

Department of Legislative Services
 Maryland General Assembly
 1999 Session

FISCAL NOTE
Revised

House Bill 878 (Delegate Hubbard. *et al.*)

Environmental Matters

Assistive Technology Guaranteed Loan Program and Fund

This bill establishes the Assistive Technology Guaranteed Loan Program and an Assistive Technology Guaranteed Loan Fund in the Office for Individuals with Disabilities (OID) for the purchase of specified assistive technology equipment to enable individuals with disabilities to become more independent. It establishes an 11-member board of directors to oversee the fund and review loan applications. OID must provide staff for the board. The fund may consist of money appropriated by the State, investment income, fees for loan guarantees or subsidies of loan interest, and any other moneys made available to the fund. The total amount of a loan guarantee may be up to 100% of the loan. The fund must be used to pay administrative and technical assistance services. The State Treasurer is to report annually to the board and OID on the status of the fund. The board, through OID, is to report annually to the Governor and the General Assembly by January 1 of each year on the loan program activities.

Fiscal Summary

State Effect: The FY 2000 budget includes \$500,000 in general funds for an Assistive Technology Loan Fund, contingent upon enactment of this bill. A one-time federal matching grant of \$500,000 could be available if the State appropriates \$500,000. Indeterminate increase in special fund revenues from fees and investment income and in general fund revenues in the event of a reversion. Future year revenues and expenditures cannot be reliably estimated.

(in dollars)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
SF Revenues	-	-	-	-	-
GF Expenditures	\$500,000	-	-	-	-
Net Effect	(\$500,000)	-	-	-	-

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: Minimal.

Fiscal Analysis

State Revenues: Indeterminate increase in special fund revenues from fund investment income and fees for loan guarantees or subsidies of loan interest. The bill specifies that if the fund balance exceeds the amount that the board considers necessary to meet its obligations, the excess is to revert to the State general fund. Therefore, general fund revenues could increase to the extent that excess funds are reverted.

State Expenditures: The fiscal 2000 budget includes \$500,000 in general funds for an Assistive Technology Loan Fund to provide guarantees for loans made by lending institutions to qualifying borrowers and to subsidize interest rates of lenders. In addition, recent federal legislation (Technology Related Assistance for Individuals with Disabilities) authorizes a one-time matching grant equal to the amount that a State appropriates for a loan program; therefore, Maryland could realize an additional \$500,000 for the fund if the State is awarded the grant.

Future year expenditures cannot be reliably estimated. Any such expenditures would depend on the amount of State funds appropriated and revenues from fund investment income and fees for loan guarantees or subsidies of loan interest.

Additional Comments: The loan fund would supplement other sources of assistive technology equipment for individuals with disabilities, including State sources such as Medicaid and, within the Developmental Disabilities Administration, the following services: Community Support Living Arrangements, Alternative Living Unit, Individual Support Services, and Family Support Services. External sources include the United Cerebral Palsy Foundation and private health insurance.

Information Source(s): Office for Individuals with Disabilities, Department of Health and Mental Hygiene (Developmental Disabilities Administration), Department of Legislative Services

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