

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 1267

S.P. 447

In Senate, March 15, 2005

An Act To Extend the Kim Wallace Adaptive Equipment Loan Program

(EMERGENCY)

Reference to the Committee on Business, Research and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MITCHELL of Kennebec.
Cosponsored by Speaker RICHARDSON of Brunswick and
Senators: BARTLETT of Cumberland, DIAMOND of Cumberland, NASS of York,
Representative: MERRILL of Appleton.

2 **Emergency preamble.** Whereas, acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

4
6 **Whereas,** unless this legislation is enacted as an emergency
measure, loans to persons with disabilities for transportation
assistance will no longer be available under the Kim Wallace
8 Adaptive Equipment Loan Program Fund; and

10 **Whereas,** in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
12 Maine and require the following legislation as immediately
necessary for the preservation of the public peace, health and
14 safety; now, therefore,

16 **Be it enacted by the People of the State of Maine as follows:**

18 **Sec. 1. 10 MRSA §372, §1,** as amended by PL 2003, c. 99, §1, is
further amended to read:

20 **1. Creation of fund.** There is established the Kim Wallace
22 Adaptive Equipment Loan Program Fund, which must be used to
provide funding for loans to qualified borrowers within the State
24 in order to acquire adaptive equipment designed to assist the
borrower in becoming independent and for other purposes as
26 allowed under section 376. The fund must be deposited with,
maintained and administered by the Finance Authority of Maine or
28 other state agency and contain appropriations provided for that
purpose, interest accrued on the fund balance, funds received by
30 the board to be applied to the fund and funds received in
repayment of loans. This fund is a nonlapsing revolving fund.
32 All money in the fund must be continuously applied to carry out
the purposes of this chapter.

34 **Sec. 2. 10 MRSA §374, sub-§3,** as amended by PL 1999, c. 731,
36 Pt. FF, §6, is further amended to read:

38 **3. Administer loan program.** The board shall administer the
Kim Wallace Adaptive Equipment Loan Program Fund established by
40 this chapter and may contract with the Finance Authority of Maine
and state or community-based groups dealing with disabled persons
42 for such assistance in administering the program as the board may
require. The board may employ persons, including private legal
44 counsel and financial experts, on either a temporary or permanent
basis, in order to carry out any of its powers and duties.
46 Employees of the board are not subject to Title 5, chapter 71 and
Title 5, chapter 372, subchapter 2.

48 **Sec. 3. 10 MRSA §374, sub-§4, ¶C,** as enacted by PL 1997, c.
50 489, §2, is repealed.

2 **Sec. 4. 10 MRSA §374, sub-§4, ¶D** is enacted to read:

4 D. Loan applications may be approved or denied by the board
6 only at a regular or special meeting except as follows:

8 (1) Approval of applications for loans may be
10 delegated by the board to a subcommittee of the board
12 containing at least 5 members if an applicant would
14 suffer undue hardship by waiting for the next regular
16 meeting; or

18 (2) Approval of applications for loans may be
20 delegated to outside contractors with criteria and
22 terms as provided by the board and approved no less
24 than annually.

26 All approved loans must be ratified by the board at the
28 board's next regular or special meeting. All loans
30 recommended for denial by the delegated authority must be
32 acted upon by the board at the board's next regular or
34 special meeting.

36 **Sec. 5. 10 MRSA §375, sub-§1**, as enacted by PL 1987, c. 817,
38 §2, is amended to read:

40 **1. Demonstration of purpose of loan.** The board may enter
42 into loan agreements with any qualifying borrower,--who and
44 exercise all powers of a lender or creditor. Loan security may
46 include the acquisition, use, management, improvement or
48 disposition of any interest in, or type of, real or personal
50 property, including grant, purchase, sale, borrow, loan, lease,
52 foreclosure, mortgage, assignment or other lawful means, with or
54 without public bidding and also including the assessment of fees,
56 the forgiveness of indebtedness, the receipt of reimbursements
58 for expenses incurred in carrying out its purposes and the
60 expenditure or investment of its funds. The borrower must
62 demonstrate that:

64 A. The loan will assist one or more persons with
66 disabilities to improve their independence or become more
68 productive members of the community; and

70 B. The applicant has the ability to repay the loan.

72 **Sec. 6. 10 MRSA §376, sub-§3**, as enacted by PL 2003, c. 99,
74 §2, is amended to read:

76 **3. Transportation assistance.** For the purpose set forth in
78 section 377,--subject--to--the--limitations--set--forth--in--that
80 section. This subsection is repealed June 30, 2005.

2 **Sec. 7. 10 MRSA §377**, as enacted by PL 2003, c. 99, §3, is
amended to read:

4 **§377. Loans for transportation assistance program**

6 The board may award loans for the purpose of assisting
persons with disabilities to purchase used vehicles necessary to
8 obtain or retain employment or employment training, subject to
the following limitations.

10 **1. Qualifications of borrower.** A loan may be made under
12 this section only to a qualifying borrower who meets the other
requirements of this chapter and who demonstrates a need for a
14 vehicle as part of an individualized plan toward employment
developed with a state or community-based organization that
16 provides employment services to persons with disabilities and
that is approved by the board.

18 ~~**2. Limitation on loan amount.** Loans made under this
20 section may not exceed \$7,000 per qualifying borrower.~~

22 **3. Aggregate amount of loans.** The maximum aggregate amount
of loans made issued under this section may not exceed \$250,000
24 ~~in fiscal year 2003-04 and \$250,000 in fiscal year 2004-05~~ 7% of
the value of program gross notes receivable.

26 ~~**4. Repeal.** This section is repealed June 30, 2005.~~

28 **Emergency clause.** In view of the emergency cited in the
30 preamble, this Act takes effect when approved.

32 **SUMMARY**

34 This bill amends the Kim Wallace Adaptive Equipment Loan
36 Program in the following ways.

38 1. It authorizes a state agency other than the Finance
Authority of Maine to administer the program fund.

40 2. It authorizes the program board to employ individuals as
42 needed.

44 3. It clarifies how loans are approved or ratified by the
board and provides that the board exercises the powers of a
46 lender or creditor upon entering loan agreements.

48 4. It continues the transportation assistance program that
would otherwise cease on June 30, 2005.