

## CONCURRENCE IN SENATE AMENDMENTS

AB 1076 (Addis)

As Amended July 2, 2025

2/3 vote

**SUMMARY**

Authorizes the California Achieving a Better Life Experience (ABLE) Act Board (ABLE Act Board) to accept grants, gifts, and other moneys from a philanthropic entity.

**Senate Amendments**

Clarify that the ABLE Act Board may use moneys to maximize account participation by engaging public awareness about the program.

**COMMENTS**

- 1) *The federal ABLE Act:* The federal ABLE Act authorizes eligible individuals to open an account in an ABLE program to help pay for the qualified disability expenses of a designated beneficiary. To qualify, the eligible individual must be disabled or blind, with the onset of disability or blindness occurring before the individual attains age 26 (or age 46 for tax years beginning after 2025).

Any person may make a nondeductible contribution to an ABLE account for the benefit of a designated beneficiary. Contributions must be in cash and the aggregate amount of contributions from all sources for the tax year cannot exceed the annual gift tax exclusion amount for the year (e.g., \$19,000 for 2025). For tax years beginning before January 1, 2026, specified beneficiaries may make additional contributions to the account up to the lesser of their compensation includible in gross income, or the federal poverty line for a one-person household for the year. In addition, for tax years beginning before January 1, 2026, the retirement savings contribution credit can be claimed by a designated beneficiary for contributions to an ABLE account.

The cumulative balance in an ABLE account is disregarded for purposes of determining a designated beneficiary's eligibility for Supplemental Security Income benefits and certain other means-tested programs. Distributions from an ABLE account are excluded from gross income to the extent they do not exceed the qualified disability expenses of the beneficiary. Qualified disability expenses, in turn, include expenses for education, housing, transportation, employment training, health, financial management, legal fees, and funeral and burial expenses.

- 2) *What would this bill do?* This bill contains a number of provisions designed to buttress the ABLE Act Board's administration of the state's ABLE Act program. Specifically, this bill explicitly authorizes the ABLE Act Board to accept both legislative appropriations and moneys from a philanthropic entity. Additionally, this bill requires the FTB to include, on a taxpayer's form instructions for filing a return, information on the ability of the taxpayer to deposit a portion of their refund directly into the California ABLE Program Trust.

**According to the Author**

The author has provided the following statement in support of this bill:

AB 1076 strengthens financial security for people with disabilities by expanding contribution options and increasing awareness of CalABLE. By breaking down barriers to savings and support, we're empowering individuals to plan for their futures without fear of losing essential benefits.

### Arguments in Support

This bill is sponsored by the California State Treasurer, who notes:

To better support the disability community and improve CalABLE's outreach capabilities, AB 1076 allows CalABLE to solicit philanthropic support and use donated funds to raise awareness about the program and best practices for managing savings. This clarified authority will provide a way for CalABLE to bridge the information gap. In addition, AB 1076 would share information about CalABLE in state tax returns to increase awareness, following a similar model currently used by Scholarshare529 college savings plan.

### Arguments in Opposition

None on file

## FISCAL COMMENTS

According to the Senate Committee on Appropriations:

- 1) Unknown potential General Fund cost pressures to provide additional funding for public awareness activities.
- 2) The State Treasurer's Office indicates minor and absorbable costs for state operations.
- 3) The Franchise Tax Board anticipates minimal costs for implementation.

## VOTES:

### ASM REVENUE AND TAXATION: 6-0-1

**YES:** Gipson, Bains, DeMaio, Garcia, McKinnor, Quirk-Silva

**ABS, ABST OR NV:** Ta

### ASM APPROPRIATIONS: 11-0-4

**YES:** Wicks, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache

**ABS, ABST OR NV:** Sanchez, Dixon, Ta, Tangipa

### ASSEMBLY FLOOR: 79-0-0

**YES:** Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

**SENATE FLOOR: 39-0-1**

**YES:** Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

**ABS, ABST OR NV:** Reyes

**UPDATED**

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