

789 KAR 1:010. General eligibility criteria for assistive technology loans.

RELATES TO: KRS 151B.450-151B.475

STATUTORY AUTHORITY: KRS 151B.465(9)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 151B.465(9) requires the Board of Directors of the Kentucky Assistive Technology Loan Corporation to promulgate administrative regulations through the cabinet to establish and administer a program for providing low-interest loans to qualified borrowers through qualified lenders for the acquisition of assistive technology. This administrative regulation prescribes when, and under what conditions, assistive technology loans shall be provided, in order to distribute limited funds equitably over the population of qualified borrowers.

Section 1. Definitions.

- (1) "KATLC" means the Kentucky Assistive Technology Loan Corporation.
- (2) "Nonprofit organization" means an incorporated entity under the provisions of KRS 273.163 to 273.387 that is in good standing with the Kentucky Office of the Secretary of State.

Section 2. Loan Purposes. The board shall:

- (1) Consider:
 - (a) A loan for the acquisition of assistive technology equipment if the equipment is essential to compensate for the limitations caused by the disability; or
 - (b) An additional loan to finance a repair or provide maintenance; and
- (2) Depending on the availability of funds and the applicant's eligibility for a loan, include in the amount of the loan:
 - (a) The cost of an assistive technology service, including an assessment or training, if the service is directly related to the assistive technology device; or
 - (b) An extended service agreement or warranty.

Section 3. Eligibility to Apply for a Low Interest Loan.

- (1) Except as provided in subsection (2) of this section, to be eligible to apply for a low interest loan, an applicant shall:
 - (a) Be an individual who meets the definition of qualified borrower established in KRS 151B.450(6) with a disability that is not of a temporary, transient, or acute nature;
 - (b) Be eighteen (18) years old and have the legal authority to enter into a contract; and
 - (c) Be a resident of Kentucky for at least six (6) continuous months prior to the date of application.
- (2) To be eligible to apply for a low interest loan, a nonprofit organization shall:
 - (a) Provide assistive technology to an individual with disabilities who is a resident of Kentucky; and
 - (b) Affirm that, and explain how, the adaptive equipment will be used for a current or potential employee, client, customer, or other associated individual with disabilities as required by KRS 151B.450(6).

Section 4. Initial Verification of Disability. An applicant for an initial loan shall verify disability by furnishing one (1) or more of the following:

- (1) A statement from a licensed medical professional indicating how the disability substantially affects one (1) or more major life activities as described in KRS 151B.450;
- (2) Proof of enrollment in one of the following:
 - (a) State vocational rehabilitation program;
 - (b) Social Security Disability Insurance (SSDI);
 - (c) Medicare enrollment based on disability;
 - (d) Medicaid enrollment based on disability;
 - (e) Veterans Administration enrollment based on current disability; or

- (f) Educational services enrollment under an individualized family service plan or individualized education plan; or
- (3) Other proof of a disability that affects a major life activity as required by KRS 151B.450(6).

Section 5. Required KATLC Application Information. The following material shall be required as part of the loan request:

- (1) Legal name, current address and telephone number, and Social Security number (if a nonprofit organization, the employer identification number shall substitute for the Social Security number);
- (2) Nature of relationship to a person with a disability (if applicant does not have a disability);
- (3) Nature of disability and how it affects one (1) or more major life activities as described in KRS 151B.450;
- (4) Description of the assistive technology being requested and how it will compensate for the limitations of a disability and improve the quality of life of an individual with a disability;
- (5) Amount of money requested including the cost for an extended warranty, necessary training, or other item requested to be included in the amount of the loan. An itemized price quote from the potential seller shall be attached;
- (6) Total current monthly income with sources;
- (7) Total monthly installment payments, which shall include the amount paid in rent, mortgage, credit card payments, or unsecured loans;
- (8) A signed statement that all submitted information is truthful and accurate;
- (9) A signed waiver allowing the release of information about the individual between the board and the qualified lender; and
- (10) If the applicant is a nonprofit organization, proof of that status as defined in Section 1(2) of this administrative regulation.

Section 6. Loan Application Procedure.

- (1) A loan request shall:
 - (a) Include as attachments all information and documentation required by Section 5 of this administrative regulation; and
 - (b) Be submitted to the KATLC, 275 E Main Street Mail Drop 2-EK, Frankfort Kentucky 40621, 1-877-675-0195.
- (2) After review of the request, the board of directors shall require the applicant to obtain an evaluation from an assistive technology professional, medical professional, or other professional if more information is needed for the board to make a decision.
- (3) An application shall include a quote for the total price of the equipment or service for which the loan is being requested. The board shall require the applicant to obtain additional price quotes if it considers the submitted quote to be unusually high, unless the applicant can demonstrate that the equipment is available from a single source.
- (4) The applicant shall be referred to a qualified lender that has previously entered into an agreement with the board that specifies the terms and conditions under which the qualified lender may make a loan. The qualified lender shall conduct a credit check of the applicant.
- (5) The qualified lender may reject the loan application. The board may override the denial based upon the following criteria:
 - (a) Medical debt;
 - (b) Payment of current obligations;
 - (c) Financial support from family;
 - (d) Existence of co-signer;
 - (e) Down payment; and

- (f) No credit history or limited credit history.
- (6) KATLC shall notify the applicant of its decision in writing, or in appropriate alternative format as requested, within fifteen (15) days after the decision is made.
- (7)
 - (a) If desired, an applicant who is aggrieved by a decision of the board shall petition the board for reconsideration, in writing or in appropriate alternative format, and may provide additional documentation related to credit history, income, or assistive technology that addresses the stated reasons for denial.
 - (b) The board shall:
 - 1. Consider the new information;
 - 2. Provide the applicant with an opportunity to be heard; and
 - 3. Inform the applicant of its decision at the meeting or in writing or in appropriate alternative format within seven (7) days if the applicant is not present at the meeting. The decision of the board shall be final.

Section 7. General Loan Requirements.

- (1) The minimum amount of a loan shall be \$500 and the maximum amount of a loan shall be \$50,000, except that the maximum amount for home modifications shall be \$15,000.
- (2) The period of a loan shall be from a minimum of one (1) year to a maximum of ten (10) years or the estimated life of a device, whichever is less. The loan period shall be congruent with the agreement between the board and the qualified lender pursuant to Section 10 of this administrative regulation.
- (3) The assistive technology that can be titled shall be titled in the name of the qualified borrower with the board or its agent as lien holder.
- (4) The board or the qualified lender may require a qualified borrower to insure the equipment for the remaining value of the loan.
- (5) The qualified borrower shall be responsible for the repair or maintenance of the equipment. An additional loan may be considered to finance a repair or maintenance.
- (6) An individual may obtain more than one (1) loan if the total amount of all loans does not exceed \$50,000.
- (7) The qualified lender may require a down payment.

Section 8. Priority Consideration. An application shall be considered in the order in which it was received according to the following order of preference:

- (1) An individual with a disability or parent or legal guardian of a person with a disability who has no current loans through the board;
- (2) An individual with a disability or parent or legal guardian of a person with a disability who has one (1) or more existing loans through the board; and
- (3) A nonprofit organization.

Section 9. Confidentiality. The application and all submitted information shall be held confidential.

- (1) KATLC shall use an identification number for each application. Unless otherwise required, the name, Social Security number, address, telephone number, and electronic mail address of the applicant shall not be revealed.
- (2) The board shall meet in closed session if discussing an appeal of an individual application and shall refer to an application in open session by its identification number.
- (3) The secretary of the cabinet or a designee shall maintain access to all records relating to an application or loan.

Section 10. Agreement with a Qualified Lender.

- (1) In contracting with one (1) or more qualified lenders, the board shall give primary consideration to:

- (a) The lender's ability to provide loans statewide;
 - (b) The most favorable interest rate available for technology loans;
 - (c) The most favorable interest rate to be paid on corporation deposits; and
 - (d) The funds to be made available for technology loans over and above the amount of corporation funds on deposit.
- (2) A qualified lender shall:
- (a) Execute a written agreement with the board that establishes the requirements and conditions for issuing a loan, the length of the loan, and procedures for collecting on delinquent or defaulted loans; and
 - (b) Agree to abide by all administrative regulations pertinent to the corporation in relation to loans.
- (25 Ky.R. 147; Am. 850; eff. 10-12-1998; 39 Ky.R. 1061; 1404; eff. 2-1-2013; 43 Ky.R. 613, 983; eff. 1-6-2017; Crt eff. 2-12-2020.)