

NOTICE OF INTENT
Louisiana Tuition Trust Authority
Office of Student Financial Assistance
START Saving Program
(LAC 28:VI.311, 315, 507, 509, and 517)

The Louisiana Tuition Trust Authority announces its intention to amend its START Saving Program rules (LSA-R.S. 17:3091 *et seq.*).

This rulemaking adds the applicable interest rates for the START Saving Program for the 2017 calendar year. It adds provisions allowing the rollover of a START Saving Program account to a Qualified ABLÉ Program to bring the program in line with amendments to IRC Section 529 as part of the Tax Cuts and Jobs Act of 2017. It also allows a juridical entity to open a LA ABLÉ Account on behalf of a disabled individual under specified circumstances. (ST18181NI)

Title 28
EDUCATION

Part VI. Student Financial Assistance
— Higher Education Savings

Chapter 1. General Provisions

Subchapter A. Tuition Trust Authority

Chapter 3. Education Savings Account

§311. Termination, Refund, and Rollovers of an Education Savings Account

A. - G. ...

H. Rollovers

1. Rollovers among ESAs of the Same Account Owner

a. Beginning October 1, 2009, an account owner may rollover any part or all of the value of an ESA to another ESA if the beneficiary of the account receiving the funds is a member of the family of the beneficiary of the original account.

b. If the current value of an ESA is transferred, all EEs and earnings thereon shall be included in the transfer.

2. Rollover to another Qualified Tuition Program

a. An account owner may request a rollover of the current value of the account less EEs and earnings thereon to another qualified tuition program.

b. EEs and the earnings thereon allocated to an ESA that is rolled over to another qualified tuition program are forfeited.

3. Rollover to a Qualified ABLÉ Program Account

a. Beginning May 1, 2018, an account owner may rollover any part or all of the value of an ESA to a Qualified ABLÉ Program account if the beneficiary of the account receiving the funds is a member of the family of the beneficiary of the ESA.

b. EEs and the earnings thereon allocated to an ESA that is transferred to a Qualified ABLÉ Program are forfeited.

c. A rollover by a Louisiana resident to any Qualified Able Program Account will be subject to Louisiana Tax Table Income in accordance with state law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3091-3099.2.

HISTORICAL NOTE: Promulgated by the Tuition Trust Authority, Office of Student Financial Assistance, LR 23:717 (June 1997), amended LR 24:1273 (July 1998), repromulgated LR 26:2265 (October 2000), amended LR 27:38 (January 2001), LR 27:1882 (November 2001), LR 28:779 (April 2002), LR 30:790 (April 2004), LR 31:639 (March 2005), LR 32:1434 (August 2006), LR 32:2240 (December 2006), LR 33:444 (March 2007), LR 35:236 (February 2009), LR 36:492 (March 2010), LR 36:2551 (November 2010), LR 39:2238 (August 2013), LR 42:1080 (July 2016).

§315. Miscellaneous Provisions

A. - B.36. ...

37. For the year ending December 31, 2017, the Louisiana Education Tuition and Savings Fund earned an interest rate of 1.68 percent.

38. For the year ending December 31, 2017, the Savings Enhancement Fund earned an interest rate of 1.52 percent.

C. - S.2. ...

AUTHORITY NOTE: Promulgated in accordance with 17:3091-3099.2.

HISTORICAL NOTE: Promulgated by the Tuition Trust Authority, Office of Student Financial Assistance, LR 23:712 (June 1997), amended LR 24:1268 (July 1998), LR 25:1794 (October 1999), LR 26:2260 (October 2000), LR 27:37 (January 2001), LR 27:1222 (August 2001), LR 27:1876 (November 2001), LR 28:450 (March 2002), LR 28:777 (April 2002), LR 28:2334 (November 2002), LR 29:556 (April 2003), LR 30:786 (April 2004), LR 30:1169 (June 2004), LR 30:2302 (October

2004), LR 31:639 (March 2005), LR 32:1433 (August 2006), LR 32:2240 (December 2006), LR 33:443 (March 2007), LR 34:1885 (September 2008), LR 35:1492 (August 2009), LR 36:492 (March 2010), LR 36:2030 (September 2010), LR 38:1954 (August 2012).

Chapter 5. Achieving a Better Life Experience (ABLE)

§507. Applicable Definitions

A. Words and terms not otherwise defined in these rules shall have the meanings ascribed to such words and terms in this Section. Where the masculine is used in these rules, it includes the feminine, and vice versa; where the singular is used, it includes the plural, and vice versa.

Account Owner—the eligible individual who opened the account, or the eligible individual on whose behalf the account was opened, and who is also the beneficiary.

Administrator—the individual person who has the authority to direct the activities of the account. The administrator of the account may be the account owner or a person authorized by law or by authentic act to administer the account on behalf of the beneficiary. For purposes of these rules, the term administrator shall mean the account owner or a person who is legally authorized to act on his behalf.

Beneficiary—the eligible individual who established the ABLE account, or for whom an ABLE account was established, and who is the owner of such account.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3081-3089.

HISTORICAL NOTE: Promulgated by the Tuition Trust Authority, Office of Student Financial Assistance, LR 43:639 (April 2017).

§509. Establishment of an ABLE Account

A. - D.1. ...

2. Documentation required to establish an account on behalf of an eligible individual includes:

a. if a parent, a copy of the eligible individual's birth certificate;

b. if an adoptive parent, documentation evidencing the adoption of the eligible individual;

c. if a custodian, court documents evidencing the appointment of the custodian by a court of law;

d. if designated by the eligible individual to administer his affairs, documentation evidencing such designation.

e. if a juridical entity, documentation evidencing that the eligible individual, or a person authorized to act on his behalf, as indicated in §509.D.2.a.-d. above, has

designated the juridical entity to act on his behalf for purposes of a LA ABLE Account Program account.

E.-H.4.b.vii ...

§517. Termination, Refund, and Rollovers of an Education Savings Account

A. - G.1.b._ ...

2. Rollover to another ABLE Program

a. An administrator may request a rollover of the current value of the account to another qualified ~~tuition~~ ABLE program.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3081-3089.

HISTORICAL NOTE: Promulgated by the Tuition Trust Authority, Office of Student Financial Assistance, LR 43:642 (April 2017).

Family Impact Statement: The proposed rule has no known impact on family formation, stability, or autonomy, as described in LSA-R.S. 49:972.

Poverty Impact Statement: The proposed rulemaking will have no impact on poverty as described in LSA-R.S. 49:973.

Business Impact Statement: The proposed rule will have no adverse impact on small businesses as described in LSA-R.S. 49:965.2 *et seq.*

Provider Impact Statement: The proposed rule will have no adverse impact on providers of services for individuals with developmental disabilities as described in HCR 170 of 2014.

Interested persons may submit written comments on the proposed changes (ST18181NI) until 4:30 p.m., June 11, 2018, to Sujuan Williams Boutté, Executive Director, Office of Student Financial Assistance, P.O. Box 91202, Baton Rouge, LA 70821-9202.

Robyn Rhea Lively
Senior Attorney