

HOUSE BILL 878

Unofficial Copy
O3

1999 Regular Session
(9r1228)

ENROLLED BILL

-- Environmental Matters/Budget and Taxation --

Introduced by **Delegates Hubbard, Oaks, Pitkin, C. Davis, Rosenberg, W. Baker, Glassman, Rosso, Shriver, Leopold, and ~~Fulton~~ Fulton, Guns, Weir, Baldwin, Boutin, Cane, D. Davis, Elliott, Frush, Hammen, Klausmeier, Mohorovic, Morhaim, Nathan-Pulliam, Owings, Redmer, Schisler, Sher, Stern, and Stull**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Assistive Technology Guaranteed Loan Program and Fund**

3 FOR the purpose of ~~providing for~~ *creating* an Assistive Technology Guaranteed Loan
4 Fund *as a continuing, nonlapsing fund in the Office for Individuals with*
5 *Disabilities; establishing an Assistive Technology Guaranteed Loan Program;*
6 *establishing a Board of Directors of the Program;* providing for membership of
7 the Board; ~~providing that the Fund be used to guarantee loans and subsidies for~~
8 ~~loan interest for certain assistive technology; providing that the Fund operate as~~
9 ~~a nonlapsing revolving fund; providing that the Fund be established as a~~
10 ~~program of the Office of for Individuals with Disabilities; providing for the terms~~
11 ~~of the guarantees of loans and the subsidies of loan interest; providing for~~
12 ~~funding; requiring the Fund to deposit or invest moneys in a certain manner~~
13 *authorizing the use of moneys in the Fund for certain purposes subject to certain*

1 *requirements and restrictions; authorizing the Board to guarantee certain loans*
 2 *and provide certain subsidies of loan interest; authorizing the Board to enter into*
 3 *certain agreements with certain borrowers; authorizing the Board and certain*
 4 *lenders to jointly determine the terms of certain guarantees of loans and*
 5 *subsidies of loan interest; requiring certain reports; defining a certain term*
 6 *terms; and generally relating to the Assistive Technology Guaranteed Loan*
 7 *Program and Fund.*

8 BY adding to

9 Article 41 - Governor - Executive and Administrative Departments
 10 Section 14-901 through ~~14-915~~ 14-914, inclusive, to be under the new subtitle
 11 "Subtitle 9. Assistive Technology Guaranteed Loan Fund"
 12 Annotated Code of Maryland
 13 (1997 Replacement Volume and 1998 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article 41 - Governor - Executive and Administrative Departments**

17 **SUBTITLE 9. ASSISTIVE TECHNOLOGY GUARANTEED LOAN FUND.**

18 14-901.

19 ~~THERE IS AN ASSISTIVE TECHNOLOGY GUARANTEED LOAN FUND~~
 20 ~~ADMINISTERED BY THE OFFICE OF FOR INDIVIDUALS WITH DISABILITIES.~~

21 ~~14-902.~~

22 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
 23 INDICATED.

24 (B) (1) "ASSISTIVE TECHNOLOGY" MEANS ANY ITEM, PIECE OF EQUIPMENT
 25 OR DEVICE, THAT ENABLES AN INDIVIDUAL WITH A DISABILITY TO IMPROVE
 26 INDIVIDUAL INDEPENDENCE AND QUALITY OF LIFE.

27 (2) "ASSISTIVE TECHNOLOGY" INCLUDES WHEELCHAIRS, MOTORIZED
 28 SCOOTERS, BRAILLE EQUIPMENT, VOICE SIMULATION SYSTEMS, SCANNERS,
 29 ASSISTIVE LISTENING DEVICES, TELECOMMUNICATIONS DEVICES FOR THE DEAF,
 30 AUGMENTATIVE COMMUNICATION SYSTEMS, ENVIRONMENTAL CONTROL SYSTEMS,
 31 COMPUTERS AND ADAPTIVE PERIPHERALS, BUILDING MODIFICATIONS FOR
 32 ACCESSIBILITY, MOTOR VEHICLES, AND VEHICLE MODIFICATIONS.

33 (C) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE ASSISTIVE
 34 TECHNOLOGY GUARANTEED LOAN FUND.

35 (D) "DIRECTOR" MEANS THE DIRECTOR OF THE OFFICE FOR INDIVIDUALS
 36 WITH DISABILITIES.

1 (E) "FUND" MEANS THE ASSISTIVE TECHNOLOGY GUARANTEED LOAN FUND
2 ~~ESTABLISHED PURSUANT TO THIS SUBTITLE.~~

3 (F) "PROGRAM" MEANS THE ASSISTIVE TECHNOLOGY GUARANTEED LOAN
4 PROGRAM ~~ESTABLISHED UNDER THIS SUBTITLE.~~

5 (G) "QUALIFYING BORROWER" MEANS ANY INDIVIDUAL WHO DEMONSTRATES
6 THAT A LOAN MADE UNDER THIS SUBTITLE WILL ASSIST ONE OR MORE INDIVIDUALS
7 WITH DISABILITIES TO IMPROVE THEIR INDEPENDENCE OR BECOME MORE
8 PRODUCTIVE MEMBERS OF THE COMMUNITY.

9 14-902.

10 THERE IS AN ASSISTIVE TECHNOLOGY GUARANTEED LOAN PROGRAM
11 ADMINISTERED BY THE OFFICE FOR INDIVIDUALS WITH DISABILITIES.

12 14-903.

13 ~~THERE IS AN ASSISTIVE TECHNOLOGY GUARANTEED LOAN FUND~~
14 ~~ESTABLISHED, AS A PROGRAM OF THE OFFICE OF FOR INDIVIDUALS WITH~~
15 ~~DISABILITIES, THE PURPOSE OF THE PROGRAM IS TO PROVIDE ASSISTANCE FOR THE~~
16 ~~PURCHASE OF ASSISTIVE TECHNOLOGY EQUIPMENT DESIGNED TO ENABLE~~
17 ~~INDIVIDUALS WITH DISABILITIES TO BECOME MORE INDEPENDENT OR MORE~~
18 ~~PRODUCTIVE MEMBERS OF THE COMMUNITY WITH AN IMPROVED QUALITY OF LIFE.~~

19 14-904.

20 (A) ~~THE POWERS AND DUTIES OF THERE IS A BOARD OF DIRECTORS OF THE~~
21 ~~ASSISTIVE TECHNOLOGY GUARANTEED LOAN PROGRAM SHALL REST IN AND BE~~
22 ~~EXERCISED BY A BOARD OF NINE DIRECTORS.~~

23 (B) THE BOARD OF DIRECTORS SHALL CONSIST OF:

24 (1) THE SECRETARY OF THE DEPARTMENT OF BUDGET AND
25 MANAGEMENT OR THE SECRETARY'S DESIGNEE; ~~AND~~

26 (2) A REPRESENTATIVE FROM THE DEPARTMENT OF HEALTH AND
27 MENTAL HYGIENE DEVELOPMENTAL DISABILITIES ADMINISTRATION APPOINTED BY
28 THE SECRETARY OF THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE;

29 (3) A REPRESENTATIVE OF THE STATE DEPARTMENT OF EDUCATION
30 DIVISION OF REHABILITATION SERVICES APPOINTED BY THE STATE
31 SUPERINTENDENT OF SCHOOLS; AND

32 ~~(4)~~ (4) EIGHT INDIVIDUALS APPOINTED BY THE GOVERNOR,
33 CONFIRMED BY THE ~~GENERAL ASSEMBLY~~ SENATE OF MARYLAND, AS FOLLOWS:

34 (I) ~~ONE EXPERIENCED ACCOUNTANT;~~

35 (II) ~~ONE EXPERIENCED CONSUMER LENDER; AND~~

1 ~~(III) SIX REPRESENTATIVES WITH A RANGE OF DISABILITIES~~ FOUR
 2 MEMBERS OF THE PUBLIC WITH SIGNIFICANT EXPERIENCE IN FINANCE,
 3 ACCOUNTING, INVESTMENT MANAGEMENT, OR CONSUMER LENDING; AND

4 ~~(II) FOUR MEMBERS OF THE PUBLIC WITH DISABILITIES OR WHO~~
 5 ASSIST INDIVIDUALS WITH DISABILITIES AT LEAST ONE OF WHOM MUST BE A
 6 MEMBER OF THE MARYLAND ADVISORY COUNCIL FOR INDIVIDUALS WITH
 7 DISABILITIES.

8 (C) THE TERM OF A MEMBER APPOINTED BY THE GOVERNOR IS 4 YEARS.

9 (D) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
 10 SUCCESSOR IS APPOINTED AND QUALIFIES.

11 (E) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES FOR
 12 THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

13 (F) A MEMBER APPOINTED BY THE GOVERNOR MAY SERVE NO MORE THAN
 14 TWO TERMS.

15 ~~(G) THE SECRETARY OF BUDGET AND MANAGEMENT OR THE SECRETARY'S~~
 16 ~~DESIGNEE SHALL SERVE COINCIDENT WITH THE TERM OF THE GOVERNOR.~~

17 ~~(H) THE DIRECTOR OR THE DIRECTOR'S DESIGNEE~~ THE OFFICE FOR
 18 INDIVIDUALS WITH DISABILITIES SHALL STAFF THE BOARD.

19 14-905.

20 (A) ANNUALLY, THE BOARD OF DIRECTORS SHALL ELECT ONE OF THEIR
 21 MEMBERS TO SERVE AS CHAIRMAN.

22 ~~(B) THE BOARD SHALL MEET AT THE CALL OF THE CHAIRMAN, WHENEVER A~~
 23 ~~REQUEST IS MADE BY FIVE MEMBERS, OR WHEN IT IS NECESSARY TO ATTEND TO~~
 24 ~~THE BUSINESS OF THE FUND~~ AT LEAST QUARTERLY OR WHENEVER IT IS NECESSARY
 25 TO CARRY OUT ITS DUTIES EFFICIENTLY.

26 ~~(C) THE BOARD SHALL MEET REGULARLY TO REVIEW THE APPLICATIONS FOR~~
 27 ~~THE GUARANTEES OF LOANS AND THE SUBSIDIES FOR LOAN INTEREST AND~~
 28 ~~APPROVE OR DENY THE APPLICATIONS BASED UPON INFORMATION PROVIDED TO OR~~
 29 ~~OBTAINED BY THE BOARD.~~

30 (D) ~~FIVE~~ SIX MEMBERS SHALL CONSTITUTE A QUORUM.

31 (E) A MEMBER:

32 (1) MAY NOT RECEIVE COMPENSATION; BUT

33 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
 34 STANDARD STATE TRAVEL REGULATIONS AS PROVIDED IN THE STATE BUDGET.

1 (F) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A MEMBER
2 MAY NOT FINANCIALLY BENEFIT EITHER DIRECTLY OR INDIRECTLY FROM THE
3 ACTIVITIES OF THE FUND.

4 14-906.

5 (A) THERE IS AN ASSISTIVE TECHNOLOGY GUARANTEED LOAN FUND IN THE
6 OFFICE FOR INDIVIDUALS WITH DISABILITIES.

7 ~~(B) THE FUND SHALL BE USED AS A NONLAPSING REVOLVING FUND~~ THE
8 PURPOSE OF THE FUND IS TO PROVIDE GUARANTEES OF LOANS AND SUBSIDIES OF
9 LOAN INTEREST FOR THE PURCHASE OF ASSISTIVE TECHNOLOGY EQUIPMENT
10 DESIGNED TO ENABLE INDIVIDUALS WITH DISABILITIES TO BECOME MORE
11 INDEPENDENT OR MORE PRODUCTIVE MEMBERS OF THE COMMUNITY WITH AN
12 IMPROVED QUALITY OF LIFE.

13 (C) THE BOARD SHALL MANAGE AND ADMINISTER THE FUND.

14 (D) THE FUND IS A CONTINUING, NONLAPSING FUND WHICH IS NOT SUBJECT
15 TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

16 (E) THE TREASURER SHALL SEPARATELY HOLD AND THE COMPTROLLER
17 SHALL ACCOUNT FOR THE FUND.

18 (F) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO THE
19 FUND.

20 (G) IF, AT ANY TIME, THE BALANCE OF THE FUND EXCEEDS THE AMOUNT
21 THAT THE BOARD CONSIDERS NECESSARY TO MEET ITS OBLIGATIONS, THE EXCESS,
22 ON RESOLUTION OF THE BOARD, SHALL REVERT TO THE GENERAL FUND.

23 14-907.

24 (A) ~~ALL RECEIPTS DESIGNATED FOR THE FUND SHALL BE PLACED IN THE~~
25 ~~FUND AND ADMINISTERED BY THE BOARD INCLUDING~~ THE FUND MAY CONSIST OF
26 ANY OF THE FOLLOWING:

27 (1) PREMIUMS AND FEES FOR THE GUARANTEES OF LOANS OR THE
28 SUBSIDIES OF LOAN INTEREST;

29 (2) ~~INCOME FROM INVESTMENTS THAT THE STATE TREASURER, ON~~
30 ~~INSTRUCTION OF THE BOARD, MAKES FOR THE BOARD UNDER THIS SUBTITLE~~
31 INVESTMENT EARNINGS;

32 (3) PROCEEDS FROM THE SALE, DISPOSITION, LEASE, OR RENTAL OF
33 COLLATERAL RELATING TO THE GUARANTEES ~~OR~~ OF LOANS ~~OR~~ OF SUBSIDIES OF
34 LOAN INTEREST;

35 (4) MONEYS APPROPRIATED BY THE STATE TO THE FUND; AND

36 (5) ANY OTHER MONEYS MADE AVAILABLE TO THE FUND.

1 (B) THE FUND SHALL BE USED TO PAY ALL EXPENSES AND DISBURSEMENTS
2 AUTHORIZED BY THE BOARD FOR ADMINISTERING THE FUND AND FINANCING THE
3 GUARANTEES OF LOANS AND THE SUBSIDIES OF LOAN INTEREST FOR THE
4 PURCHASE OF ASSISTIVE TECHNOLOGY FOR INDIVIDUALS WITH DISABILITIES,
5 INCLUDING BY WAY OF EXAMPLE:

6 (1) GUARANTY PAYMENTS REQUIRED BY LOAN DEFAULTS; AND

7 (2) EXPENSES FOR ADMINISTRATIVE, LEGAL, ACTUARIAL, TECHNICAL
8 ASSISTANCE, AND OTHER SERVICES.

9 14-908.

10 (A) ~~IF, AT ANY TIME, THE AMOUNT OF MONEY IN THE FUND EXCEEDS THE~~
11 ~~AMOUNT THAT THE BOARD CONSIDERS NECESSARY TO CURRENTLY MEET EXPENSES~~
12 ~~AND OBLIGATIONS, THE EXCESS SHALL BE:~~

13 (1) ~~DEPOSITED WITH THE STATE TREASURER, TO THE CREDIT OF THE~~
14 ~~FUND; AND~~

15 (2) ~~INVESTED IN THE MANNER PROVIDED FOR BY LAW.~~

16 (B) ~~IF, AT ANY TIME, THE AMOUNT OF MONEY IN OR CREDITED TO THE FUND~~
17 ~~EXCEEDS THE AMOUNT THAT THE BOARD CONSIDERS NECESSARY TO MEET ITS~~
18 ~~OBLIGATIONS, THE EXCESS, ON RESOLUTION OF THE BOARD, SHALL BE PAID TO THE~~
19 ~~STATE TREASURER.~~

20 14-909.

21 ANNUALLY, THE STATE TREASURER SHALL REPORT TO THE BOARD AND THE
22 DIRECTOR AS TO:

23 (1) THE STATUS OF THE MONEY INVESTED UNDER THIS SUBTITLE;

24 (2) THE MARKET VALUE OF THE ASSETS IN THE FUND AS OF THE DATE
25 OF THE REPORT; AND

26 (3) THE INTEREST RECEIVED FROM INVESTMENTS DURING THE PERIOD
27 COVERED BY THE REPORT.

28 14-910. 14-909.

29 SUBJECT TO ~~THE RESTRICTIONS § 14-912 § 14-911~~ OF THIS SUBTITLE, THE
30 BOARD, ON APPLICATION, MAY PROVIDE A GUARANTEE OF A LOAN OR A SUBSIDY OF
31 LOAN INTEREST FOR A LOAN MADE TO A QUALIFYING BORROWER.

32 14-911. 14-910.

33 THE BOARD MAY GUARANTEE A LOAN OR PROVIDE A SUBSIDY FOR LOAN
34 INTEREST TO AN APPLICANT ONLY IF:

1 (1) THE APPLICANT MEETS THE QUALIFICATIONS REQUIRED IN ~~§14-912~~
2 § 14-911 OF THIS SUBTITLE; AND

3 (2) THE LOAN TO BE GUARANTEED OR THE SUBSIDY FOR LOAN
4 INTEREST IS TO BE USED TO PURCHASE ASSISTIVE TECHNOLOGY.

5 ~~14-912; 14-911.~~

6 (A) TO APPLY FOR FINANCIAL ASSISTANCE, AN APPLICANT SHALL SUBMIT TO
7 THE BOARD AN APPLICATION ON THE FORM PROVIDED BY THE DIRECTOR.

8 (B) THE BOARD MAY ENTER INTO AGREEMENTS WITH A QUALIFYING
9 BORROWER WHO DEMONSTRATES:

10 (1) THAT THE LOAN OR SUBSIDY WILL BE USED TO ACQUIRE ASSISTIVE
11 TECHNOLOGY OR OTHER EQUIPMENT DESIGNED TO HELP ONE OR MORE
12 INDIVIDUALS WITH DISABILITIES TO IMPROVE THEIR INDEPENDENCE OR BECOME
13 MORE PRODUCTIVE MEMBERS OF THE COMMUNITY;

14 (2) THE ABILITY TO REPAY THE LOAN;

15 (3) CREDITWORTHINESS; AND

16 (4) INABILITY TO QUALIFY FOR A LOAN FROM A LENDING INSTITUTION
17 WITHOUT A LOAN GUARANTEE OR A SUBSIDY ~~FOR~~ OF LOAN INTEREST.

18 ~~14-913; 14-912.~~

19 (A) EXCEPT AS PROVIDED IN THIS SUBTITLE, THE BOARD AND LENDER SHALL
20 JOINTLY DETERMINE THE AMOUNT AND TERMS OF THE GUARANTEE OF THE LOAN
21 OR THE SUBSIDY OF LOAN INTEREST.

22 (B) THE TOTAL AGGREGATE AMOUNT OF THE LOAN GUARANTEE MAY BE UP
23 TO ~~80%~~ 100% OF THE LOAN.

24 (C) THE TOTAL AGGREGATE AMOUNT OF ~~INSURANCE~~ GUARANTEES
25 PROVIDED FROM THE FUND, WITH RESPECT TO THE INSURED PORTIONS OF THE
26 LOAN, MAY NOT EXCEED AT ANY TIME AN AMOUNT EQUAL TO 5 TIMES AT ANY TIME
27 EXCEED THE BALANCE AVAILABLE IN THE FUND.

28 ~~14-914; 14-913.~~

29 IF ANY QUALIFYING BORROWER VIOLATES ANY PROVISIONS OF THE LOAN
30 GUARANTEE OR SUBSIDY AGREEMENT OR CEASES TO MEET THE REQUIREMENTS OF
31 THIS SUBTITLE, ON REASONABLE NOTICE TO THE QUALIFYING BORROWER, THE
32 BOARD MAY:

33 (1) WITHHOLD FROM THE QUALIFYING BORROWER FURTHER LOAN
34 GUARANTEES OR SUBSIDIES UNTIL THE QUALIFYING BORROWER COMPLIES WITH
35 THE AGREEMENT OR REQUIREMENTS; AND

1 (2) EXERCISE ANY OTHER REMEDY FOR WHICH THE LOAN GUARANTEE
2 OR SUBSIDY AGREEMENT PROVIDES.

3 ~~14-915: 14-914.~~

4 THE BOARD, THROUGH THE DIRECTOR, SHALL REPORT ANNUALLY TO THE
5 GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE
6 GENERAL ASSEMBLY, ON OR BEFORE JANUARY 1 OF EACH YEAR ON THE NUMBER,
7 AMOUNT, AND USE OF LOANS AND SUBSIDIES FOR WHICH THE PROGRAM HAS
8 PROVIDED GUARANTEES OF LOANS AND SUBSIDIES OF LOAN INTEREST UNDER THIS
9 SUBTITLE.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 1999.