



Maryland

DEPARTMENT OF DISABILITIES

Assistive Technology Program

**ANNUAL REPORT TO
GOVERNOR LARRY HOGAN
AND
THE MARYLAND GENERAL ASSEMBLY
on the
ASSISTIVE TECHNOLOGY
LOAN PROGRAM
January 1, 2023**

Introduction

The Assistive Technology Loan Program (ATLP) is a financing program within the Maryland Technology Assistance Program (MDTAP), a unit within the Maryland Department of Disabilities (MDOD). The ATLP was created on October 1, 1999 and codified in Human Services Article §§7-601 through 7-616. This program is guided by an eleven-member board of directors, including eight who are appointed by the Governor and three state agency representatives. The ATLP operates separately from state funding, managing all program administrative costs through interest earnings from the ATLP Special Loan Fund located in a separate account managed by the State Treasurer with fund accounting provided by the Office of the Comptroller.

The ATLP's purpose is to provide alternative financing for the purchase of assistive technologies, adapted & non-adapted vehicles, and home modifications for accessibility. The ATLP is designed to help individuals with disabilities achieve independence and improve their quality of life by providing low interest, affordable loans to qualifying borrowers with disabilities who have encountered obstacles qualifying for financing in the traditional market. Without the ATLP, borrowers would have to either purchase the assistive technology they need using high interest credit cards, take out loans with second-tier lenders, borrow against their homes, or go without the needed equipment at all. In some instances, the ATLP is the only option for financing high-cost adapted vehicles, because the value of the vehicle adaptations exceeds the overall value of the vehicle, causing traditional lenders to decline these high-cost vehicle loans.

The program currently partners with one area lender to issue loans via loan guarantees, and interest rate subsidies where appropriate, to make loans more accessible and affordable for people with disabilities and their families. All applicants receiving guaranteed loans through the ATLP have been declined for a loan through conventional lending measures. In some cases, loans are approved without a loan guarantee when the borrower demonstrates the ability to meet the lending institution's criteria for a successful loan. In those instances, borrowers receiving "non-guaranteed" loans are still able to take advantage of discounted interest rates because of the ATLP's partnership agreement with the lender, ensuring that all non-guaranteed borrowers referred by the ATLP receive a lower-than-market interest rate. In addition, program staff provide significant application support and credit guidance to potential borrowers throughout the application process.

2021-2022 Loan Activity & Program Expenditures

For the annual period of December 1, 2021 through November 30, 2022, the ATLP:

- Received 57 loan applications totaling \$1,376,169.00 in funding requests
- Approved 47 loan requests totaling \$1,169,713.00
- Closed 16 guaranteed loans for a total of \$436,355.00
- Facilitated the closing of 3 non-guaranteed loans for a total of \$10,169.00
- Mailed 116 applications to potential applicants
- During this reporting period, the ATLP managed and tracked 224 loans actively in repayment

During this same period, 22 applications totaling \$631,750 were withdrawn by applicants after submitting them to the program. Loan withdraws happen for a variety of reasons including individual financial circumstances, accessing equipment through another source, or determining the item is no longer a priority. We reflect withdrawn loans in this report because they have gone through some portion, if not all, of the ATLP loan processing steps including program review & data entry, applicant follow-up, bank submission, credit check, and Board review.

Additional program highlights include:

- Closed 11 vehicle and vehicle modification loans totaling \$413,007.61 between December 1, 2021 and November 30, 2022.
- All of the ATLP applicants in 2022 indicated a satisfaction measure of highly satisfied/satisfied with their experience.
- From inception through November 30, 2022, the ATLP has received 2,900 loan applications and issued 1,234 loans totaling \$21,243,700.00.
- Since inception, the total amount of repayments made by borrowers for guaranteed ATLP loans is \$12.8M.
- The overall default rate for guaranteed loans through the ATLP since inception of the program is 4%. ATLP makes every effort to reduce the overall loss to the fund through vehicle repossessions, payment plans, and financial recoveries through the State of Maryland Central Collections Unit (CCU). As of November 30, 2022, the ATLP has recovered \$185,292.24 of a possible \$737,021.49 from defaulted accounts.

Direct Impacts for Program Borrowers

AT Loan Program applicants have used these loans to substantially improve their lives. The Program helps Marylander's purchase technology that supports or increases access to education, employment, and the community. Borrower purchases can include technology to help them remain independent in the community, participate in higher education, support work-related tasks and activities, transition from institutional settings into the community, and more.

I. Education

During this past year, the ATLP guaranteed a loan in the amount of \$1,300 for a computer for a single mother with an auto-immune disease and traumatic brain injury, who also has a young-adult child with Asperger's syndrome. The applicant noted that her son had just graduated from Montgomery County Public Schools and was planning to attend college in the Fall while she herself was already enrolled in Montgomery College's Project Management Certificate Program and the Project Management Institute's Program Management Certification program. With income limited to only SSDI benefits, she was struggling to finance her education, her son's education, and their daily expenses. While working with the ATLP staff, she was able to identify areas on her credit report for improvement, resolve one delinquent account, and evaluate her monthly expenses to identify the best way to afford the monthly loan payments while tackling prior credit delinquencies. By having the computer for both herself and her son to complete coursework, she was confident her marketability would improve and she would secure employment and her future.

II. Employment

A recent applicant with cerebral palsy contacted the ATLP when his previous adapted vehicle had become inoperable. The applicant is a full-time, federal government employee in a position with limited opportunities for telework. Without access to a reliable vehicle, he risked losing his job and his established financial independence. He noted that he had exhausted all workplace flexibilities available in order to maintain his position, thus seeking an affordable, adapted vehicle was imperative to maintaining his employment.

Through extensive coordination between the applicant, the adapted vehicle dealership, the ATLP Board, and the lender, he applied for and received a \$20,000 guaranteed, unsecured loan through the ATLP to apply to the cost of a leased, adapted vehicle. Through conversations with the dealership, the applicant established a specific plan to meet his needs and financial situation. The lease-to-purchase option was far more conducive to his financial capabilities, offering lower monthly payments and providing him an appropriate amount of time to establish additional funding to pay the vehicle in full.

Although the ATLP does not traditionally provide loans for leased vehicles, the ATLP Board and the staff were able to issue the funding as an unsecured loan because of the applicant's work history, earnings, and strong credit history, making him a viable candidate for unsecured credit.

In addition to his full-time job, the applicant owns his own consulting business and is an active community leader. The adapted vehicle now allows him to participate in community events, get to work as needed, and run his business. This applicant's passion to support others with disabilities, along with his successful experience with the ATLP, has even led him to inquire about a future Board Member position with the program when his loan is fully paid off.

III. Community Living

A recent returning applicant to the ATLP applied for \$7,500 for home modifications to install handrails throughout his home and to paint the walls distinctly light, bright colors. The ATLP Board approved the loan for 5-years, ensuring that the monthly payments remained affordable and worked with his and his family's other monthly expenses. The applicant, just 24-years-old, has juvenile glaucoma, which will continually erode his vision. With the intent of making the home more accessible for him as his vision continues to decline, the family installed handrails along the hallways, stairways, and in the bathrooms. The brighter walls created contrast and will help improve navigability for the applicant as he moves independently throughout the house.

Program Highlights 2022

- Awarded competitive grant funding from the Association for Community Living (ACL) in the amount of \$649,978 to launch the iDrive Maryland Initiative. iDrive Maryland will provide expanded lending parameters (increased loan amounts & expanded re-payment terms) to Marylanders with disabilities, especially those in rural areas of Maryland, seeking funding for adapted & non adapted vehicles; will increase marketing & outreach in Maryland's three most rural regions – Western Maryland, Southern Maryland, and the Eastern Shore; and will develop an interactive iDrive Funding Guide & companion webinar series. By expanding the affordability & accessibility of vehicle loans to individuals with disabilities, especially those living in areas where public transportation is limited or non-existent, iDrive Maryland aims to demonstrate that increased transportation options will lead to increased education, employment and community living opportunities.
- Received a grant from T. Rowe Price in the amount of \$10,000 to support operations costs associated with program expansion, marketing, and sustainability.
- The ATLP worked with Ernst & Young, LLP to create a fully dynamic, accessible, online application to streamline & modernize the application process. The online application will officially launch in January 2023, making it easier for Marylanders with disabilities to complete, upload, submit, and track their applications easily and accessibly.
- The ATLP developed a partnership with CASH Campaign of Maryland, ensuring that all applicants of the ATLP, particularly those who are unable to be approved due to limited or poor

credit, will receive a direct referral to CASH Campaign for free credit counseling, financial education, and credit management support. This partnership has also led to a month-long Financial Resiliency Webinar Series for People with Disabilities, focused on increasing financial awareness by covering topics such as financial planning through the lifespan, financing college, homeownership for people with disabilities, maintaining benefits while working, and more. This month-long series has been offered for the past two years in October and has been awarded the 2022 Outstanding Organization Award from CASH Campaign of Maryland.

- The ATLP developed partnership agreements two Civic Works programs focused on providing grant funding for seniors in need of home modifications for accessibility - HUBS (Housing Upgrades to Benefit Seniors) serving Baltimore City, and BCAUSE (Baltimore County Age Friendly Upgrades for Seniors). These partnership agreements highlight the shared mission of the programs to provide access to home modifications and ensures that those seniors who do not qualify for grant funding through the Civic Works programs will be referred to the ATLP for low interest financial loans, and vice versa.
- Continued work with the ATLP contracted grant writer to identify public/private partnerships for expansion. In 2022, the ATLP submitted five (5) grant Letters on Intent and were awarded two (2) grants toward the expansion and sustainability of the program.

Program Goals for 2023

- Identify a second lending partner to service AT loan requests, increasing consumer choice for ATLP applicants
- Re-negotiate the current lender agreement, established since 2000, to reduce the ATLP guarantee commitment from 100% to 80% and establish a portion of return on all interest charged to ATLP-guaranteed loans.
- Continue conversations with the Association of Tech Act Programs (ATAP) to explore their role in serving as a fiscal sponsor for financial loan programs nationally, particularly when applying for 501c3 limited grant funding opportunities.
- Identify & improve database customization for more robust reporting measures.
- Continue to explore ways to build partnerships with other State Government Agencies, Foundations, Non-profits and Community Development Financial Institutions (CDFI).
- Establish and implement an internship with a local university to host a Communications Intern and Strategic Planner Intern to better support the work and goals of the ATLP.
- Submit Letters of Intent and grant applications for new and innovative ATLP initiatives.
- Expand marketing & outreach through increased presentations, outreach, and communications, particularly in the rural areas of Maryland

Conclusion

Maryland's Assistive Technology Loan Program remains a smart, compassionate investment for Marylanders with disabilities seeking to achieve maximum participation in the community in the most integrated settings possible. Access to assistive technology is critical to people with disabilities, older adults, and their families who are seeking to maintain and improve aspects of daily life. By offering an alternative to traditional financing options, the ATLP helps turn the dream of living independently into a reality.