

**12I.1 Purpose and definitions.**

1. The general assembly finds that the general welfare and well-being of the state are directly related to the health, maintenance, independence, and quality of life of its disabled residents, and that a vital and valid public purpose is served by the creation and implementation of programs that encourage and make possible savings to secure funding for disability-related expenses on behalf of individuals with disabilities that will supplement, but not supplant, other benefits provided by various federal, state, and private sources. The creation of the means of encouragement for citizens to invest in such a program represents the carrying out of a vital and valid public purpose. In order to make available to the citizens of the state an opportunity to fund future disability-related expenses of individuals, it is necessary that a public trust be established in which moneys may be invested for payment of future disability-related expenses of an individual.

2. As used in [this chapter](#), unless the context otherwise requires:

a. “*Account balance limit*” means the maximum allowable aggregate balance of an account established for a designated beneficiary. Account earnings, if any, are included in the account balance limit.

b. “*Account owner*” means an individual who is the designated beneficiary under a participation agreement under [this chapter](#) for the payment of qualified disability expenses on behalf of the designated beneficiary.

c. “*Contracting state*” means the same as defined in section 529A of the Internal Revenue Code.

d. “*Designated beneficiary*” means an individual who is a resident of this state or a resident of a contracting state and who meets the definition of “*eligible individual*” in section 529A of the Internal Revenue Code.

e. “*Internal Revenue Code*” means the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

f. “*Iowa ABLÉ savings plan trust*” or “*trust*” means the trust created under [section 12I.2](#).

g. “*Participation agreement*” means an agreement establishing an account with the trust.

h. “*Qualified ABLÉ program*” means the same as defined in section 529A of the Internal Revenue Code.

i. “*Qualified disability expenses*” means the same as defined in section 529A of the Internal Revenue Code.

j. “*Resident*” shall be defined by rules adopted by the treasurer of state. The rules shall determine residency in such manner as may be required or permitted under section 529A of the Internal Revenue Code, or, in the absence of any guidance under federal law, as the treasurer of state deems advisable for the purpose of satisfying the requirements of section 529A of the Internal Revenue Code.

[2015 Acts, ch 137, §76, 162, 163; 2021 Acts, ch 136, §1](#)

Referred to in [§12D.1, 12I.10, 249A.53, 633C.2, 634A.2](#)

Subsection 2, paragraphs b and g amended