

HOUSE BILL 273

O3

8lr0158

By: **Chair, Health and Government Operations Committee (By Request – Departmental – Disabilities)**

Introduced and read first time: January 23, 2008

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of changing the name of the Assistive Technology Guaranteed Loan
4 Program to the Assistive Technology Loan Program; changing the name of the
5 Assistive Technology Guaranteed Loan Fund to the Assistive Technology Loan
6 Fund; authorizing the Board of Directors of the Program to elect to provide a
7 borrower with a certain interest rate by either guaranteeing a loan or
8 subsidizing an interest rate under certain circumstances; repealing a certain
9 limitation on the total amount of guarantees provided from the Fund;
10 authorizing the Board to annually set the total aggregate amount of loan
11 guarantees to be provided from the Fund; and generally relating to the Program
12 and the Fund.

13 BY repealing and reenacting, with amendments,
14 Article – Human Services
15 Section 7–601, 7–602, 7–610, 7–611, and 7–613(a)
16 Annotated Code of Maryland
17 (2007 Volume)

18 BY repealing and reenacting, without amendments,
19 Article – Human Services
20 Section 7–603, 7–608, and 7–609
21 Annotated Code of Maryland
22 (2007 Volume)

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

25 **Article – Human Services**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 7-601.

2 (a) In this subtitle the following words have the meanings indicated.

3 (b) (1) "Assistive technology" means any item, equipment, or device that
4 is designed to enable an individual with a disability to become more independent or a
5 more productive member of the community with an improved quality of life.

6 (2) "Assistive technology" includes wheelchairs, motorized scooters,
7 Braille equipment, voice simulation systems, scanners, assistive listening devices,
8 telecommunications devices for the deaf, augmentative communication systems,
9 environmental control systems, computers and adaptive peripherals, building
10 modifications for accessibility, motor vehicles, and vehicle modifications.

11 (c) "Board" means the Board of Directors of the Program.

12 (d) "Department" means the Department of Disabilities.

13 (e) "Fund" means the Assistive Technology [Guaranteed] Loan Fund.

14 (f) "Program" means the Assistive Technology [Guaranteed] Loan Program.

15 (g) "Secretary" means the Secretary of Disabilities.

16 7-602.

17 There is an Assistive Technology [Guaranteed] Loan Program in the
18 Department.

19 7-603.

20 The purpose of the Program is to provide assistance for the purchase of assistive
21 technology.

22 7-608.

23 Subject to §§ 7-609(a) and 7-610 of this subtitle, the Board may provide a
24 guarantee of a loan or a subsidy of loan interest for a loan to an individual for the
25 purchase of assistive technology.

26 7-609.

27 (a) To apply for a guarantee of a loan or a subsidy of loan interest, an
28 applicant shall submit to the Board an application on the form that the Secretary
29 provides.

1 (b) The Board shall review the applications for guarantees of loans and
2 subsidies of loan interest and approve or deny them based on information provided to
3 or obtained by the Board.

4 7-610.

5 (A) The Board may enter into an agreement with an applicant to guarantee a
6 loan or provide a subsidy for loan interest to the applicant only if the applicant
7 demonstrates:

8 (1) that the loan to be guaranteed or the subsidy of loan interest will
9 be used to acquire assistive technology;

10 (2) the ability to repay the loan;

11 (3) creditworthiness; and

12 (4) the inability to qualify for a loan from a lending institution without
13 a loan guarantee or a subsidy of loan interest.

14 (B) **THE BOARD MAY ELECT TO PROVIDE THE BORROWER WITH AN**
15 **INTEREST RATE EQUIVALENT TO THE GUARANTEED RATE BY EITHER**
16 **GUARANTEEING THE LOAN OR SUBSIDIZING THE INTEREST RATE IF:**

17 (1) **A PARTICIPATING LENDING INSTITUTION APPROVES A LOAN**
18 **WITHOUT THE REQUIREMENT OF A GUARANTEE; AND**

19 (2) **THE INTEREST RATE IS HIGHER THAN THE INTEREST RATE**
20 **OTHERWISE AVAILABLE FOR A GUARANTEED LOAN.**

21 7-611.

22 (a) Except as provided in this subtitle, the Board and lender jointly shall
23 determine the amount and terms of the guarantee of the loan or the subsidy of loan
24 interest.

25 (b) The total aggregate amount of a loan guarantee may be up to 100% of the
26 loan.

27 (c) [The total aggregate amount of guarantees provided from the Fund may
28 not at any time exceed the balance available in the Fund.] **THE TOTAL AGGREGATE**
29 **AMOUNT OF THE LOAN GUARANTEES TO BE PROVIDED FROM THE FUND IN ANY**
30 **GIVEN YEAR SHALL BE SET ANNUALLY BY THE BOARD IN ACCORDANCE WITH**
31 **THE REQUIREMENTS OF THE BANKS UNDERWRITING THE LOANS AT ANY GIVEN**
32 **TIME.**

1 7-613.

2 (a) There is an Assistive Technology [Guaranteed] Loan Fund in the
3 Department.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2008.