



Maryland

DEPARTMENT OF DISABILITIES

Assistive Technology Program

**ANNUAL REPORT TO
GOVERNOR WES MOORE
AND
THE MARYLAND GENERAL ASSEMBLY
on the
ASSISTIVE TECHNOLOGY
LOAN PROGRAM
January 1, 2025**

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 might have to rely on high-interest credit cards, loans from second-tier lenders, home equity loans, or, in some cases, forego essential equipment altogether. The ATLP often serves as the only financing option for high-cost adapted vehicles, as the cost of vehicle adaptations can exceed the vehicle's overall value, leading traditional lenders to decline these loans.

The program currently partners with a local lender to provide loans through loan guarantees and, where appropriate, interest rate subsidies. This approach aims to make loans more accessible and affordable for individuals with disabilities and their families. All applicants who receive guaranteed loans through the ATLP have been denied loans through traditional lending methods. Alternatively, loans can be approved without a loan guarantee if the borrower meets the partnering institution's criteria for an approved loan. Even for these non-guaranteed loans, borrowers can benefit from discounted interest rates due to the ATLP's partnership with the lender, which ensures that all non-guaranteed borrowers referred by the ATLP receive a lower-than-market interest rate.

Additionally, program staff provide extensive application support and credit guidance to all potential borrowers throughout the application process.

2023-2024 Loan Activity & Program Expenditures

For the annual period of December 1, 2023, through November 30, 2024, the ATLP:

- Processed 109 loan applications totaling \$3,263,098.00 in funding requests
- Approved 78 loan requests totaling \$2,274,324.00
- Closed 42 guaranteed loans for a total of \$1,425,474.00
- Facilitated the closing of 2 non-guaranteed loans for a total of \$52,677
- Conducted 657 unique contacts with current and potential applicants
- During this reporting period, the ATLP managed and tracked 249 loans actively in repayment

During this same period, 50 applications totaling \$1,326,914.00 were withdrawn by applicants after submitting them to the program. Loan withdrawals happen for a variety of reasons including individual financial circumstances, accessing equipment or grant funding through a different 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 loan activity highlights include:

- As part of the iDrive initiative, the ATLP received 76 vehicle and vehicle modification loan requests totaling \$2,892,338 between December 1, 2023 and November 30, 2024.
- Closed 22 vehicle and vehicle modification loans, categorized as iDrive loans, totaling \$1,010,650 between December 1, 2023 and November 30, 2024.
- All ATLP applicants in 2024 indicated a satisfaction measure of highly satisfied/satisfied with their experience.
- From inception through November 30, 2024, the ATLP has received 3,183 loan applications and issued 1,322 loans totaling \$24.2M.
- Since inception, the total amount of repayments made by borrowers for guaranteed ATLP loans is \$14.4M.
- 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). Since the inception of the program, the ATLP has recovered \$192,354.34 on 140 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, ensure accessibility in the home, and more.

I. Education

In December 2023, the ATLP Board approved and guaranteed a loan in the amount of \$53,000 for the purchase of a van to transport twin boys with autism, intellectual disabilities, and language impairments to their daily vocational skills program. This vehicle included features not typically considered for adaptations, including dual passenger reinforced safety harnesses to maintain proper body alignment and to prevent escape while moving; an intercom system for the driver (parent) to provide verbal support and vehicle-wide white noise; and reinforced passenger side glass to avoid breakage due to periods of physical aggression. The loan, issued at a 3% interest rate, was the only option for the family as their sons were unable to utilize public transportation or ride in a standard vehicle with others because of their potential behavioral needs. Although outside the perception of a more traditional adapted vehicle loan, the Board considered the specific needs of this family and determined their request to meet the parameters of an adapted vehicle. With the receipt of this loan, the family was able to get their sons safely back and forth to their vocation skills program.

II. Employment

In May 2024, Ms. S applied to the AT Financial Loan Program, requesting \$6,500 to purchase hearing aids. Newly employed as a coordinator with a large hearing loss organization, Ms. S was aware that her new position would require her to work with different people having varying levels of hearing and hearing loss. Because insurance does not cover the cost of hearing aids, it was vital for her to acquire financing so that she could perform the job duties to her full capacity. Ms. S applied to the ATLP to

finance the hearing aids for 6 years. Initially, the request was outside the program guidelines due to a high debt-to-income ratio. However, after speaking with the applicant, it was found that the household debts were shared between her and her husband, even though the application was solely in her name. Once this information was clarified, Ms. S's debt-to-income ratio fell within program guidelines, and the ATLP Board approved the application at a 3% interest rate. The ATLP then coordinated with the vendor to establish the best payment solution as the hearing aid vendor was unable to accept a personal check for payment. ATLP staff worked with the lender to deposit the loan proceeds into Ms. S's checking account, enabling her to purchase the hearing aids using her debit card.

III. Community Living

Ms. B was a returning applicant to the ATLP. In 2023, she was approved for an adapted vehicle loan. Returning to the program in January 2024, Ms. B requested \$20,000 in a Home Modification Loan to install an elevator in the home. Ms. B's son has spinal muscular atrophy (SMA), and it had become impossible to transport her son to the second floor to access the bathroom because of a recent spinal fusion surgery. This left him unable to sit comfortably or safely in the stair lift, which they had previously used to access the multiple floors of the home. The ATLP Board approved the \$20,000 maximum for home modifications at 3%, for the installation of the elevator. However, all the elevator installation estimates were significantly higher than the approved loan amount. ATLP staff then collaborated with Ms. B to find an alternative solution that would enable her son to be bathed safely and comfortably without needing to be transported from the first floor. Ms. B used the Home Modifications Directory to identify licensed home improvement contractors in the state, and together with the company she identified, they developed a viable solution to build a full bathroom with a roll-in shower on the home's first floor. Ms. B was able to use the low interest Home Modification loan to fund the full cost of the adapted bathroom for her son.

IV. Program Coordination & Collaboration

In May 2024, Mr. C applied to the Assistive Technology Financial Loan Program, requesting \$20,000.00 for the purchase of an adapted vehicle. After careful consideration, the application was declined because he was unable to demonstrate having enough income to cover the cost of the loan request. After many conversations with Mr. C, it was apparent that he needed an adapted wheelchair vehicle to gain access to employment, medical appointments, and social events within the community. ATLP staff referred him to Cash Campaign of Maryland, a partner of the ATLP, for debt counseling services. Simultaneously, MDTAP's High Tech AT Reuse initiative was contacted by an owner of an accessible van whose previous passenger had passed away. The owner was looking to donate it to someone in need. The High-Tech AT Reuse program collaborated with the ATLP, connected the vehicle owner with Mr. C, and helped them coordinate details to schedule state inspection, facilitate title transfer, and identify & establish vehicle insurance. Mr. C was able to take ownership of the adapted van and is now a proud owner of his own vehicle.

Program Highlights 2024

- In 2024, the ATLP received a \$700,000 competitive grant from the Association for Community Living (ACL) to expand low interest financial loans and borrowing access for hearing aids and hearing assistive technologies. In coordination with the MD Assistive Technology Program, increased wrap-around access to consultations, device demonstrations, equipment loaners, and financing will be provided to ensure that Marylanders experiencing hearing loss are provided vital technology supports, from exploration to acquisition of needed hearing assistive technologies.
- Initially launched in 2022, the iDrive Maryland initiative expanded lending parameters (increased loan amounts & expanded re-payment terms) to Marylanders with disabilities, especially those living in rural areas of Maryland, seeking funding for adapted & non adapted vehicles. This highly successful program continued into 2024 and will be an ongoing financial option for Marylanders with disabilities purchasing adapted & non adapted vehicles.
- Renegotiated the current lender agreement, establishing a portion of interest-earning returns on all interest charged to ATLP-guaranteed loans. This new loan-fund sustainability action will go into effect January 2025.
- Secured a pilot-project agreement with the Association of Tech Act Programs (ATAP) wherein they will serve as the fiscal sponsor for the Maryland ATLP when applying for 501c3 limited grant opportunities.
- In 2024, the ATLP continued its partnership with CASH Campaign of Maryland, referring eligible consumers for free credit counseling, financial education, and credit management support. This partnership has also led to an annually recurring month-long Financial Resiliency Webinar Series aimed at Marylanders with disabilities, focused on increasing financial awareness by covering topics such as financial planning through the lifespan, housing affordability for people with disabilities, maintaining benefits while working, and more. This month-long series has been offered for the past four years in October.
- In collaboration with the Governor's Appointments Office, the ATLP secured appointments for all 11 ATLP Board seats and has trained all members on program policies, practices, credit evaluations, and credit risk assessments.
- Continued partnerships with three regional Centers for Independent Living to increase outreach in the rural regions of the state - Western Maryland, Southern Maryland, and the Eastern Shore. This partnership has ensured that people with disabilities residing in these counties receive information about the financial loan program, which has demonstrably increased the number of applications received from each of these regions.

Program Goals for 2025

- Establish a second lending partner to service AT loan requests, increasing consumer choice for ATLP applicants.
- Identify & improve database customization for more robust reporting measures.
- Establish an agency-wide protocol for file retention and utilize federal financial institution retention guidelines to craft written ATLP policy.
- Continue building partnerships with other Maryland state agencies, foundations, non-profits, and community development financial institutions (CDFI).
- Submit letters of intent (LOIs) and grant applications for new and innovative ATLP initiatives with a focus on expanded funding for assistive technologies and home modifications.
- Develop and host "Funding Hearing Aids and other Hearing Assistive Technologies" webinar training and create a companion funding guide featuring the ATLP and other funding options throughout the state.

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.