

SB

70

POSITION PAPER: DEPARTMENT OF EDUCATION

Division Vocational Rehabilitation Bill Number SB 70

Bill Title An act establishing a loan guarantee and interest rate subsidy program for Assistive Technology.

Sponsor Senator Duncan

Position Statement: Explain briefly what the bill does, its impacts and Department's position, i.e., a) support, b) do not support, c) neutral or d) oppose.

The Department of Education supports this bill. It would meet an identified need by a group of individuals in the State of Alaska which is not now being addressed. It is recommended that the mechanics of the loan guarantee and interest subsidies be clarified. Other than student loans by the Commission on Post Secondary Education, the Department is not in the loan business, and does not have the infrastructure to support significant responsibilities in this area. This would best be handled by banking institutions.

WHAT THE BILL DOES:

This bill would provide two types of assistance to individuals who need help in order to acquire assistive devices:

LOAN GUARANTEE

This bill provides for the state to guarantee loans issued to individuals who need assistive devices. The process for accessing the guarantee is as follows:

1. The individual completes an application available from their local assistive technology office.
2. The local office personnel will evaluate the degree to which the individual meets pre-established criteria for acquiring a loan and certifies those who qualify.

continued, see attached

APPROVED:

Director Keith J. Anderson Division Vocational Rehabilitation

Signature *Keith J. Anderson* Date February 11, 1993

Commissioner/Deputy *M. K. M. M. M.*

Signature *[Signature]* Date 2/18/93

Postition Paper: Department of Education

Bill Number: SB 70

Division of Vocational Rehabilitation

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Sponsor: Senator Duncan

continued from page one:

3. The individual presents the certification, along with an application for a loan, to a bank of his/her choice.
4. The bank acts on the application. After the loan is made it is treated as any other loan. If the person defaults on the loan, the state is liable to meet the outstanding obligation.

SUBSIDIZED INTEREST

Based on the ability of the individual to repay the loan, the state can subsidize the interest rate up to that required by the loaning institution.

IMPACT OF THE BILL:

If passed, this bill would make it possible for citizens of the State of Alaska to gain access to technological devices necessary for them to function more independently in their homes and communities. It is estimated that there are approximately 4,000 persons in the state who are in need of these devices. The cost of these devices vary broadly from a few dollars to several thousand dollars.

FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 70

1993 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Education

Title: An Act establishing a loan guarantee and interest rate subsidy program for Assistive Technology

BRU: Vocational Rehabilitation

Sponsor: Senator Duncan

Component: Assistive Technology

Requestor: Senator Duncan

COMPONENT SERIAL NO. _____ 1202

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	100.0	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	100.0	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts	100.0	-0-	-0-	-0-	-0-	-0-
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	100.0	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ -0-

ANALYSIS: (Attach a separate page if necessary.)

See attached.

Prepared by: Keith Anderson, Director *Keith Anderson*

Phone: 465-6932

Division: Vocational Rehabilitation

Date: February 11, 1993

Approved by Commissioner: *Jerry Covey*

Jerry Covey

Agency: Education

Date: February 11, 1993

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FISCAL NOTE

State of Alaska
1993 Legislative Session

BILL NO. SB 70

Title: An Act establishing a
loan guarantee and interest rate
subsidy program for Assistive
Technology.

Department Affected: Education
BRU: Vocational Education
Component: Assistive Technology

Sponsor: Senator Duncan
Requestor: Senator Duncan

The Assistive Technology of Alaska (ATA) Advisory Board has recommended to the division that we investigate using federal funds generated through the ATA project to fund the Technology Loan Fund. With this direction we have proposed to the federal funding agency a plan to fund the loan program by using federal receipts instead of state capital or general funds.

If approved ATA's fourth year grant includes a plan by which grant funds can be used to establish the loan fund. This would provide seed money to establish the loan fund. If this bill becomes law, the division can, by July 30, provide approximately 100.0 for this purpose. It is our understanding that this amount of money can be leveraged into as much as 750.0 as a guarantee and interest buy down depending on how the banking industry recommends the loans be set-up. This legislation forms a partnership between private industry and government to meet the needs of Alaskans with disabilities.

No additional staff cost.

Initial funding 100.0 from federal receipts, one year capitalization only.



Alaska State Legislature

SENATOR JIM DUNCAN

MEMORANDUM

Date: February 9, 1993

To: Senator Steve Rieger, Chair
Senate Health, Education and Social Services Committee

From: Senator Jim Duncan

Subject: SB 70, An Act establishing a loan guarantee and interest rate subsidy program for assistive technology.

Please schedule the earliest possible hearing for Senate Bill 70 by the Senate Health, Education and Social Service Committee. This legislation establishes the Assistive Technology Loan Guarantee Program. The program will assist persons with disabilities or their employers to purchase durable equipment, adaptive aids, and assistive devices to obtain or maintain employment or to live more independently.

The program will allow the Division of Vocational Rehabilitation to guarantee loans from private institutions. The division works with financial institutions to extend the time during which the loan is paid back. It can also buy down interest rates to make payments more manageable for consumers. An applicant's Permanent Fund Dividend can serve as collateral.

The disabled person must be unable to obtain the needed equipment through the Division of Vocational Rehabilitation, Medicare, Medicaid or other funding sources such as insurance companies. In making decisions about eligibility, the division must determine that the person requesting a loan guarantee is unable to obtain equipment or device from a free or less costly source. The division office conducting the initial screening must provide this documentation.

The division is responsible for evaluating the applicant's ability to make loan payments based on income and general credit history. It makes an initial determination of eligibility for the loan guarantee program and contacts the applicant and a local financial institution to initiate the loan process. The lending institution processes the loan pursuant to its standard procedures by incorporating the division's offer to guarantee the loan and buy

down the interest rate to make payments affordable. The division retains the discretion to deny the loan guarantee should the lender's review reveal additional information that reflects negatively on the applicant's ability or willingness to repay the loan.

A person with a disability or their parent or legal guardian may also apply for a vehicle loan under terms of the bill. The loan can be used for purchase or modification of a vehicle. The person must live independently or with their parents or guardians and be employed a minimum of one year before the date of the initial loan request.

I have requested a fiscal note, sectional analysis, and departmental position paper. Your favorable consideration of this request is appreciated.

DIVISION OF LEGAL SERVICES

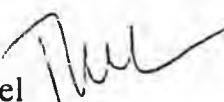
**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

March 11, 1993

SUBJECT: Sectional Summary of SB 70 (Assistive Technology)
TO: Senator Jim Duncan
FROM: Terri Lauterbach 
Legislative Counsel

You have requested a sectional summary of the above described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

This summary is brief. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please let me know.

Section 1. Establishes a program in the division of vocational rehabilitation in the Department of Labor under which the division could guarantee 90 percent of a loan or subsidize the interest rate of a loan guaranteed by the division for appropriate assistive technology that is designed to enable a handicapped individual to either be employed or otherwise live more independently.

TML:pl
93-184.plm

Governor's Committee on Employment of People with Disabilities
P.O. Box 107018
Anchorage, Alaska 99510-7018
(907)269-4877: Voice (907)269-4879: Text Telephone

March 19, 1993

Representative Pat Carney
Court, Room 607
Juneau, Alaska 99801-1182

Dear Representative Carney:

The members of the Governor's Committee on Employment of People with Disabilities would like to express their support of Senate Bill No. 70 and its companion House Bill No. 139. The Governor's Committee is interested in any legislation which may enable individuals with disabilities to gain, retain or advance in employment.

This legislation addresses a significant population of individuals in Alaska - the approximately 58% of individuals with disabilities who do not have access to the equipment which can help them live more sufficient lives. By providing low-interest, longterm loans which when repaid will continue to stimulate economic growth for years to come, this legislation can benefit people with disabilities, their families and employers.

By providing a guarantee of up to 90% of the loan principal amount or subsidizing the interest of a loan principal to a state or federally chartered financial institution, persons with disabilities, their families or businesses will be able to make direct application to their local bank for an assistive technology loan. Additionally, the anticipated federal funding will initially cover the activity with no immediate impact on the current state budget. However, the impact on the lives of individuals utilizing assistive devices as simple as eyeglasses, hearing aids, or walkers or as complex as talking computers, may be immeasurable.

The Governor's Committee supports the intent of SB-70 and HB-139 and urges your approval of this legislation when it comes before your committee for hearing.

Sincerely,



Don Brandon, Chair

Governor's Committee on Employment of People with Disabilities
P.O. Box 107018
Anchorage, Alaska 99510-7018
(907)269-4877: Voice (907)269-4879: Text Telephone

March 19, 1993

Senator Jim Duncan
Capitol, Room 119
Juneau, Alaska 99811-1182

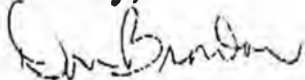
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The members of the Governor's Committee on Employment of People with Disabilities would like to express their support of Senate Bill No. 70 and its companion House Bill No. 139. The Governor's Committee is interested in any legislation which may enable individuals with disabilities to gain, retain or advance in employment.

As you know, this legislation addresses a significant population of individuals in Alaska - the approximately 58% of individuals with disabilities who do not have access to the equipment which can help them live more sufficient lives. Not only will this assist individuals with disabilities, but also their families and businesses.

The Governor's Committee supports the intent of SB-70 and HB-139 and will be monitoring its progress as it makes its way through committee. If we can be of assistance in any way, please let us know.

Sincerely,



Don Brandon, Chair

ASSISTIVE TECHNOLOGIES OF ALASKA

A report on the need for tools that enable Alaskans with disabilities to live, learn, work and play more independently



ASSISTIVE TECHNOLOGIES OF ALASKA

ASSISTIVE Technology Background

This booklet has been paid for with federal funds as part of a grant from the National Institute on Disability and Rehabilitation Research, U.S. Department of Education, and was administered by the Alaska Division of Vocational Rehabilitation.

For more information, additional copies or a non-print format of this document contact Assistive Technologies of Alaska at the following address:

Assistive Technologies of Alaska
400 D Street, Suite 230
Anchorage, Alaska 99501
Phone: (907) 274-0138
TDD: (907) 274-0517
FAX: (907) 274-0516



ASSISTIVE TECHNOLOGIES OF ALASKA

The goal of Assistive Technologies of Alaska (ATA) is to increase awareness of specialized equipment that can enhance the independence of people with disabilities, and to provide access to this equipment and technology.

ATA works in a direct and complementary role with other service providers. It plans to establish channels for information on new technologies and resources to be shared by various organizations and distributed to those who may benefit from them.

Four significant findings pave the way for ATA

This document summarizes a study conducted in the spring of 1991 by the Institute of Social and Economic Research (ISER), at the University of Alaska, Anchorage.

Surveyors polled Alaska residents at random by telephone, uncovering the following four major findings. These findings are significant in setting the goals and directions for Assistive Technologies of Alaska.

- **Communications devices represent Alaska's largest single assistive technology need.**
- **Almost 4,000 Alaskans with disabilities lack current information regarding assistive technology.**
- **Alaska Natives exhibit a much higher need for assistive technology than do other races.**
- **Rural Alaskans with disabilities experience the greatest need for all forms of assistive technology.**

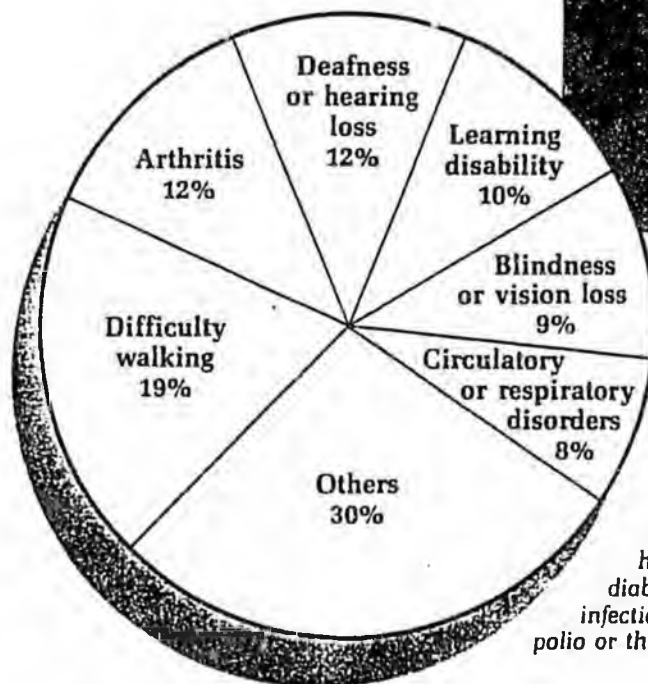
Complete survey results follow. It is important to note that the telephone poll may have resulted in low figures for deaf persons and those living in rural areas where telephone service is limited. The survey also excluded persons living in institutional settings. The numbers presented in this booklet are arrived at by a method known as statistical inferences.

More than 22,000 Alaskans with disabilities live on their own

The Institute of Social and Economic Research, at the University of Alaska, Anchorage, found 22,220 Alaskans, 4 percent of the state population, have disabilities and live outside of institutions. Their survey found that many of these Alaskans could benefit from additional equipment or services to help them become more self sufficient.

Difficulty in walking is the most common disability

Although Alaskans with disabilities often have more than one, the inability or difficulty in walking is the most common. This is followed by arthritis, deafness or hearing loss, learning disabilities, blindness or vision loss, and circulatory or respiratory problems.



Other disabilities include those with emotional or communicative disorders, head injuries, developmental disabilities, diabetes, stroke, seizure, drug/alcohol addiction, infectious disease, amputation, Alzheimer's disease, polio or the HIV virus.

Many services can help Alaskans with disabilities improve their lifestyles

One of the central goals of persons with disabilities is to live a more independent lifestyle. Alaskans with disabilities expressed a need for many of the following services. Most of the 22,220 identified are getting medical care, but 15 percent (3,416 Alaskans) are not receiving adequate medical care.

Persons Who Need Service	Service	% Not Receiving Service
13,013	Newsletters informing them of services	81%
6,355	Support groups	76%
14,007	Equipment for daily living and information on new products	58%
10,548	A centralized information source	55%
14,092	Help getting benefits available to them	37%
11,456	Job training	32%
10,505	Counseling	32%
7,224	Information on their disabilities	30%
13,790	Advocates to make their problems known	28%
22,220	Medical care	15%

14,000 Alaskans with disabilities would benefit from special equipment

About 14,000 Alaskans felt that special equipment could help them live, learn, work and play more independently. However, these same persons said they were not aware of all of the available equipment and need information on newer products.

More than half are not getting the special equipment they need

Of the 14,007 Alaskans with disabilities who need special equipment, 7,608 (58%) do not have access to the equipment that can help them live more self sufficient lives.

This equipment, called assistive technology, is often far from technical

The equipment available to help persons with disabilities function more independently is called "assistive technology." Some people associate this technology with complex computers or robotics. While these are forms of assistive technology, most Alaskans with disabilities could benefit from very simple tools that help with daily living. Some of the most common types of assistive technology include items that help people hear, such as hearing aids; read, with glasses or magnifiers; communicate, through voice synthesizers; or move, with the aid of walkers or wheelchairs.

Assistive technology is needed most often for communications

The task in which the greatest number of Alaskans with disabilities need assistance is in face-to-face communication with others. More than 1,900 Alaskans could benefit from assistive technology such as hearing aids and voice synthesizers.

Help with long distance communication was the second greatest need. Almost 1,700 Alaskans could benefit from tools such as TDDs or speaker phones.



Alterations in the home or office are also important

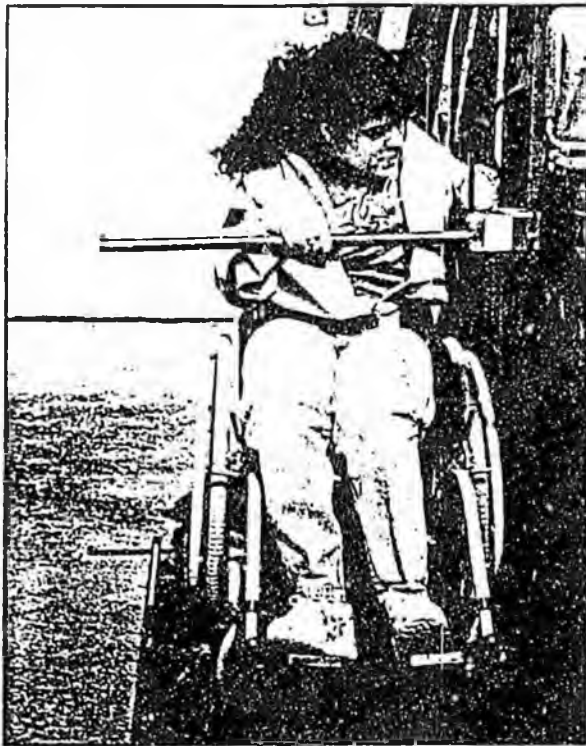
More than 1,600 Alaskans with disabilities need changes to their home or office, including building modifications or special appliances. Assistive technology designed for these uses includes wheelchair ramps, chair lifts, grab bars, pull down door knobs, tables, desks or cabinets that are raised or lowered, and similar devices.

About 1,100 felt a need for specialized control switches for lights, appliances and other environmental control systems.

Computers are adaptable tools

Nearly 1,700 Alaskans with disabilities could use some type of adapted computer equipment. Computers are easily adapted with assistive technology such as magnifiers for the video screen, braille keyboards or verbal input/output devices.





Accessible transportation is needed

Modifications to vans, buses and cars such as hand controls and wheelchair lifts can often make it easier for persons with disabilities to get around. An estimated 1,400 Alaskans see a need for this kind of transportation.



Alaskans with disabilities would like to enjoy recreation activities

A new sense of freedom and ability is often experienced by persons with disabilities when they are better able to enjoy their leisure time through the aid of recreational equipment. Almost 1,200 Alaskans desire access to equipment such as cycle chairs and adapted skis.

Tools that help with personal care are needed by a few people

Assistive aids that help with personal care and hygiene include catheters, bathing aids and commode chairs. This is a significant need for close to 1,000 Alaskans.



Technology can make persons with disabilities better workers

By raising a desk to accommodate a wheelchair, adding screen enlargement software to a computer, or installing pull down door knobs and wheelchair ramps, an employee with disabilities can become a more productive worker. Almost 800 Alaskans believe these assistive aids could help them.

Some Alaskans need help getting around

Slightly more than 700 Alaskans with disabilities need mobility aids. These may include basic wheelchairs, walkers or a guide dog for a blind person.

Type of Assistive Technology	Persons Not Receiving Needed Tools
Face-to-face communication	1,901
Long distance communication	1,686
Adapted computer	1,686
Braille identification	1,637
Accessible entrance	1,383
Residential devices	1,167
Handheld unit	1,124
Personal care	987
Work accommodations	777
Medical equipment	75

Almost 4,000 Alaskans with disabilities lack the information they need

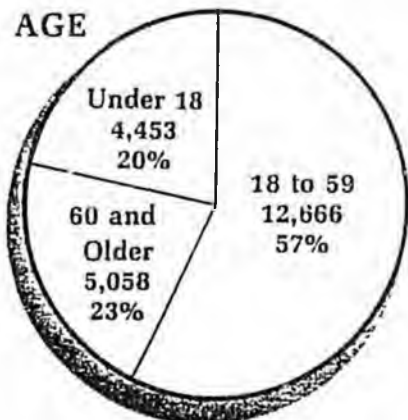
In order to get the assistive aids they need, Alaskans with disabilities need help finding information on what's available and obtaining financial assistance to buy or lease equipment. Almost 4,000 lack current information about new forms of assistive technology that could help them live more independently.

Category	Persons Not Receiving Needed Tools
Information on new assistive technology	3,900
Financial assistance to buy or lease equipment	3,800
Information on where to get assistive aids	3,700

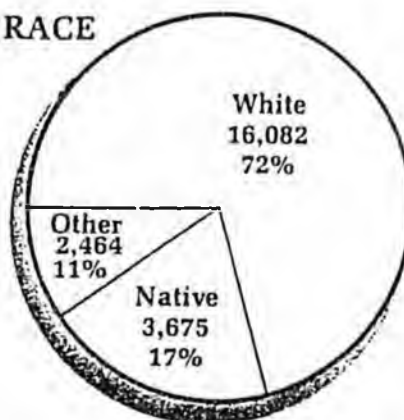
A profile of Alaskans with disabilities

Most Alaskans with disabilities are white, between 18 and 59 years of age and live in Southcentral Alaska. However, a significant number of Alaskans with disabilities are Native, many are 60 years or older and many reside in rural or Bush Alaska.

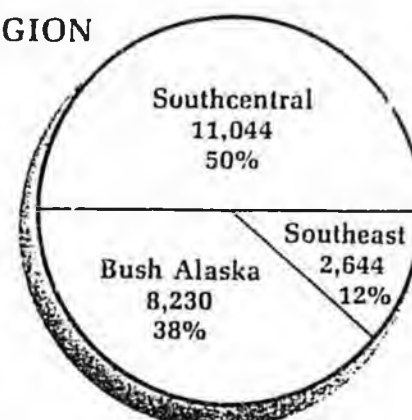
AGE



RACE



REGION



Younger Alaskans with disabilities see a need for computer-related aids

Alaskans with disabilities under 18 years-old seemed to show the greatest interest in technology adapted to computers. However, this younger group showed less interest in other forms of assistive technology, as did persons who were 60 years or older. This may be because many of their needs are being met by a parent or other member of their household.



Assistive technology is a big need for persons of working age

Technology in the workplace and at home was requested most often by persons with disabilities in the 18-59 age bracket. This is not surprising, since 18-59 is the average span of working years and a time when people usually live independently.

Alaska Natives have a greater need for assistive aids than other races

Alaska Natives, who represent 17% of Alaskans with disabilities, have a greater need for all forms of assistive technology. Their greatest need was for equipment to improve their ability to move around. Natives represented 41% of all Alaskans with disabilities requesting mobility assistance. The second greatest need expressed by Natives was for assistive technology in the home. Accessible transportation, aids to help with face-to-face communication and personal care assistance were the next greatest needs, in that order.



Rural Alaskans with disabilities represent the largest unmet need

A much larger number of rural Alaskans with disabilities require assistive technology of all kinds, compared to the state's major cities. Southcentral Alaska residents showed less need for assistive aids, possibly indicating a greater availability to residents in this region compared to the rest of the state.

The right tools must be found to meet these needs

The ISER study clearly shows that Alaskans with disabilities have many needs that are not being met for all forms of assistive technology. However, the study did not ask exactly how people expected to use this technology to meet their needs. As a result, it is difficult to determine what specific kinds of devices are required. In the case of computer-related technology, specific uses should be determined before deciding what role this often complex equipment may take.

Information services can help determine which tools are best

Access to information about the most current technology available to help with an individual's unique disability will help Alaskans make wiser decisions regarding which forms of assistive technology can best meet their needs.

Major findings from congressional hearings

The following points were documented during Congressional hearings prior to the adoption of the Technology-Related Assistance for Individuals with Disabilities Act in 1988.

- Technology is a powerful force in the lives of most U.S. residents.
- Technology can provide tools to make performing tasks quicker and easier.
- Assistive technology is a necessity that enables individuals with disabilities to engage in many tasks.
- There exists already a substantial number of assistive technology devices.
- The use of assistive technology devices and services can reduce the cost of disabilities to society.
- Many individuals with disabilities do not have access to assistive technology devices and services that would allow them to function commensurate with their abilities.
- There are insufficient incentives for commercial pursuit of the application of devices because of limited markets.
- There is a lack of coordination at the federal level among agencies that provide or pay for the provision of assistive technology devices and services.

The above findings were provided by the RESNA Technical Assistance Project, 1101 Connecticut Avenue, N.W., Suite 700, Washington, DC 20036.

Photo credits: All but two of the enclosed photos were taken by Gina Murrow, additional photography was done by Frank Flavin.

"TOOLS FOR LIFE" FACT SHEET

WHAT ARE THESE "TOOLS"?

*Daily Living Aids: Self-help devices that enable people who experience a disability to be more independent around the house-eating, cooking, maintenance, etc...

*Augmentative Communication: Electronic and non-electronic devices that help people without speech to express themselves verbally as well as receive communication.

*Computer Applications: Devices that enable people with disabilities to use a computer-headsticks, alternate keyboards, special software, etc...

*Environmental Control Systems: Usually electronic systems that enable someone to control household appliances, thermostat, TV, stereo, door locks, etc...

*Home/Worksite Modifications: Usually structural adaptations in the home or work such as ramps, raised tables, etc...

*Prosthetics and Orthotics: Braces, artificial limbs and other equipment that replaces or augments missing or malfunctioning body parts.

*Seating and Positioning: Accommodations to a wheelchair or other seating system to provide the user with greater body stability, support, posture, etc...

*Aids for Vision/Hearing Impaired: Aids for people with specific disabilities including magnifiers, Braille devices, hearing aids, etc...

*Wheelchairs/Mobility Aids: Manual and electric wheelchairs, and other equipment that assists people with disabilities to move about.

*Vehicle Modification: Hand controls, wheelchair lifts, modified vans, etc.

*Recreation Devices/Adaptations: Assist people to recreate more independently.

*Adaptive Toys: Toys useable by children who experience a disability.

obtain these vital "tools" as their needs and technology changes, the state will have lost one of their most vital natural resources.....people who with some assistance can and will make contributions to our education, economic as well as community systems.

WILL "TOOLS FOR LIFE" WORK?

There are expanding "success stories" happening at this very moment in other states and across the nation where persons with disabilities are accessing monies to purchase assistive technologies through loans and to a lesser degree grants.

In Maine, The Adaptive Equipment Loan Program (AELP) has been operational since 1988. Bonds totalling \$5,000,000 were sold and support a revolving loan fund which is available to its citizens and businesses to provide assistive technology. Administered through their state Finance Authority, AELP has closed a total of 129 loans effective July 1991 at \$1,286,510, based on an average interest rate of 6.04%. They have experienced only one default.

Kurzweil/Xerox joined forces with the American Foundation for the Blind in a unique, private-public cooperative venture to make \$2,000,000 available to blind consumers for purchase of their reading machines. Through the Bank of Boston, they have made available over 85 loans and have experienced no defaults! Rising interest earnings from these transactions will be used to expand this effort further into offering grants to more high-risk borrowers to meet their down payments.

The California Department of Rehabilitation administers two assistive technology financing programs. The first, the Handicapped Transportation Loan Guarantee Program (HTLGP), was established by their state legislature in 1981 with a \$300,000 appropriation. It encourages banks to extend credit to children with disabilities and their families who use wheelchairs to purchase vehicles and other special adaptive equipment. Over 43 loans have been guaranteed with 8 defaults and the fund has now grown to \$430,000.

The second program, Assistive Technology Guarantee Program (formerly the Supported Employment Loan Guarantee Program), was actually "seeded" with \$200,000 from the HTLGP and its resources are now \$296,000. Furthermore, borrowers who are disabled may utilize monies towards employment devices as well as for

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*Recreation Devices/Adaptations: Assist people to recreate more independently.

*Adaptive Toys: Toys useable by children who experience a disability.

WHO NEEDS THESE "TOOLS"?

According to a recently conducted random, digit-dial phone survey conducted by the University of Alaska's Institute of Social and Economic Research (ISER), March, 1991, there are more than 4,000 Alaskans with disabilities who can benefit from assistive technologies. This figure considered very low because it does not include individuals living in institutions, without phones or who are deaf or hard-of-hearing.

The U.S. Center for Disease Control is now reporting that 1 in every 6 Americans experiences a disability and that this rate is increasing as a result of the "greying" of our society and advancing medical research and treatment. This would then suggest that a more accurate estimate of Alaskans of any age who are disabled would approximate 91,850 persons. As many as 25%, or 22,963, may have disabilities severe enough to benefit from assistive devices and strategies. These tools, both "low" and "high tech, would vastly improve their independence.

AREN'T THESE "TOOLS" EXPENSIVE?

The President's Committee on Employment of People with Disabilities found in a nationwide survey of employers that most jobsite modifications for workers cost under \$600. Some of the most common "tools", eyeglasses and hearing aids, run between \$100 and \$300. Frequently, devices under \$10, such as hand grippers or extended tongs, provide individuals with disabilities more access. And, sometimes, solutions can even be at no-cost...like reorganizing one's work or living space or labeling a stove with embossed plastic tape.

WELL, THEN WHY DO WE NEED A ASSISTIVE TECHNOLOGY LOAN OR GRANT PROGRAM?

Though Alaska has a highly developed network of public, private, non-profit and for-profit agencies and organizations attempting to assist individuals of any age who are disabled become more independent and self-sufficient, they do not have the fiscal resources to continue to meet the ever, expanding assistive technology needs of persons with disabilities, their families and employers. The ISER study referenced earlier, shows but the "tip of the iceberg" of need. If Alaskans with disabilities cannot

obtain these vital "tools" as their needs and technology changes, the state will have lost one of their most vital natural resources.....people who with some assistance can and will make contributions to our education, economic as well as community systems.

WILL "TOOLS FOR LIFE" WORK?

There are expanding "success stories" happening at this very moment in other states and across the nation where persons with disabilities are accessing monies to purchase assistive technologies through loans and to a lesser degree grants.

In Maine, The Adaptive Equipment Loan Program (AELP) has been operational since 1988. Bonds totalling \$5,000,000 were sold and support a revolving loan fund which is available to its citizens and businesses to provide assistive technology. Administered through their state Finance Authority, AELP has closed a total of 129 loans effective July 1991 at \$1,286,510, based on an average interest rate of 6.04%. They have experienced only one default.

Kurzweil/Xerox joined forces with the American Foundation for the Blind in a unique, private-public cooperative venture to make \$2,000,000 available to blind consumers for purchase of their reading machines. Through the Bank of Boston, they have made available over 85 loans and have experienced no defaults! Rising interest earnings from these transactions will be used to expand this effort further into offering grants to more high-risk borrowers to meet their down payments.

The California Department of Rehabilitation administers two assistive technology financing programs. The first, the Handicapped Transportation Loan Guarantee Program (HTLGP), was established by their state legislature in 1981 with a \$300,000 appropriation. It encourages banks to extend credit to children with disabilities and their families who use wheelchairs to purchase vehicles and other special adaptive equipment. Over 43 loans have been guaranteed with 8 defaults and the fund has now grown to \$430,000.

The second program, Assistive Technology Guarantee Program (formerly the Supported Employment Loan Guarantee Program), was actually "seeded" with \$200,000 from the HTLGP and its resources are now \$296,000. Furthermore, borrowers who are disabled may utilize monies towards employment devices as well as for

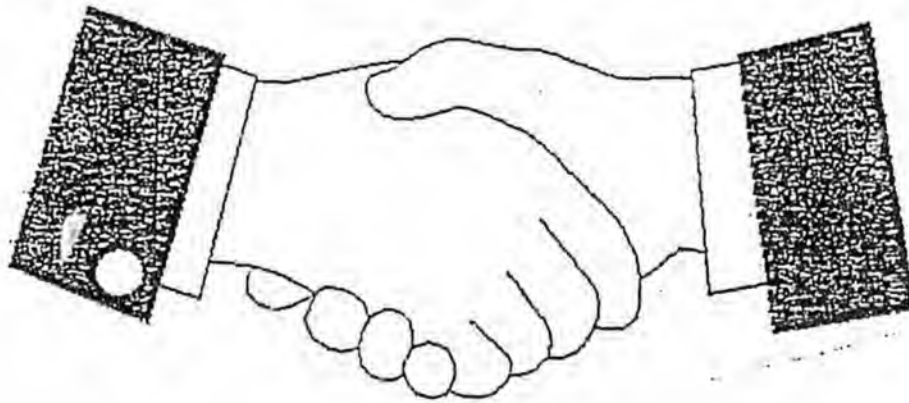
independent living. California Vocational Rehabilitation is presently looking at starting a third fund for fleet van purchases for adult consumers.

For four years Rhode Island's Vocational Rehabilitation office has administered a state appropriated revolving fund, Equipment Loan Fund, which started at \$100,000 and has now gone to \$120,000. At an interest rate of 5%, about 35 residents who are disabled have have been serviced with 8 more on the current waiting list. Individual loans may not exceed \$5,000.

Easter Seal Systems in Chicago, Illinois, has just received a Federal grant under the Technology-Related Assistance for Individuals Who Are Disabled Act, P.L. 100-407, to develop a replicable, national model for loan funds. From a base of \$50,000, they have made 10 loans to date and have 8 more under processing. Each loan must be for computer equipment only and cost no more than \$3,000. So far, they have had zero defaults and no payment delays.

Though just becoming functional, Vermont has enacted legislation to start an Adaptive Equipment Revolving Fund which is quite innovative. They have a base of \$50,000 and a 3-tiered approach, ranging from non-repayable grants for up to \$1,000 to fund raising through a designated non-profit corporation for items in excess of \$5,000. Another, Nevada, has just started a loan fund initiative in private sector cooperation with Valley Bank of Nevada. They are working from a "seed" of \$100,000 and an individual loan cap of \$3,000. They are hopeful of expanding into offering grants too for those that cannot qualify through even lenient credit guarantees.

The movement does not stop there. Minnesota, Utah, Arkansas, North Carolina, Hawaii, Virginia, Georgia, Florida and Mississippi have assistive technology loan funds under study at this moment within their state legislatures.



"TOOLS FOR LIFE" FACT SHEET

What is "Tools for Life"? It is an emerging public-private sector partnership to establish a guaranteed loan fund, "Tools for Life", which will enable persons with disabilities to purchase assistive technologies necessary to their independence now known as Senate Bill 70 and House Bill 139!

Who Will Be Affected? Persons with disabilities, their families, employers and businesses

Explain The Term Assistive Technologies (AT)? Simply put, these are devices and services that can help people live, learn, work and play within their communities. These tools range from simple eyeglasses, hearing aids and walkers to computers that talk and lift-equipped vans.

Why Do We Need This Fund? From a '91 study by the University of Alaska, over half of all persons with disabilities (58%) in the state do not have access to the equipment which can help them live more sufficient lives.

What Are The Benefits?

*Through "Tools", low-interest, longterm loans will be repaid and funds will continue to stimulate economic growth for years to come.

*Businesses will be enabled to improve accessibility of their facilities through these loans and expand customer and labor markets.

*Employment and re-employment of disabled or injured workers will be promoted, reducing workers' compensation costs and developing additional work force that can be tapped.

*Through the use and development of technology to improve independence and productivity of persons who are disabled, need for public support will be reduced.

*Inclusion of persons with disabilities will occur allowing all Alaskans to make a valuable contribution to their community.

(see next page)

How Will "Tools" Work? The State of Alaska will guarantee up to 90% of the loan principal amount or subsidize the interest of a loan to a state or federally chartered financial institution. Persons with disabilities, their families and employers will be able to make direct application to their local bank for a "Tools" loan.

What About The Costs? Anticipated Federal funding of \$100,000 is will "seed" this initiative with no immediate impact on the current state budget.

What Can I Do To Help?

**Call your regional Independent Living Program for more information below:*

*Southcentral Alaska 248-4777, voice/text type
Northern Alaska 479-7940, voice/text type
Kenai Peninsula 235-7911, voice/text type
Southeast Alaska 789-9665, voice/text ty. :*

**TALK, WRITE, OR SEND A PUBLIC OPINION MESSAGE TO YOUR STATE REPRESENTATIVE AND SENATOR NOW IN SUPPORT OF SENATE BILL 70 AND HOUSE BILL 139. Call your local Legislative Affairs Office listed under the State of Alaska for more information.*

**SHARE THIS FLYER WITH OTHERS AND ENCOURAGE THEM TO ACT NOW!!!*



PUBLIC HEARING

SENATE HEALTH, EDUCATION & SOCIAL SERVIC

LOCATION: FAIRBANKS

SB 70

MR.

GARY

ROTH

DENALI BANK

TESTIFY

03/22/93
13:35:18

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM
PARTICIPANT LIST (ALL PARTICIPANTS)
TCN:30424 SCHEDULED FOR:03/22/93 13:30 TO 15:30
PUBLIC HEARING SENATE HEALTH, EDUCATION & SOCIAL SERVIC

LTN1150
BY:ANC
FOR:ANC

LOCATION: ANCHORAGE

SB 70	MS.	JOYCE	GUEST	AK CHAP. M.S.	OBSERVE
SB 70	MS.	CAROLYN	MORRIS	GOV COMM PWD	TESTIFY

