



**MINUTES FROM THE MEETING OF
THE ABLE TASK FORCE
FEBRUARY 28, 2017**

A Meeting of the ABLE Task Force was held on February 28, 2017 at 11:00 AM
in the Conference Room of the Office of the State Treasurer ("OST")
Located at 820 Silver Lake Blvd., Suite 100, Dover, DE 19904

Task Force Members Represented or in Attendance:

The Honorable Ken Simpler, State Treasurer
The Honorable Trey Paradee, State Representative
Mr. Ralph Cetrulo Member, Plans Management Board ("PMB") (Telephonically)
Ms. Diann Jones, Public Member (Telephonically)
Mr. Rick Kosmalski, Public Member
Mr. Don Shandler, Member, PMB
Ms. Valerie Watson (on behalf of Secretary Rick Geisenberger, Department of Finance)

Task Force Members Not in Attendance:

Ms. Angie Ehst, Public Member

Others in Attendance:

Mr. Jason Staib, Deputy Attorney General (Telephonically)
Mr. John Meyer, Director of Contributions and Plans Management, OST
Mr. Mike Green, Financial Investment Program Manager, OST (Telephonically)
Mr. Dan Kimmel, Financial Investment Program Manager, OST
Mr. Omar Masood, Policy Advisor, OST
Ms. Martha Sturtevant, Executive Assistant, Office of the State Treasurer –*Recorder*

CALLED TO ORDER

Mr. Simpler called the meeting to order at 11:11 AM. Introductions were made around the table.

ABLE UPDATE

The members reviewed the memorandum prepared by OST. A nationwide update was provided on ABLE implementation. The Task Force agreed that all options remain viable for Delaware.

DISCUSSION

Implementation Options

The Task Force compared implementation options. It was noted that other small states have chosen not to have their own ABLE plans. Concerns were raised regarding the administrative costs of having an in-house plan. Recent changes to ABLE legislation have aligned it more closely with college 529 plans. There was consideration

given to a combined RFP (“Request for Proposal”) bid with the Delaware College 529 Plan that would not commingle assets.

The Task Force discussed the synergies of a joint RFP, including additional branding and marketing opportunities. Members discussed the value of re-bidding the RFP every three to five years to remain competitive. All agreed that it was unlikely to be cost effective administratively for Delaware to have a standalone ABLE plan without a successful combined RFP.

A concern was raised as to whether Delaware had the population to support an in-house ABLE plan. The Task Force articulated the challenge of being unable to quantify the number of anticipated ABLE accounts.

It was observed that the disability community remains interested in participation in a Delaware ABLE Plan, but pending amendments are contributing to the delay in startups and therefore slow enrollment is anticipated. The members agreed that word of mouth will increase participation as more accounts are opened.

There was a dialogue regarding any unintended consequences that may result from choosing the path with the longest implementation. The members agreed that the option to “do nothing” would be removed from the table.

There was a MOTION by Ms. Jones and seconded by Mr. Paradee to remove the “Do Nothing” option from consideration.

MOTION ADOPTED UNANIMOUSLY

There was consideration given to a temporary option, or two-step implementation option. Members weighed the benefits of awaiting responses to a jointly bid RFP and waiting for maturity in the marketplace.

The members compared the Consortium and contracting-out options. Members expressed wanting to make the best decision based on limited resources. The members did not anticipate that funding would be made available from the General Assembly.

The Task Force explored the pros and cons of the “facilitator option” which would offer participants information on other ABLE programs. Members discussed the potential liability of the facilitator option, and whether providing information on other programs could be construed as an endorsement. The facilitator option would require ongoing research and monitoring of other plans. This could potentially be an administrative burden for OST which already supports all state contribution Plans with a staff of three.

The members discussed the option of contracting-out, and the challenges in the model. Only three states have decided on this option, while 20 other states including New York, California and Texas have not chosen an implementation path. The members discussed drafting the RFP to invite vendors and other states to bid as a host or to white label a Delaware ABLE Plan. A concern was raised regarding State procurement rules on this option.

The Task Force discussed the dynamic progression of the Consortium and members expressed confidence in its solvency. The Consortium was also considered as part of a two-step implementation path. The members did not believe State procurement rules would apply to this option.

Members discussed adding an update to the OST website that communicates to participants the options under consideration, and provides comprehensive information on where they can get started today.

OST agreed to provide the Task Force with more details on State procurement rules, details and estimates of joining the Consortium, as well as tentative calendars for the facilitator and co-bid RFP options. The Task Force agreed the options discussed remain on the table for consideration pending more data.

PUBLIC COMMENTS

No members of the public present for comment.

NEXT MEETING

The next Task Force meeting is scheduled for April 5th.

ADJOURNMENT

A MOTION was made by Mr. Paradee and seconded by Ms. Watson to adjourn the meeting of the ABLE Task Force at 12:15 PM.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

Kenneth A. Simpler, State Treasurer
Chair, ABLE Task Force

Martha Sturtevant
OST, Executive Assistant to the State Treasurer, *Recorder*