

Department of Legislative Services
 Maryland General Assembly
 2025 Session

FISCAL AND POLICY NOTE
First Reader - Revised

House Bill 214

(Chair, Appropriations Committee)(By Request -
 Departmental - Disabilities)

Appropriations

Human Services - Maryland Assistive Technology Program - Establishment

This departmental bill codifies the federally funded Maryland Technology Assistance Program (MDTAP) into statute as the Maryland Assistive Technology Program in the Department of Disabilities (MDOD). The program must provide access to or conduct assistive technology services that include any activity described in the federal 21st Century Assistive Technology Act. The bill also establishes the Assistive Technology Services Fund. The Secretary of Disabilities may adopt regulations to implement the bill. The bill may not be construed to establish an entitlement program.

Fiscal Summary

State Effect: MDOD special fund revenues increase by an estimated \$25,000 in FY 2026 from revenues received from assistive technology services provided by the program. Special fund expenditures likely increase accordingly. Future years reflect revenue growth. Federal fund revenues and expenditures continue (not shown below). General fund revenues increase minimally from interest earnings of the new special fund through FY 2028 (not shown below).

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
SF Revenue	\$25,000	\$28,800	\$31,600	\$34,800	\$38,300
SF Expenditure	\$25,000	\$28,800	\$31,600	\$34,800	\$38,300
Net Effect	\$0	\$0	\$0	\$0	\$0

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

Local Effect: To the extent local governments utilize assistive technology services from the program, local government expenditures may increase by a minimal amount. Local revenues are not affected.

Small Business Effect: MDOD has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Bill Summary: “Assistive technology device” means any item, piece of equipment, or product system, whether acquired commercially, modified, or customized, that is used to increase, maintain, or improve functional capabilities of individuals with disabilities.

“Assistive technology service” means any service that assists an individual with a disability in the selection, acquisition, or use of an assistive technology device.

Maryland Assistive Technology Program

The purpose of the program is to (1) increase access to assistive technology devices and assistive technology services for individuals with disabilities; (2) support the State’s efforts to improve the provision of assistive technology to individuals with disabilities of all ages, including underrepresented populations, through comprehensive statewide programs of technology-related assistance; (3) ensure statewide access to assistive technology lending libraries that allow individuals with disabilities and those supporting individuals with disabilities to learn about, try, and borrow assistive technology devices through short-term loans; and (4) implement activities required by federal grants, including funding authorized under the federal 21st Century Assistive Technology Act.

Assistive Technology Services Fund

The purpose of the fund is to receive revenue from assistive technology services provided by the program, including assistive technology assessments and training, and digital accessibility training, website evaluations, and remediation services.

The fund is a special, nonlapsing fund administered by the Secretary of Disabilities that consists of (1) revenue distributed to the fund from assistive technology services; (2) money appropriated in the State budget to the fund; (3) interest earnings; and (4) any other money accepted for the benefit of the fund. Interest accrues to the fund beginning in fiscal 2029, as for most special funds; however, from fiscal 2026 through 2028, interest is instead credited to the general fund.

The fund may only be used to support the operations of the program, including the purchase of assistive technology devices. Expenditures from the fund may be made only in accordance with the State budget.

Current Law: MDOD must oversee and administer constituent services and ombudsmen programs, the Assistive Technology Guaranteed Loan Program, the Office of Personal Assistance Services (including the Attendant Care Program), Telecommunications Access of Maryland, and Telecommunications Devices and Distribution of Accessible Information for Disabled Individuals.

Federal Assistive Technology Legislation

The Technology-Related Assistance for Individuals with Disabilities Act (Tech Act) of 1988 authorized grants to states to fund and establish a national network of state programs for assistive technology. The Assistive Technology Act of 1998 (AT Act) further expanded access to assistive technology and increased the availability of technology that enabled individuals with disabilities to live, work, and more independently participate in their communities. The AT Act provided grants to state programs that helped individuals with disabilities access assistive technology. The AT Act has not been reauthorized since 2004.

Enacted in December 2022, the 21st Century Assistive Technology Act is a modernization of the AT Act and aims to increase the quality of life and expand work opportunities for individuals with disabilities through increased access to technology, equipment, and services. Each state is granted flexibility to determine how federal funds are allocated among four key pillars: device demonstration; device loans; device reutilization; and state financing.

Background: MDOD advises that MDTAP was established in 1989 to implement federal grant funds authorized under the Tech Act. Grant funds were most recently reauthorized in 2022 under the 21st Century Assistive Technology Act. Since its inception, MDTAP has been fully funded through federal grants.

MDOD further advises that establishing the Maryland Assistive Technology Program under the bill codifies MDTAP and offers the opportunity to expand the scope of program activities beyond current federal grant activities. The bill also creates a special fund to collect reasonable fees for assistive technology services to allow MDOD to supplement federal funding. According to MDOD, federal fund revenues to MDTAP have increased by approximately \$15,000 each fiscal year; however, federal funding has not kept pace with program costs, including personnel.

State Fiscal Effect: The fiscal 2026 budget as introduced includes approximately \$1.3 million in federal fund revenues and expenditures for MDTAP, which includes personnel and program expenses. MDOD does not anticipate any federal fund revenue reduction as a result of the bill. Therefore, this analysis assumes that federal fund revenues and expenditures under MDTAP continue in fiscal 2026 (and subsequent fiscal years) under the Maryland Assistive Technology Program.

The bill establishes the Assistive Technology Services Fund to receive revenue from assistive technology services provided by the program. MDOD estimates special fund revenues of approximately \$25,000 in fiscal 2026, accounting for the bill's October 1, 2025 effective date. MDOD anticipates that special fund revenues increase by 10% to 15% each fiscal year, increasing to approximately \$38,000 by fiscal 2030. MDOD special fund expenditures likely increase accordingly.

Although the bill indicates that interest earnings of the new special fund remain in the fund, the bill does not amend Section 8 of Chapter 717 of 2024 (the Budget Reconciliation and Financing Act of 2024) which requires, notwithstanding any other provision of law, that interest earnings from special funds (with certain exceptions) accrue to the general fund from fiscal 2024 through 2028. Thus, general fund revenues increase minimally from interest earnings of the new special fund through fiscal 2028. The fund is exempted from a similar requirement under § 6-226(a)(2) of the State Finance and Procurement Article that applies from fiscal 2029 forward.

Local Expenditures: The program provides services such as assistive technology trainings to local governments on request. To the extent MDOD implements fees for assistive technology training, local government expenditures may increase by a minimal amount beginning in fiscal 2026.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 208 (Chair, Finance Committee)(By Request - Departmental - Disabilities) - Finance.

Information Source(s): Maryland Department of Disabilities; Department of Legislative Services

Fiscal Note History: First Reader - January 27, 2025
rh/jc Revised - Correction - January 28, 2025

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Human Services - Maryland Assistive Technology Program - Establishment

BILL NUMBER: HB 214

PREPARED BY: Anne Blackfield

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

 x WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

 WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

This legislation will have no impact on small businesses.

The legislation codifies in statute an existing program, the Maryland Assistive Technology Program (MDTAP). MDTAP was formed in 1989 to implement federal grant funds, which were most recently reauthorized in 2022 under the 21st Century Assistive Technology Act (Pub. L. 117-263, § 5401 *et. seq.*). MDTAP is 100% funded by federal funds.

MDTAP promotes assistive technology (AT) access and understanding for people with disabilities (as well as their families, educators, employers, support providers, etc.). MDTAP maintains an AT lending library, provides AT trainings and demonstrations of AT, helps people find used no- or low cost AT, and runs a low-interest financial loan program that lends money to people with disabilities who wish to purchase new AT.

The legislation imposes no requirements on small businesses. MDTAP is a small, federally funded program that provides highly specialized AT services directly to people with disabilities that are generally not provided by (nor would be profitable to) small or private businesses.