



**NC ABLE**  
National ABLE Alliance Member



*Dale R. Folwell, CPA*  
STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

**MINUTES**  
**NC ABLE PROGRAM BOARD OF TRUSTEES**

The quarterly meeting of the NC ABLE Program Board of Trustees was called to order at 9:32 a.m., February 8, 2023, by the Chair, State Treasurer Dale R. Folwell, CPA. The meeting was held in a hybrid format, with people attending virtually or in person in the Dogwood Conference Room of the Longleaf Building at 3200 Atlantic Avenue, Raleigh, NC 27604. The Chair indicated there would be a public comment period for organizations and individuals to address the Board later in the agenda.

**Members Present**

Board members attending in person: Treasurer Dale R. Folwell.

Board members attending virtually: NC Commissioner of Banks Katherine Bosken, Melinda Plue, and Marquita Robertson.

**Members Absent**

Board members absent: Chris Egan and Carlton 'Tim' Smith.

**Guests Present**

Guests attending virtually: Jose Gamboa, Molly Peterson, and Paul Souppa from Ascensus.

**Department of State Treasurer Staff Present**

Staff members attending in person: Anna Blount, Thomas Causey, Reid Chisholm, Zora Falkowski, Patti Hall, Jeff Hancock, Alan Jaquith, and Kristin Merrick.

Staff members attending virtually: Christy Farrelly and Laura Rowe.

The Chair called the meeting to order and said he wished to open today's meeting in honor of Ms. Wheelchair America 2023, Ali Ingersoll.

The Chair also recognized the recent passage of the ABLE Age Adjustment Act as part of the SECURE 2.0 Act, enacted in December 2022. This raises the age of onset of a disability from 26 years old to 46, starting on January 1, 2026. It opens the door for additional individuals, including veterans, to Achieve a Better Life Experience. He commented he would take steps to see if the current effective date of 2026 could be accelerated.

The Chair reminded members that, since this meeting is being held in a hybrid format, members must announce their names when they arrive, when they depart, and when speaking. He explained that making a motion will be assumed to be a vote for the proposal and that all votes will be taken by roll call. He stated that today's meeting is being recorded as part of the Department of State Treasurer's initiative to increase government transparency.

### **Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest**

The Chair asked, pursuant to the ethics rules, about board member conflicts of interest. No conflicts of interest were identified.

### **Approval of Minutes**

The Chair entertained a motion to approve the minutes of the November 9, 2022, NC ABLE Program Board of Trustees meeting. Ms. Marquita Robertson so moved and Treasurer Folwell seconded. The motion passed by a unanimous roll call vote of 4-0.

The Chair, Treasurer Folwell, left the meeting at 9:36 a.m. and Mr. Thomas Causey took over as Acting Chair.

### **Administrative Update**

The Acting Chair recognized Mr. Jeff Hancock, Director, Supplemental Savings Programs, to provide an administrative update. Mr. Hancock announced that as part of the SECURE Act 2.0, the ABLE Age Adjustment Act passed in December, which will increase the age for disability onset from 26 years old to 46, beginning in 2026. This change will increase the number of people eligible for an account from approximately eight million to around 14 million, including roughly one million veterans.

Mr. Hancock shared that another state will join the National ABLE Alliance ("Alliance") in 2023.

Mr. Hancock then discussed the new Federal regulations for ABLE programs, which were implemented on November 20, 2022, and the Alliance's continued work with Ascensus to improve the online enrollment process.

Mr. Hancock shared that the Alliance crossed an account milestone, which triggered another fee reduction. All accounts received another one dollar reduction in annual account maintenance fees; from \$34 to \$33 for accounts receiving digital statements and from \$59 to \$58 for accounts receiving paper statements.

### **Annual Report to the General Assembly**

The Acting Chair recognized Mr. Reid Chisholm, Assistant General Counsel, to discuss the NC ABLE annual report for the General Assembly (included in the Board's materials). Mr. Chisholm said that North Carolina's ABLE Statute requires the Board to provide an annual evaluation report and an update to the Joint Legislative Oversight Committee on Health and Human Services of the General Assembly. Each year, the Board reviews and approves this report. This is the sixth annual report from the Board to the General Assembly. The report includes an overview of ABLE accounts, updated participation and performance numbers, a summary of the Program's marketing efforts, a reference to an amendment to North Carolina's ABLE statute, and a summary of increased contribution limits. It also notes that the SECURE 2.0 Act raises the maximum age for ABLE account eligibility from 26 years old to 46 for the onset of the disability, beginning January 1, 2026.

The Acting Chair entertained a motion to approve the annual report of the NC ABLE Program. Commissioner Katherine Bosken so moved and Ms. Robertson seconded. The motion passed by a unanimous roll call vote of 4-0.

### **Communication and Marketing Update**

The Acting Chair recognized Ms. Zora Falkowski, Communications Officer, Supplemental Retirement Plans, to provide an update on communication and marketing efforts for the NC ABLE Program (included the Board's materials). Ms. Falkowski said the NC ABLE Program had a very active fourth quarter, participating in six large events, including the North Carolina State Fair, state-wide events with the Autism Society of NC, and a new partnership with the National Inclusion Project. The Program celebrated National Disability Employment Awareness Month in October, and shared different tools and resources across all of its social media channels.

Ms. Falkowski thanked the Treasurer for his ongoing commitment and support of the Program. In the fourth quarter, the Treasurer visited with the North Carolina School for the Deaf, sharing his personal and professional experiences and engaging with students who designed artwork inspired by NC ABLE. Staff continues to get requests for NC ABLE informational webinars and staff conducted three presentations in the fourth quarter, including co-presenting with the Alliance. The NC ABLE Program also kicked off its own webinar series with a presentation in November focused on NC ABLE accounts and special needs trusts, that featured Mr. Chisholm. Ms. Falkowski said that for 2023, staff has monthly webinars scheduled throughout the year.

Staff continued building the NCABLE.org website with downloadable resources and a blog, and the website saw a 91% increase in new visitors in Q4. Staff is gaining valuable insights into the tools and resources visitors use. Staff also continues to see a steady increase in followers and engagement on social media. Ms. Falkowski commented that the ABLE Age Adjustment Act was a huge development at the end of Q4 and staff looks forward to reaching out and raising awareness-- not only for those individuals currently eligible for NC ABLE, but the large number of potential new account holders.

Ms. Falkowski expressed her thanks to staff and the Board for their ongoing support of the Program.

### **Administrative Update**

The Acting Chair recognized Mr. Jose Gamboa from Ascensus, Relationship Manager for the NC ABLE Program, to provide an administrative update (included in the Board's materials). He said that Ascensus is working with members of the Alliance to implement changes required to the online enrollment process.

Mr. Gamboa commented that the Alliance recently hit another milestone, which is the second in the past 12 months. This leads to another fee reduction in the annual account management fee.

Mr. Paul Souppa, Director, Investment Management, at Ascensus reported on investments and portfolio performance (included in the Board's materials). He said that while 2022 was a tough year for the equity and fixed income markets, the NC ABLE Program experienced asset growth throughout the year, especially in the fourth quarter, with a 12 percent increase in overall assets during this time. He shared that the NC ABLE Program is the most aggressively-allocated program among the Alliance members, with about 55 percent of assets invested in the top four most-aggressive options, while across the entire ABLE Alliance about 45 percent of assets are in those four options. Only three states are above 50 percent in those four options. Mr. Souppa said that Ascensus anticipates a continued increase in interest rates in 2023 and has shortened the duration (interest rate sensitivity) of the investment options in expectation of the rising rates.

**Public Comments**

No public comments were offered.

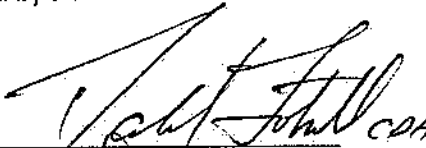
**Board of Trustees Comments**

Commissioner Bosken offered her continued thanks to staff for their hard work.

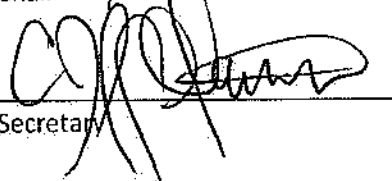
The Acting Chair announced the next Board meeting will be Wednesday, May 10, 2023, at 9:30 a.m.

**Adjournment**

The Acting Chair commented that with no further business before the Board, he would entertain a motion to adjourn. Ms. Melinda Plue so moved and Commissioner Bosken seconded. The motion passed by a unanimous roll call vote of 4-0. The meeting adjourned at approximately 10:10 a.m.

  
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Chair

3/25/23  
Date

  
\_\_\_\_\_  
Secretary

5/25/23  
Date