disabled Rhode Islanders from an ABLE account after death of the designated beneficiary.

3 This act would take effect upon passage.

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