



STATE OF MAINE
OFFICE OF THE STATE TREASURER
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HENRY E.M. BECK, ESQ
State Treasurer

GREGORY OLSON
Deputy State Treasurer

TO: Senator Peggy Rotundo
Representative Melanie Sachs
Senator Mike Tipping
Representative Amanda Roeder
Joint Standing Committee on Appropriations and Financial Affairs

FROM: Gregory Olson, Deputy State Treasurer

DATE: February 10, 2023

RE: L.D. 258 An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025"

Good morning, Senator Rotundo, Representative Sachs, Senator Tipping, Representative Roeder and members of the Joint Standing Committees on Appropriations and Financial Affairs and Labor and Housing. My name is Greg Olson, and I am the Deputy State Treasurer. Thank you for this opportunity to come before you today to discuss the Kim Wallace Adaptive Equipment Loan Program portion of Office of the Treasurer's budget. I am here today to testify in support of the fiscal year 2024-2025 biennial budget bill, LD258.

The Kim Wallace Adaptive Equipment Loan Program is a non-lapsing, revolving loan fund managed by the Office of the State Treasurer and allocated by the Adaptive Equipment Loan Program Board to make below-market rate loans to persons with disabilities seeking to purchase adaptive loan equipment. This program appears on page A-638. Kim Wallace, who became a quadriplegic as a result of a spinal cord injury in 1979, spearheaded this program, and successfully sought voter approval for the bonds that provided seed money for this program in 1987. Over the life of this program \$21M of loans have been made to acquire adaptive equipment. Adaptive equipment includes wheelchairs, home modifications, adaptive vehicles, ramps, among other things. The AELP board currently contracts with the AlphaOne agency to administer the program.

The AELP portfolio of loans consists of current outstanding principal of \$1,458,036. In FY2022 the program lent \$454,673 in principal and thus far in FY2023 has made \$347,320 in loans. These Loans are currently offered at an interest rate of 3.75%, which compares favorably to the current Wall Street Journal Prime Rate of 7.75%.

On behalf of the Office of the State Treasurer and the Board of Adaptive Equipment Loan Funds Program Board, that you reaffirm the current allocation to this program of \$4,001,000 for the biennium, which would make the full balance of this revolving loan fund available to lend to disabled Mainers.