

Calendar No. 318

105TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ 105-166

REHABILITATION ACT AMENDMENTS OF 1998

MARCH 2, 1998.—Ordered to be printed

Mr. JEFFORDS, from the Committee on Labor and Human Resources, submitted the following

REPORT

[To accompany S. 1579]

The Committee on Labor and Human Resources, to which was referred the bill (S. 1579) to amend the Rehabilitation Act of 1973, to reauthorize and to make improvements to the Act, and for other purposes, having considered the same, reports favorably thereon and recommends the bill as amended do pass.

CONTENTS

	Page
I. Introduction and Purpose	1
II. Background and Need for Legislation	3
III. Legislative History and Committee Action	5
IV. Explanation of the Bill and Committee Views	7
V. Cost Estimate	39
VI. Application of law to the legislative branch	43
VII. Regulatory Impact Statement	44
VIII. Section-by-Section Analysis	44

I. INTRODUCTION AND PURPOSE

S. 1579 was the result of extensive discussions among Senators and officials of the U.S. Department of Education, as well as discussions and recommendations from individuals with many different disabilities and organizations that represent them, from rehabilitation professionals in both the public and private sectors, advocates for individuals with disabilities, and individual directors who administer State vocational rehabilitation programs. The legislation was developed through a bipartisan, consensus-based process that preceded committee action.

The purposes of S. 1579, the Rehabilitation Act Amendments of 1998, are to: (1) link the Rehabilitation Act of 1973 and the Workforce Investment Partnership Act of 1998 (WIPA) and link the

State vocational rehabilitation systems to the existing and developing State workforce investment systems: (2) streamline the current vocational rehabilitation system to make it more efficient, economical, user-friendly, and easy to access; (3) provide greater access to information technology; (4) make improvements to discretionary programs related to personnel training, research, and demonstration projects; (5) improve the delivery of services to individuals with disabilities to provide them enhanced consumer choice, more jobs, and better jobs; and (6) extend through 2004 the authorizations of programs under the Rehabilitation Act of 1973 that expired in fiscal year 1997.

WIPA reestablishes and realigns the national workforce development and training system to make it more user-friendly and accessible. Part of that realignment is its link to the vocational rehabilitation system. Authorized by the Rehabilitation Act of 1973, this system is the country's major Federally funded job training program for disabled individuals. Its link to the new workforce development system will ensure that information about, and proper referrals between, the two systems provide a true safety net for individuals who would otherwise fall through the gap between the two systems.

State vocational rehabilitation agencies are saddled with repetitive and wasteful administrative requirements. The "Rehabilitation Act Amendments of 1998" have done away with many unnecessary procedures making the system more efficient, cost effective, and user friendly. For example, State vocational rehabilitation agencies' requirements for developing their State plans have been reduced and consolidated from 36 to 24 and the mandatory 1.5% set aside from a State's Federal allotment for the development of a "strategic plan" is eliminated. These steps alone will save States millions of dollars and countless hours that can all be better applied towards providing job training services. Furthermore, State vocational rehabilitation agencies' requirements for establishing an individual's eligibility for their services have been simplified. Not only will this change save States precious resources, but it will allow easier access for more individuals who qualify for job training/rehabilitation services.

Finally, the "Rehabilitation Act Amendments of 1998" generally improve the way job training and rehabilitation services are provided. The committee took full advantage of its opportunity to reauthorize the "Rehabilitation Act of 1973" and not only linked it to WIPA, but made enhancements over and above streamlining the program. The Amendments provide needed emphasis on self-employment, consumer choice, shared development of State plans among the various components of a State's disability leadership, access to computers and information technology, and assurances that all individuals with disabilities receive at least information and referral services (especially referral to the State's workforce development system).

II. BACKGROUND AND NEED FOR LEGISLATION

BACKGROUND

The Rehabilitation Act of 1973 provides comprehensive job training services to individuals with physical or mental disabilities. Administered by the Department of Education's Rehabilitation Services Administration, it is the major Federally funded program to do so. Its major goal is to help disabled individuals become employable and achieve self-sufficiency, independence, and integration into society.

The Rehabilitation Act was initially enacted by Congress in 1920 as a way of returning injured workers to their jobs. When the United States entered World War II, the Act was expanded to help the country meet workforce shortages at home. It was not amended again until 1973 when Congress gave priority under the Act to individuals with severe disabilities, assuming these individuals were deemed to have employment potential. The 1978 amendments created a major new service category comprehensive services for independent living. This program was designed to assist individuals become more independent and integrated into society. At the time, it was viewed, as an alternative vocational rehabilitation, although it is appropriately viewed as its complement. The Act was expanded again in 1986 by creating programs for individuals with disabilities who could not achieve or maintain employment without special assistance. These "supported employment" services often include "job coaches" who may stay at or periodically visit an individual's work-site.

The Act was last amended and reauthorized in 1992 for five years. Amendments to title I included provisions that again, emphasized and furthered self-sufficiency and independence and assured that underserved populations received services. These amendments also modified the eligibility criteria to speed up the eligibility determination process and to ensure that individuals with severe disabilities were not determined to be ineligible for vocational rehabilitation services programs because of the severity of their disabilities. In particular, the 1992 amendments provided that all individuals with disabilities are presumed to benefit from a State's vocational rehabilitation services and to have the potential to engage in employment unless the State vocational agency demonstrates that the individual is incapable of doing so. As a result of the amendments, the eligibility rates rose from 56.5% in 1992 to 76.5% in 1996. Retained in the 1992 amendments was "order of selection". When a State is financially unable to serve all those who are eligible, it must prioritize who receives services by defining and then serving first who are "most severely disabled."

In the 104th Congress an effort was made to reauthorize the Act through the Workforce Development Act of 1995, which would have consolidated and improved the Federal approach to support for job training. In that legislation, which was adopted by the Senate but not enacted, the Rehabilitation Act would have remained a free-standing statute that would have linked State vocational rehabilitation agencies to other job training components in State workforce systems.

The committee continues to believe that, in order to strengthen and improve job opportunities for individuals with disabilities, the Rehabilitation Act must be reauthorized and State vocational rehabilitation services must be linked to State workforce systems, without compromising the integrity, vitality, and unique nature of State vocational rehabilitation agencies.

NEED FOR LEGISLATION

Prior to any fact finding or review of current law, the Committee on Labor and Human Resources's Subcommittee on Employment and Training felt that this legislation, the "Rehabilitation Act Amendments of 1998," was essential for two reasons. First, in the new light of WIPA and its efforts to create a seamless job training system, this legislation was necessary to complete that effort. The Rehabilitation Act of 1973 and the new "Rehabilitation Amendments of 1998" are not merely disability programs. Their roots are in job training and job placement programs and it is in that spirit that this job training legislation was drafted to complement and link with the new workforce system under WIPA. It must be perfectly clear that it is the committee's intent to make a State's vocational rehabilitation program an integral component of a State's workforce system, creating a comprehensive job training system capable of serving all who come to its doors.¹

Second, the Rehabilitation Act of 1973's current authorization expired September 30, 1997 and therefore the law required a reauthorization if its programs were to continue. When the committee took up the current legislation, the Act was in its fifth month of extension pursuant to the General Education Provisions Act.² This reauthorization legislation is the product of a lengthy and detailed review of the current law done in an effort to meet these two needs.

The Subcommittee on Employment and Training, chaired by Senator Mike DeWine, began its review process in July 1997 with a hearing in Washington, DC on July 10 and a hearing in Columbus, Ohio on July 21. The witnesses at each hearing represented the "stakeholders" in the vocational rehabilitation process: Federal officials from the Department of Education, rehabilitation services providers, State administrators, consumers, and consumer advocates. The Subcommittee found, that in addition to the two needs for legislation mentioned above, those affected most by this Act had many other needs and suggestions for change.

The witnesses focused on six major themes in which they, as professionals in and consumers of vocational rehabilitation, felt the Rehabilitation Act of 1973 needed improvement. They were: consumer choice, streamlining the system's administrative process, due process, partnerships and links with the WIPA, increasing the number of successful employment outcomes, and extending the reauthorization period.

Of particular note were the statements offered by Judith Heumann, the Assistant Secretary of Education in the Office of

¹As expressed in section IV of this Report, it is also the committee's intent to assure the integrity of the vocational rehabilitation system. As it is linked to developing State workforce systems, it will retain its separate funding stream and governance.

²This Act (GEPA) provides for an automatic one year extension for the Rehabilitation Act of 1973 provided Congress does not act to reauthorize the Act prior to its expiration.

Special Education and Rehabilitative Services, Eric Parks, the Chairman of the Ohio Rehabilitation Services Commission, Janet E. Samuelson, President, Fairfax Opportunities Unlimited of Alexandria, Virginia, and Bobby Simpson, the President of the Council of State Administrators of Vocational Rehabilitation and the Director of the Arkansas Rehabilitation Services.

Judith Heumann, speaking about the issue of consumer choice, stated:

“. . . we must continue to reach toward the ideal of guaranteeing that people with disabilities are active participants in the rehabilitation process [and that] consumers have the right to choose in regard to the selection of their employment goal, the services needed to reach their goal, the providers of such services, and the methods to be used to procure the services and provide a clear framework of how choice is provided.”

Eric Parks, speaking about the issue of facilitating partnerships and linkages, stated,

“In our efforts to maximize all available resources, we have to come to understand the extraordinary value of partnerships . . . Some matters remain to be resolved [and the question we must always ask] is ‘how will this change better help [the] critical Federal/State partnership put someone to work in the most effective manner?’”

Also speaking to the issue of partnerships and linkages, Janet Samuelson, the President of Fairfax Opportunities Unlimited testified that,

“The proposed language on linkages to State workforce development programs should help assure access and coordination. Common intake and referral systems and requirements for cooperative efforts with employers are good proposals.”

Finally, Bobby Simpson, speaking to the issue of increasing the number of successful employment outcomes, testified that,

“The clear purpose and function of the vocational rehabilitation program should be to place individuals with disabilities in competitive employment in integrated settings with earnings at or above minimum wage. People with disabilities want the same kind of jobs that you and I want. They want real jobs in the competitive labor market, wherein they can perform real work which contributes to the national economy.”

The subcommittee concluded, based on the information obtained through two hearings, that the need for this reauthorization legislation extended well beyond the original necessities, to link the program to the WIPA and to reauthorize the expired Act. Because the Rehabilitation Act of 1973 was last amended in 1992 these changes are necessary not only in light of the WIPA, but also to update and further, build upon the positive changes made in 1992.

III. LEGISLATIVE HISTORY AND COMMITTEE ACTION

On July 10, 1997, and July 21, 1997 the Senate Committee on Labor and Human Resources's Subcommittee on Employment and Training held hearings on the reauthorization of the Rehabilitation Act of 1973 (S. Hrgs. 105–174 and 105–137), and the following individuals provided testimony:

July 10 (Washington, D.C.)

Judith Heumann, Assistant Secretary, Office of Special Education and Rehabilitative Services, U.S. Department of Education, Washington, D.C.;

Frederic K. Schroeder, Commissioner, Rehabilitation Services Administration, Office of Special Education and Rehabilitative Services, U.S. Department of Education, Washington, D.C.;

Katherine Seelman, Director, National Institute of Disability and Rehabilitation Research, Office of Special Education and Rehabilitative Services, U.S. Department of Education, Washington, D.C.;

Eric Parks, Chairman, Ohio Rehabilitative Services Commission, Columbus, Ohio;

Traci Meece, a consumer, Ohio Rehabilitative Services Commission, Columbus, Ohio;

Kevin Veller, Executive Director, Vermont Association of Business, Industry, and Rehabilitation, Winooski, Vermont;

Jay Johnson, Director, of the Center for Independent Living, East Grand Forks, Minnesota and a member of the National Council for Independent Living;

Janet E. Samuelson, President, Fairfax Opportunities Unlimited, Alexandria, Virginia;

Douglas Taksar, former consumer, Fairfax Opportunities Unlimited, Alexandria, Virginia;

Paul Marchand, Chairman, Consortium for Citizens with Disabilities, Washington, DC; and

Bobby Simpson, President, Council of State Administrators of Vocational Rehabilitation and Director, Arkansas Rehabilitation Services, Hot Springs, Arkansas.

Additional statements and letters regarding the reauthorization of the Rehabilitation Act of 1973 were also received and placed into the record.

July 21 (Columbus, Ohio)

Robert L. Rabe, Administrator, Ohio Rehabilitation Services Commission, Columbus, Ohio;

Bruce S. Growick, Ph.D., associate professor, the Ohio State University, Columbus, Ohio;

Rose Ann Hermiller, vocational rehabilitation supervisor, Ohio Rehabilitation Services Commission, Columbus, Ohio;

Barbara Corner, client advocate, Ohio Client Assistance Program, Columbus, Ohio;

Katina Karoulis, community employment specialist, Ohio Department of Mental Retardation and Developmental Disabilities, Columbus, Ohio; and

Claudia Bergquist, president, Ohio Association of the Deaf, Columbus, Ohio.

Additional statements and letters regarding the reauthorization of the Rehabilitation Act of 1973 were also received and placed into the record.

On January 28, 1998, Senators DeWine, Jeffords, Kennedy, Wellstone, Harkin, Frist, Collins, Dodd, Reed, Chafee, and Bingaman introduced the Rehabilitation Act Amendments of 1998, S. 1579.

On February 4, 1998, the Senate Committee on Labor and Human Resources met in Executive Session to consider Senate bill 1579, the Rehabilitation Act Amendments of 1998. The committee voted on the following amendments:

Senator DeWine offered a set of technical amendments which:

- 1) clarified the term "Governor" throughout the bill by inserting a new definition that stated that the term Governor may include "another appropriate officer of the State;"
- 2) clarified the term "personnel" as being those who are "employed by the designated State unit;"
- 3) corrected the length of reauthorization of the Helen Keller National Center Act by changing its renewal year from 2000 to 2004; and
- 4) renamed the "President's Committee on National Employ the Physically Handicapped Week" to the "President's Committee on Employment of People with Disabilities."

The amendment was accepted through a unanimous consent.

Final Action: The bill as amended was reported favorably by unanimous voice vote.

IV. EXPLANATION OF BILL AND COMMITTEE VIEWS

Along with the Senate Labor and Human Resource Committee's intended purposes for this legislation, there are two fundamental reasons S. 1579, The Rehabilitation Act Amendments of 1998, needed to be considered. The first is the critical consideration of the underlying Act's (Rehabilitation Act of 1973) expiration. That law expired on September 30, 1997. Without a reauthorization by September 30, 1998 the essential job training programs for individuals with disabilities would no longer be authorized to receive Federal funding. The committee reauthorizes the Act for seven years. The committee intends a seven year reauthorization to mirror WIPA's job training authorization as well as give State vocational rehabilitation agencies ample opportunity to implement S. 1579's many changes.

The second is the practical consideration of creating a seamless Federal job training system. As stated, WIPA dramatically reforms the nation's job training system in an attempt to better serve more people. The Rehabilitation Act, in addition to being a disability program, is a job training program. To properly develop a cohesive national job training system, this program must be synchronized with the newly formed programs under WIPA. Therefore, it is the committee's intent to facilitate that goal by linking the two systems. The bill includes extensive links between vocational rehabilitation agencies and State workforce systems. For example, amendments related to linkage are found throughout the bill in sections pertaining to the findings and purposes of the legislation, definitions, program administration, reports, information dissemination, and State plan requirements, including those concerning data reporting. Complementary and parallel provisions to promote linkage between vocational rehabilitation agencies and State workforce systems also are included in WIPA.

However, it is also the committee's intent that this partnership does not violate the integrity of the vocational rehabilitation system. Under no circumstance will the funds of a State vocational re-

habilitation agency be diverted to any purposes other than those spelled out in the Rehabilitation Act. The programs funded under WIPA must fulfill their responsibilities under the Americans with Disabilities Act to make their programs and services available and accessible to individuals with disabilities and must not rely on Rehabilitation Act funds. The committee intends that vocational rehabilitation funds be transferred to workforce investment centers only when and to what extent such centers house staff from the State vocational rehabilitation agency for the purpose of conducting the business of the State vocational rehabilitation program or, because of a contract or some other mechanism, the workforce investment center staff actually provides services authorized under the Rehabilitation Act to individuals with disabilities who are seeking and are eligible to receive such services.

The committee's agglutinated intended purposes for S. 1579 include and extend beyond the two basic needs for the legislation. These additional reasons came to light and were adopted by the committee as the Subcommittee on Employment and Training conducted hearings on the reauthorization and through an open and lengthy negotiation process that included vocational rehabilitation consumers, counselors, consumer advocates, the U.S. Department of Education, and State vocational rehabilitation agencies representatives.

These additional reasons include several changes that simplify the delivery of vocational rehabilitation services and increase the ability of State vocational rehabilitation agencies and job training agencies to work together to reach and assist individuals with disabilities. The committee creates new opportunities and expands existing ones to improve employment options for individuals with disabilities. Expansions include the promotion of self-employment as an employment outcome and discretionary dollars for self-employment and telecommuting initiatives. The committee feels individuals should develop their own individual rehabilitation employment plans (IREPs) or have the opportunity to work with a qualified vocational rehabilitation counselor in doing so. The committee intends for State vocational rehabilitation agencies to provide information up-front to individuals about how the State vocational rehabilitation system works. The committee also establishes new levels of accountability in the vocational rehabilitation process, so that comparisons within States and across State lines can be made about State efforts to help individuals with disabilities secure, maintain, regain, or advance in employment. The committee revamps the Rehabilitation Act's dispute resolution process and current data collection requirements so that the new data requirements emphasize outcomes over process, to parallel those in WIPA.

To proclaim and establish these intentions and goals, the committee bill makes numerous changes, both broad and detailed, to the Rehabilitation Act in the following areas:

PROVISIONS PRECEDING TITLE I

The committee bill includes many powerful links and references to WIPA within the Findings, Purposes, and Policies of the Act, as well as in other areas through S. 1579. As stated, the committee strongly believes that unless such links are clearly established

many individuals will be denied the employment-related assistance they need and deserve.

To accommodate the changes to the Rehabilitation Act, the committee adds many new definitions; several of which require particular clarification.

The term “administrative costs” provides specific examples of expenses that would be considered administrative costs, but is not meant to be an exhaustive list. For example, section 7(1)(C) would include expenses incurred in providing the full range of due process protections, including voluntary mediation available to an individual under section 102(c).

The terms “local workforce investment partnership,” “statewide workforce investment partnership,” “statewide workforce investment system,” and “workforce investment activities” are intended to mirror the meanings provided to these terms in WIPA.

The term “underemployment” covers situations in which individuals with disabilities are employed at levels beneath what they are capable of doing and what they want to be doing. For example, an individual with a disability who was previously trained as a nurse, but is currently employed as a nurse’s aide, would be “underemployed.” The Rehabilitation Act funds programs that help individuals get jobs, initial jobs, and jobs they would not have achieved otherwise because of their disabilities.

The term “requires vocational rehabilitation services” covers, as a specific category, individuals who receive SSI or SSDI benefits. The phrase “intends to achieve an employment outcome” clarifies the committee’s intent that individuals receiving SSI or SSDI benefits who intend to achieve an employment outcome are presumed eligible for vocational rehabilitation services. State vocational rehabilitation agencies may rebut this presumption and deny such individuals services the same way they can deny services to any other individual coming to their doors—i.e., in the case in which an individual does not expect to work or by demonstrating with clear and convincing evidence that the individual cannot benefit in terms of an employment outcome from vocational rehabilitation services. It is not the committee’s intent to create an entitlement for individuals receiving SSI or SSDI benefits. Rather, in light of their obvious and likely pronounced disabilities, it is the committee’s intent to encourage State vocational rehabilitation agencies to provide individuals receiving SSI or SSDI benefits, the services they plainly need. It is the committee’s hope that by streamlining this portion of the eligibility process, State rehabilitation agencies will save time and money in assisting individuals receiving SSI or SSDI benefits.

S. 1579 eliminates the requirement for an extended evaluation prior to a determination of ineligibility. The committee bill requires instead that State vocational rehabilitation agencies to explore individuals’ abilities to perform in real work situations before concluding that an individual is incapable of benefitting from vocational rehabilitation services. This may be done through trial work experiences including supported employment, on-the-job training, or other experiences using realistic work settings. The trial work experiences must be of sufficient length and variety to demonstrate the existence of clear and convincing evidence that an individual

cannot benefit from vocational rehabilitation services due to the severity of his or her disability. Although use of extended evaluation is no longer specified, it is not the committee's intent to preclude a State agency from using this method in circumstances in which the real work test is impossible or when the State vocational rehabilitation agency has exhausted other options without a determination.

The committee changes the term "individual with a severe disability" and "individual with a most severe disability" to an "individual with a significant disability" and "individual with a most significant disability", respectively. These new terms, which are preferred by many in the disability community, do not signify a change in meaning from the corresponding terms in current law.

The committee amends the definition of "supported employment". It is the committee's intention that supported employment be available to individuals with the most significant disabilities who are placed in competitive work in integrated work settings, as well as to individuals with the most significant disabilities who are working in integrated work settings toward a goal of competitive work. The amended definition of "supported employment" is not meant to diminish the basic intent of the supported employment model: to provide employment opportunities in the competitive, integrated labor market for individuals with the most significant disabilities. By revising the current definition of "supported employment", the committee acknowledges that many individuals with the most significant disabilities can achieve competitive work in integrated work settings but may need additional services and supports in order to reach that important goal.

Finally, although not identified as a definition in section 7, the term "integrated setting" as referenced throughout the statute, is intended to mean a work setting in a typical labor market site where people with disabilities engage in typical daily work patterns with co-workers who do not have disabilities; and where workers with disabilities are not congregated. It is the committee's intent that this definition include telecommuting or other home-based or self-employment.

The committee links (or makes consistent) administrative and reporting requirements in the Rehabilitation Act with those in WIPA. For example, the bill requires that reports submitted by State vocational rehabilitation agencies to the Rehabilitation Services Administration include information about the employment status of individuals assisted, that to the maximum extent appropriate, is the same as information required in WIPA. In addition, the bill includes an amendment requiring the Information Clearinghouse, in information it disseminates, to provide information and data regarding the location, provision, and availability of services and programs for individuals with disabilities, including such information provided by statewide workforce partnerships established under WIPA. It is the committee's intent that these links further its goal of coordinating States' generic workforce systems with States' vocational rehabilitation systems.

The bill also adds a new provision requiring the Commissioner of the Rehabilitation Administration to conduct studies and analyses to identify exemplary practices concerning vocational rehabili-

tation. Such studies are to address: providing informed choice in the rehabilitation process, promoting consumer satisfaction, promoting job placement and retention, providing supported employment, providing services to particular disability populations, financing personal assistance services, providing assistive technology devices and assistive technology services, entering into cooperative agreements, establishing standards and certification for community rehabilitation programs, converting from nonintegrated to integrated employment, and providing caseload management.

It is the committee's intent that funds allocated to evaluation activities be directed primarily to identifying and disseminating information about what works well, and away from identifying, defining, or redefining problems connected to the employment and independence of individuals with disabilities.

It is the committee's intent that the section (16), which precludes the use of allotted funds for any purpose other than those provided for in the Rehabilitation Act, be interpreted literally. Although it is the committee's intent to fulfill the need of this legislation to help create a seamless job training system, it must be emphasized that its funding may not be diluted or diverted to other purposes in doing so.

TITLE I—VOCATIONAL REHABILITATION SERVICES

PART A—GENERAL PROVISIONS

STATE PLAN

Through S. 1579 the committee streamlines the administration of the State vocational rehabilitation program. The committee specifies that a State is required to submit a State plan, containing information about vocational rehabilitation services, policies, procedures, or descriptions, only once. That provision applies to information that has been previously submitted to the Commissioner of the Rehabilitation Services Administration and that demonstrates that the State meets the requirements of title I of the Act, including any policies, procedures, or descriptions submitted under the title as in effect on the day before the effective date of the Rehabilitation Act Amendments of 1998. The bill specifies that a State's plan shall remain in effect, subject to the submission of such modifications as the State determines to be necessary or as the Commissioner may require, based on a change in State policy, a change in Federal law (including regulations), an interpretation of the Act by a Federal court or the highest court of the State, or a finding by the Commissioner of State noncompliance with the requirements of the Act, until the State submits and receives approval of a new State plan. It is the committee's intent that this streamlining will reduce costs and save time.

It is the committee's intent that the changes to the provisions regarding "order of selection" not affect its basic premise; i.e., when a State rehabilitation agency cannot afford to serve all its eligible individuals, to provide vocational rehabilitation services to those individuals meeting a State's definition of "individual with a most significant disability" first. It is the committee's intent that the amended portion of this section provide eligible individuals, who do not meet the order of selection criteria, with access to services pro-

vided through an expanded information and referral system implemented under section 101(a)(20)(B) of the Act. The committee feels that by giving States additional flexibility with regard to assistance they should or could provide individuals with disabilities, who do not meet State criteria for access to the full range of vocational rehabilitation services, more individuals with disabilities will secure employment.

The committee encourages the establishment of parallel personnel standards in public and private rehabilitation programs. Therefore, to the extent private providers of vocational rehabilitation services use personnel who do not meet the highest requirements in the State applicable to a particular profession or discipline, private providers must take steps to ensure the retraining or hiring of personnel who do meet a State's professional standards. It is the committee's hope that this will result in more individuals with disabilities receiving appropriate, effective, and timely assistance from a greater number of more qualified personnel.

The committee intends to streamline and simplify requirements related to personnel of State vocational rehabilitation agencies and therefore deletes States' obligations to provide 5-year projections on personnel needs and data on graduates from institutions of higher education and includes a revised comprehensive system of personnel development.

The comprehensive system of personnel development was initially included as part of the Rehabilitation Act Amendments of 1992 to address the need for qualified vocational rehabilitation personnel. The requirement that qualified vocational rehabilitation counselors and other staff meet standards that are consistent with national or State certification, licensure, or registration requirements is a critical aspect of the comprehensive system of personnel development.

The committee recognizes that additional resources may be needed to assist existing staff in meeting certification, licensure, or registration standards that are the highest in the State for each profession. That is why the committee shifted funding for inservice training for State vocational rehabilitation agency staff from title III to title I of the Act. The committee intends that the provisions that transfer this activity, and its related funding, ensure inflationary increases in the funds available to State vocational rehabilitation agencies for administering their comprehensive systems of personnel development. The set-aside does not preclude a State from expending additional title I funds (Federal or State match) to support necessary training or other aspects of the comprehensive system of personnel development.

The committee is pleased that the Administration supports the committee's intent to move the in-service training requirements and their funding from section 302 to section 110 of the Act. The President's fiscal year 1999 request for the training program is \$33,685,000. The request shifts \$5,944,000 to title I for in-service training. The fiscal year 1998 appropriation for the training program is \$39,629,000.

The committee intends that the standards adopted by a State under a comprehensive system for personnel development shall not discriminate on the basis of disability with regard to training and

hiring. This committee firmly believes that professional certification standards that have the effect of limiting the participation of individuals with disabilities in the profession or discipline to which the standards apply must not be allowed.

The committee intends to: consolidate reporting requirements to save time and resources, allow the use of sampling to reduce costs, and ensure reporting that parallels that required under WIPA to permit comparisons on employment outcomes for all individuals and more effectively link the two job training systems.

It is the committee's intent that no residence requirement be imposed on individuals seeking to receive services from a State vocational rehabilitation program. The requirement for an individual to be present in the State in order to be determined eligible to receive services should not be interpreted in any way to circumvent an individual's choice of an out-of-state service provider. With regard to such out-of-state placements, the committee intends that the requirement "to be present in the State" be imposed at the time of eligibility determination and not be used as a means of denying the continuation of services which are being provided in an out-of-state setting. This interpretation is necessary to ensure the continuation of services since referral to another State agency will in no way ensure such continuation of services.

The Act requires an annual review and reevaluation of the status of each individual with a disability served under title I, who has achieved an employment outcome either in an extended employment setting, in a community rehabilitation program, or any other employment under section 14(c) of the Fair Labor Standards Act (29 U.S.C. 214(c)) for 2 years after the achievement of the outcome (and annually thereafter if requested by the individual or, if appropriate, the individual's representative). This evaluation is to determine the interests, priorities, and needs of the individual with respect to competitive employment or training for competitive employment.

The committee is concerned that the required annual review of individuals placed in extended employment or other employment under wage certificates have been conducted in a rather superficial manner in the past. The committee views this statutory provision as critically important to ensuring that individuals with significant disabilities progress to jobs in the competitive integrated job market. To this end, the committee intends that these reviews not be merely paper exercises or discussions with staff at the community rehabilitation program at which the individual is employed. The reviews must be conducted in such a manner to ensure appropriate involvement of the individual or the individual's representative. In addition, the review must be supported by adequate documentation, including a signed acknowledgment from the individual or the individual's representative.

The committee intends that a State not use any funds made available under title I of the Act for the construction of facilities. The committee strongly contends that the need to spend Federal funds through the Rehabilitation Act on construction has long since passed.

Unlike current law which specified a 1.5% minimum, the bill authorizes the State to determine the amount it will reserve for inno-

vation and expansion activities. Nevertheless, States are required to reserve funds sufficient to support effective expansion activities and to provide the full amount of resources necessary for the State Rehabilitation Councils and the State Independent Living Councils to carry out their responsibilities. The amount of support reserved for the Councils should be consistent with the resource plans developed by the State Rehabilitation Council under section 105(d) and by the Statewide Independent Living Council under section 705(e). The committee hopes State vocational rehabilitation agencies to, at a minimum, maintain funding for the Councils at the same level established for fiscal year 1998 plus the amount necessary to enable the Councils to carry out any additional responsibilities assigned under this bill.

Simplifying current law, the committee now requires State vocational rehabilitation agencies to submit to the Commissioner reports containing annual updates of the information required in the Act in section 101(a)(7) (relating to a comprehensive system of personnel development) and any other updates of the information required under section 101 that are requested by the Commissioner, annual reports as provided in section 101(a)(15) (relating to assessments, estimates, goals and priorities, and reports of progress) and section 101(a)(18) (relating to innovation and expansion), at such time and in such manner as the Secretary may determine to be appropriate. The committee intends this simplification to further streamline administrative requirements under Act freeing State vocational rehabilitation agencies to spend more resources on assistance for individuals with disabilities.

COOPERATIVE AGREEMENTS AND COMPARABLE BENEFITS

The committee intends the State vocational rehabilitation agency to determine whether comparable services and benefits are available under another program (other than a program carried out under title I of the Act), before providing services to an individual, unless such a determination would interrupt or delay the progress of the individual toward achieving the employment outcome identified in the individual's individualized rehabilitation employment plan or would interrupt or delay the provision of such service to any individual at extreme medical risk.

To facilitate the payment of comparable benefits, the committee intends that State vocational rehabilitation agencies enter into appropriate agreements or contracts with other public entities. Such agreements are to include the following: a description of a public entity's financial responsibility for providing services, which shall precede the financial responsibility of the designated State unit (especially with regard to the provision of auxiliary aids and services); information specifying the conditions, terms, and procedures under which a designated State unit pursues and obtains reimbursement from other public agencies; information specifying procedures for resolving interagency disputes; information specifying policies and procedures for agencies to identify responsibilities of each agency to ensure the timely delivery of vocational rehabilitation services.

The committee bases its intent on an established public policy that the State vocational rehabilitation agency be the payor of last resort. This assures that more funds will be available to more indi-

viduals with disabilities while also assuring that other agencies and organizations live up to their obligations to individuals with disabilities. For example, it is the committee's intent that other public entities meet their obligation to provide services and benefits otherwise required of them by the Americans with Disabilities Act.

The committee also clarifies that comparable benefits do not include awards and scholarships based on merit. The committee feels that individuals with disabilities, who achieve financial awards based on merit, should not have such awards used as basis to reduce publicly-funded assistance to achieve an employment outcome.

The committee clarifies conditions under which State vocational rehabilitation personnel may serve students with disabilities, and obligates State vocational rehabilitation agencies to enter into cooperative agreements with Independent Living Councils, Independent Living Centers, and recipients of grants for services to American Indians.

In addition to interagency agreements and contracts dealing with comparable benefits, the committee expects interagency coordination between any appropriate public entity, including a component of the statewide workforce investment system, and the vocational rehabilitation agency. It is the committee's intent that these agreements, contracts, and other mechanisms further the public policy of making the State vocational rehabilitation agency the payor of last resort. Because there are so many individuals in need of vocational rehabilitation services, every dollar must be spent as wisely and practically as possible. Looking to other State and Federal agencies that are both required and capable of providing needed services will help achieve that goal. Such agreements must ensure the provision of vocational rehabilitation services that are included in the individualized rehabilitation employment plan. This includes services provided during the pendency of any dispute between entities over which entity could or should cover the cost of vocational rehabilitation services.

These cooperative agreements may take any form or address any topic, but the committee intends for these agreements to facilitate more communication, understanding, cooperation, and to prevent more individuals from falling through the gaps between the systems. Therefore, these agreements are intended to address interagency staff training, the provision of similar intake procedures, shared data bases regarding job opening and labor market information, and cooperative measures between the State rehabilitation agency and the State education agency.

Regarding the dissemination of labor market information, the committee includes a reference to nonvisual electronic networks to ensure that information access needs of blind and visually impaired individuals are addressed in the development and dissemination of employment and training services by electronic means. The use of systems which convert electronic text into synthesized speech for access by telephone is one promising approach now possible with state-of-the-art technology. The committee believes that systems such as this can be used effectively and will help to provide both nonvisual and universal access to important information about opportunities and resources.

With regard to the provision of transition services for students with disabilities, the committee encourages State vocational rehabilitation agencies to assist schools in identifying transition services as part of the development of the individualized education program (IEP) for those children who are receiving services under the Individuals with Disabilities Education Act. The committee intends that State vocational rehabilitation agencies may also participate in the cost of transition services for any student with a disability so long as those students have been determined eligible to receive vocational rehabilitation services under title I of the Rehabilitation Act. The committee believes that the extent to which the State vocational rehabilitation agency and educational agency personnel work together in planning for a student's transition following school, developing the individualized education program as it relates to transition, or in providing transition services is to be determined at the State or local level and reflected in an interagency agreement to which the State vocational rehabilitation agency and, at a minimum, the State educational agency are parties.

Regarding cooperative agreements between the State vocational rehabilitation agencies and the State education officials, the committee intends these activities to facilitate the transition of secondary school students with disabilities from school to post school activities. With regard to transition planning for students with disabilities, the committee believes strongly that transition planning should be construed as a constellation of activities designed to assist students with disabilities to plan for their post school years. Appropriate activities include community career exploration, functional vocational assessment, career counseling, acquisition of independent living skills, use and acquisition of assistive technology, participation in IEP meetings, and similar activities. Furthermore, the committee intends that formal interagency agreements between State vocational rehabilitation agencies and education officials identify their respective roles and responsibilities, including financial responsibilities, with regard to transition planning. Finally, for the purpose of cooperating in transition planning for students with disabilities, the committee views, as a matter of State discretion, whether State vocational rehabilitation agency requires formal application, determination of eligibility, or development of an individualized rehabilitation employment plan prior to participating in individual transition planning activities.

It is the committee's intent that public institutions of higher education meet their responsibilities under section 504 of this Act and the Americans with Disabilities Act by providing necessary auxiliary aids and services for individuals with disabilities who attend these institutions. The purpose of cooperative agreement or other mechanisms is to promote effective coordination between the State vocational rehabilitation agencies and other agencies, including institutions of higher education, ensuring that individuals, who are eligible for vocational rehabilitation services from or through a State vocational rehabilitation agency, receive appropriate support services in a timely manner.

The committee gives States maximum flexibility in complying with this provision. It specifies that the Chief Executive Officer of a State or other appropriate official may meet the requirements as-

sociated with agreements or other mechanisms through a State statute or regulation; a signed agreement between the respective agency officials that clearly identifies the responsibilities of each agency relating to the provision of services; or another appropriate method, as determined by the designated State unit.

The committee intends that the combined effect of cooperative agreements and the provision of comparable benefits will be, that over time, State vocational rehabilitation agency personnel will be able to more easily and quickly secure vocational rehabilitation services for eligible individuals with disabilities who seek an employment outcome by using funds and services from multiple sources as well as agency funds and agency-sponsored services.

STRENGTHENING PARTNERSHIPS

The committee recognizes the need for the disability community in a State to play a significant role in ensuring that the vocational rehabilitation program operates effectively. Therefore, the committee, in several respects, significantly strengthens the role of the State Rehabilitation Council (formerly named the State Rehabilitation Advisory Council) in developing policies, planning activities, evaluating program effectiveness, and carrying out other functions related to the vocational rehabilitation program. The committee bill requires that the Council, in conjunction with the State vocational rehabilitation agency, jointly conduct the comprehensive needs assessment of individuals with disabilities in the State, develop (and agree to) the State's annual goals and priorities in carrying out the vocational rehabilitation program, and evaluate the State's performance relative to its goals on an annual basis. Additional sections of the S. 1579, including sections 101(a)(21) and 105 of the Act, build upon the existing Council role by specifying its broad responsibilities to assist the State vocational rehabilitation agency in, for example, developing all portions of the State plan and amendments thereto, as well policies, procedures, and reports related to the vocational rehabilitation program. Through the bill the committee recognizes that the Council's role in some States is not purely advisory and in other States is evolving to reflect a true partnership between the Council and the State vocational rehabilitation agency in ensuring that individuals with disabilities receive appropriate, timely, and effective vocational rehabilitation services.

CHOICE

This bill adds a requirement that the State plan include an assurance that applicants or eligible individuals or, as appropriate, the applicants' representatives or individuals' representatives, will be provided information and support services to assist the applicants or individuals in exercising informed choice throughout the rehabilitation process, consistent with the provisions of section 102(d) of the Act.

The committee intends for vocational rehabilitation consumers to have an expanded role in the decisions regarding their job training. The committee endorses the increased independence of individuals with disabilities and to that end intends to remove from the Act processes that reinforce or promote paternalism. The committee believes a consumer-driven program is most effective in getting peo-

ple jobs and therefore intends to offer through S. 1579 increased opportunities for informed consumer choices related to job training and placements.

INFORMATION AND REFERRAL SERVICES

The committee expands upon current regulations by expressly authorizing State vocational rehabilitation agencies to establish an expanded program of information and referral services for eligible individuals not being served under a State's order of selection. Section 101(a)(5) of the Act requires that individuals be provided access to information and referral services, which may include vocational exploration, assistance in securing reasonable accommodations, or other services specified in section 101(a)(20)(B).

The committee intends to increase State flexibility with regarding information and referral services. To the extent that such services are not purchased by the State vocational rehabilitation agency, the bill gives States discretion to provide individualized counseling and guidance, individualized vocational exploration, supervised job placement referrals, and assistance in securing reasonable accommodations for eligible individuals who do not meet the State's order of selection criteria.

The committee does not intend the establishment of an expanded program to affect the State vocational rehabilitation agency's obligation to provide vocational rehabilitation services under an individualized rehabilitation employment plan to those eligible individuals who do meet the State's specific order of selection priority categories. Moreover, the committee expects that services authorized under the expanded program must be provided by staff, or supported by other resources, of the State vocational rehabilitation agency and cannot be purchased from third-party sources. As an example, individualized vocational exploration might be provided through a self-paced computerized job search and job skill matching program or through consultation with a vocational rehabilitation counselor. In addition, assistance in securing reasonable accommodations could be accomplished through the use of the Job Accommodation Network.

The committee is fully and unequivocally committed to assisting States aid individuals with disabilities to secure employment. By allowing a State, at its discretion, to provide specific forms of assistance to individuals who do not meet the States order of selection (if a State is under an order of selection), the committee helps meet this goal. The specific forms of assistance listed in the bill give a State and individuals it aids the opportunity to share information that can lead to a fully implemented individualized rehabilitation employment plan. If a State wishes to document such individualized assistance, beyond what is required under section 101(a)(10)(C)(ii)(I), for each individual it helps, through these specific individualized forms of assistance, the committee agrees that the State should do so and submit this data, if it elects to do so, to the Rehabilitation Services Administration.

ELECTRONIC AND INFORMATION TECHNOLOGY ACCESSIBILITY
GUIDELINES

The committee bill requires the State vocational rehabilitation agency assure that the State, and any recipient or subrecipient of funds made available to the State, under title I of the Act, will comply with the requirements of section 508 of the Act, including the regulations established under that section; and will coordinate efforts to comply with section 508 and will adopt grievance procedures that incorporate due process standards and provide for the prompt and equitable resolution of complaints concerning such requirements. The committee intends this new requirement to further the purposes of the revised section 508, to provide individuals with disabilities with greater access to electronic information.

ELIGIBILITY AND INDIVIDUALIZED REHABILITATION EMPLOYMENT PLAN
(IREP)

S. 1579 streamlines and clarifies provisions in current law pertaining to eligibility and the IREP; strengthens the guidance on informed choice; and in the due process provisions, adds voluntary mediation, amends the review of hearing officers' decisions, expands access to due process, and clarifies what vocational rehabilitation services are to continue when an individual files a complaint or resolution of a complaint is pending. The committee intends these changes to provide easier access to State vocational rehabilitation services, preserve State resources, and emphasize the committee's commitment to strengthening consumer choice.

The bill specifies that an individual is eligible for assistance under title I of the Act, if the individual has a disability as defined in section 7(20)(A) and requires vocational rehabilitation services to prepare for, secure, retain, or regain employment.

An individual is presumed to be able to benefit in terms of an employment outcome from vocational rehabilitation services, unless the State vocational rehabilitation agency can demonstrate by clear and convincing evidence that the individual is incapable of benefiting in terms of an employment outcome due to the severity of the individual's disability. In making the demonstration, the designated State unit shall explore the individual's abilities, capabilities, and capacity to perform in work situations, through the use of trial work experiences, as described in section 7(2)(D). The State vocational rehabilitation agency must provide appropriate supports, except under limited circumstances when an individual cannot take advantage of such experiences.

The committee bill adds that an individual who has a disability or is blind pursuant to title II or title XVI of the Social Security Act (42 U.S.C. 401 et seq. and 1381 et seq.) is presumed to be eligible for vocational rehabilitation services under title I of the Act, provided that the individual intends to achieve an employment outcome consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual, unless the designated State unit involved can demonstrate by clear and convincing evidence that such individual is incapable of benefiting in terms of an employment outcome from

vocational rehabilitation services due to the severity of the disability of the individual.

This provision recognizes that Social Security Disability Insurance beneficiaries (SSDI) and Supplemental Security Income recipients (SSI) are, by virtue of the stringent criteria applied by the Social Security Administration in making disability determinations, among the most significantly disabled individuals who apply for vocational rehabilitation services. Making SSI and SSDI recipients presumptively eligible for vocational rehabilitation services, therefore, will enable designated State agencies to expedite necessary services to such persons without expending time and resources on unnecessarily duplicative determinations related to eligibility.

As indicated above, the provision also states that a Social Security disability beneficiary is presumed eligible for vocational rehabilitation services “provided the individual intends to achieve an employment outcome consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual.” By this statement the committee intends to clarify that, for SSDI and SSI recipients, vocational rehabilitation services are provided for purposes of assisting eligible individuals, to prepare for, secure, retain, or regain employment. Thus, an SSDI or SSI recipient who applies for vocational rehabilitation services from a State vocational rehabilitation agency and intends on becoming employed, or retaining or regaining employment, is eligible to receive VR services.

The committee does not intend for presumptive eligibility create an entitlement to vocational rehabilitation services. As with any applicant, a State vocational rehabilitation agency can find a SSDI or SSI recipient ineligible for VR services if it can demonstrate by clear and convincing evidence that the severity of the individual’s disability prohibits the individual from benefiting from vocational rehabilitation services.

Although an SSDI or SSI recipient is considered an “individual with a significant disability” (under 102(a)(3)(A)), presumptive eligibility for vocational rehabilitation services does not entitle the individual to priority for services over other individuals with significant disabilities in a State operating under an order of selection under section 101(a)(5). The committee intends this presumptive eligibility be used solely to increase efficiency and facilitate the provision of timely work-related services for individuals who already have been determined to have a significant disability that affects their ability to work.

For purposes of determining eligibility of an individual for vocational rehabilitation services under title I of the Act and developing the IREP, the State vocational rehabilitation agency shall use information that is existing and current, including information available from other programs and providers; particularly information used by education officials and the Social Security Administration, and provided by the individual and the individual’s family.

Determinations made by officials of other agencies, particularly education officials, regarding whether an individual satisfies one or more factors relating to whether an individual has a disability as defined in section 7(20)(A) or has a significant disability as defined

in section 7(21)(A), shall be used in assisting the designated State unit in making such determinations.

The committee intends these changes to again underscore its desire to make the vocational rehabilitation system more accessible and user-friendly. Furthermore, the changes will allow State agencies to save time and money in making eligibility determinations.

If an individual who applies for services under this title is determined ineligible for services, or if an eligible individual receiving services under an IREP is determined to be no longer eligible for services, the ineligibility determination must only be made after providing an opportunity for full consultation with the individual or the individual's representative. The individual or the individual's representative shall be informed in writing (supplemented as necessary by other appropriate modes of communication consistent with the informed choice of the individual) of the ineligibility determination, including the reasons for the determination and a description of the means by which the individual may seek a remedy for any dissatisfaction with the determination. The individual must be provided with a description of services available from the Client Assistance Program under section 112 of the Act and information on how to contact that program. Any ineligibility determination based on a finding that the individual is incapable of benefiting in terms of an employment outcome shall be reviewed within 12 months, and annually thereafter, if such a review is requested by the individual or, if appropriate, by the individual's representative.

The designated State unit must determine whether an individual is eligible for vocational rehabilitation services under this title within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless exceptional and unforeseen circumstances beyond the control of the designated State unit preclude making an eligibility determination within 60 days and the designated State unit and the individual agree to a specific extension of time or the designated State unit is exploring an individual's abilities and capacities to perform in work situations.

S. 1579 specifies that if an individual is determined eligible for vocational rehabilitation services, the designated State unit shall complete the assessment of vocational rehabilitation needs, as appropriate, and shall provide the individual or the individual's representative, in writing and in an appropriate mode of communication, with information on the individual's options for developing an IREP, including: (a) information on the availability of assistance, to the extent determined to be appropriate by the eligible individual, from a qualified vocational rehabilitation counselor in developing all or part of the IREP, and the availability of technical assistance in developing all or part of the IREP; (b) a description of the full range of components included in an IREP; (c) as appropriate, an explanation of agency guidelines and criteria associated with financial commitments concerning an IREP; (d) additional required information or information the designated State unit determines to be necessary; (e) information on the availability of assistance in completing designated State agency forms; and (f) a description of the rights and remedies available to the individual including, if ap-

appropriate, legal recourse and a description of the availability of a Client Assistance Program.

S. 1579 specifies mandatory procedures for an IREP: (a) a written document prepared on forms provided by the designated State unit; (b) developed and implemented in a manner that affords eligible individuals the opportunity to exercise informed choice in selecting an employment outcome, specific vocational rehabilitation and job training services, the entity to provide these services, and the methods used to procure the services; (c) agreed to, and signed by, the individual or the individual's representative and approved and signed by a qualified vocational rehabilitation counselor; (d) reviewed at least annually by a qualified vocational rehabilitation counselor; and the eligible individual or, as appropriate, the individual's representative; and amended, as necessary.

The committee also specifies mandatory components that, regardless of the approach selected by an eligible individual to develop an IREP, must be contained in an IREP. They are: (a) a description of the individual's specific employment outcome and, to the maximum extent appropriate, results in employment in an integrated setting; (b) a description of the specific vocational rehabilitation services needed to achieve the employment outcome; (c) a description of the entity chosen to provide the vocational rehabilitation services, and description of the methods used to procure the services; (d) a description of the criteria to be used to evaluate progress toward achievement of the individual's employment outcome; (e) the terms and conditions of the IREP, including, as appropriate, information describing the responsibilities of the designated State unit, the individual's responsibilities of the eligible individual in paying for the costs of the plan, the individual's responsibility with regard to applying for and securing comparable benefits as described in section 101(a)(8), and the responsibilities of other entities as the result of arrangements made pursuant to comparable services or benefits requirements; (f) for an individual for whom a supported employment setting has been determined appropriate, information identifying the extended services needed by the eligible individual; and the source of extended services or, to the extent that the source of the extended services cannot be identified, a description of the basis for concluding that there is a reasonable expectation that such source will become available; and (g) a statement of projected need for post-employment services.

Many vocational rehabilitation consumers have expressed the need for greater choice and involvement in developing their service plans. Section 102(b) affords eligible individuals the ability to determine the extent to which the State vocational rehabilitation agency shall assist in the development of the individual's individualized rehabilitation employment plan. In addition, the State vocational rehabilitation agencies must provide their consumers with information on the availability of technical assistance in developing all or part of their plans. Although the plan's effect is conditioned on the approval and signature of both the eligible individual and a qualified State vocational rehabilitation counselor, the committee intends these requirements to empower individuals with disabilities to have greater control in developing a plan to address their unique needs. The committee intends that, in many instances,

counselors will serve more as facilitators of plan development than they did in the past.

DUE PROCESS PROCEDURES

S. 1579 requires that each State establish procedures for mediation. The bill also requires State vocational rehabilitation agencies to establish administrative review procedures.

These procedures shall provide that an applicant or an eligible individual or, as appropriate, the applicant's representative or individual's representative must be notified of the right to an review by an impartial hearing officer; the right to mediation; the availability of assistance from the Client Assistance Program. These notifications shall be provided in writing at the time an individual applies for vocational rehabilitation services; at the time the individualized rehabilitation employment plan for the individual is developed; and upon reduction, suspension, or cessation of vocational rehabilitation services for the individual.

If an individual (applicant or eligible individual) elects either mediation or impartial hearing to resolve his or her dispute with a State vocational rehabilitation agency, the individual is entitled to submit evidence and information to support his or her position and to be represented.

The committee believes that mediation is an equitable, economical, and speedy way of resolving disputes. By adding mediation to the law, the committee intends to promote mediation as an effective means to resolve disputes. The committee requires mediation to be voluntary on the part of the parties, not be used to deny or delay the right of an individual's right to a hearing, or deny any other right afforded under title I; and be conducted by a qualified and impartial mediator trained in effective mediation techniques.

The State must maintain a list of individuals who are qualified mediators, knowledgeable in laws (including regulations) relating to the provision of vocational rehabilitation services. The State bears the cost of the mediation process. Each session in the mediation process shall be scheduled in a timely manner and shall be held in a location that is convenient to the parties to the dispute. An agreement reached by the parties to the dispute in the mediation process shall be set forth in a written mediation agreement. Discussions that occur during the mediation process shall be confidential and may not be used as evidence in any subsequent due process hearing or civil proceeding. The parties to the mediation process may be required to sign a confidentiality pledge prior to the commencement of such process. Parties are not precluded from informally resolving the dispute prior to initiating any proceedings, as long as the informal process is not used to deny or delay the individual's right to a hearing or to deny any other right afforded under title I of the Act.

The committee intends to reshape the formal dispute resolution process to ensure due process. These amendments require hearings to be conducted by impartial hearing officer who issues a decision based on the provisions of the approved State plan, the Act (including regulations implementing the Act), and State regulations and policies that are consistent with the Federal requirements specified

in title I. The officer provides the decision in writing to both parties in a dispute.

A State may establish procedures to enable a party to seek an impartial review of hearing officer's decision by a State official outside of the vocational rehabilitation agency. The committee feels that the ability of the State Director of Vocational Rehabilitation to review and overturn a hearing officer's decision, as in current law, represents a conflict of interest. Therefore, S. 1579 ensures that any review of an impartial hearing officer's decision will be conducted by a non-interested party. The committee does not require States to establish a process for such reviews. If a State elects not to have an outside administrative review process, all appeals of hearing officers' decisions will simply be referred to the appropriate civil court.

Furthermore, the committee intends that unless the individual with a disability so requests it, pending a decision by a mediator, hearing officer, or reviewing officer, the designated State unit shall not suspend, reduce, or terminate any services being provided to the individual, including evaluation, vocational assessment, and plan development services. The State vocational rehabilitation agency may only suspend services if they were obtained through misrepresentation, fraud, collusion, or criminal conduct on the part of the individual, or the individual's representative.

INFORMED CHOICE

The committee intends that all eligible individuals be able to exercise informed choice throughout the vocational rehabilitation process. To assure that vocational rehabilitation consumers have greater consumer choice, the committee requires State vocational rehabilitation agencies to: (a) inform each such applicant and eligible individual (including students with disabilities who are making the transition from educational agency programs to vocational rehabilitation programs), through appropriate modes of communication, about opportunities to exercise informed choice including the availability of support services for individuals with cognitive or other disabilities who require assistance in exercising informed choice, throughout the vocational rehabilitation process; (b) assist applicants and eligible individuals in exercising informed choice in decisions related to the provision of assessment services under title I of the Act; (c) to develop and implement flexible procurement policies and methods that facilitate the provision of services, and that afford eligible individuals meaningful choices among the methods used to procure services; (d) to provide or assist eligible individuals in acquiring information that enables them to exercise informed choice in selecting an employment outcome, the specific vocational rehabilitation services needed to achieve the employment outcome, the entity that will provide the services, the employment setting and the settings in which the services will be provided, and the methods available for procuring the services; and (e) ensure that the availability and scope of informed choice provided under this section is consistent with the obligations of the designated State vocational rehabilitation agency.

VOCATIONAL REHABILITATION SERVICES

S. 1579 restates the provisions of the Act pertaining to "Vocational Rehabilitation Services" with amendments that add references to the individualized rehabilitation employment plan (IREP), employment outcome, informed choice, and training in the use of transportation services and systems; as well as clarifications.

In adding transportation training to the scope of vocational rehabilitation services, the committee recognizes the importance of the availability of transportation in an individual's achieving an employment outcome. To that end, the committee strongly urges the Secretary of Education and other appropriate Secretaries, including the Secretary of the Department of Transportation, through existing coordinating bodies or other mechanisms, to develop guidelines for State and local planning to achieve specific transportation coordination objectives, including but not limited to: identification of the transportation needs of individuals with disability served by or through vocational rehabilitation agencies and the appropriate mix of services to meet those needs; the expanded use of public transit services by such individuals; and cost-sharing arrangements among appropriate entities in establishing improved transportation services available to such individuals.

The committee also addresses interpreters. In determining whether interpreters are sufficiently qualified, States may employ the standard specified in the regulations implementing titles II and III of the Americans with Disabilities Act (ADA) in which "qualified interpreter" is defined as "an interpreter who is able to interpret effectively, accurately, and impartially both receptively and expressively, using any necessary specialized vocabulary."

The committee bill, in section 103(b) of the Act, specifies that vocational rehabilitation services provided for the benefit of groups of individuals with disabilities may also include the following: (a) In the case of any type of small business operated by individuals with significant disabilities the operation of which can be improved by management services and supervision provided by the designated State agency, the provision of such services and supervision, along or together with the acquisition by the designated State agency of vending facilities or other equipment and initial stocks and supplies. (b) The establishment, development, or improvement of community rehabilitation programs, that promise to contribute substantially to the rehabilitation of a group of individuals but that are not related directly to the individualized rehabilitation employment plan of any 1 individual with a disability. Such programs shall be used to provide services that promote integration and competitive employment. (c) The use of telecommunications systems (including telephone, television, satellite, radio, and other similar systems) that have the potential for substantially improving delivery methods of activities described in this section and developing appropriate programming to meet the particular needs of individuals with disabilities. (d) Special services to provide nonvisual access to information for individuals who are blind, including the use of telecommunications, Braille, sound recordings, or other appropriate media; captioned television, films, or video cassettes for individuals who are deaf or hard of hearing; tactile materials for indi-

viduals who are deaf-blind; and other special services that provide information through tactile, vibratory, auditory, and visual media. (e) Technical assistance and support services to businesses that are not subject to title I of the Americans with Disabilities Act of 1990 and that are seeking to employ individuals with disabilities. (f) Consultative and technical assistance services to assist educational agencies in planning for the transition of students with disabilities from school to post-school activities, including employment. Regarding special services providing nonvisual access to information, the committee intends that these services be available to anyone who cannot easily retrieve information from computer terminals. These services should include access to information about job opportunities via the telephone.

STATE REHABILITATION COUNCIL

The committee makes selected amendments to provisions affecting State Rehabilitation Councils. Regarding Council membership the committee: (a) adds at least one representative from the statewide workforce investment partnership; and, if funded in the State, a representative from a project funded under section 121; and one representative of the State educational agency responsible for the education of students with disabilities under part B of the Individuals with Disabilities Education Act; (b) allows a Council to have fewer than 15 members if it was in existence prior to the 1992 amendments to the Act; (c) clarifies that the Director of the designated State unit is a nonvoting member of the Council; (d) adds a requirement that the appointing authority, to the greatest extent practicable, consider the extent to which minority populations are represented on the Council; (e) allows the Governor to delegate to the Council the authority to fill vacancies on the Council; and (f) removes the time limit on appointments for certain the Council members.

In adding clarifications concerning Council membership, the committee amendments specify that the representative of the Client Assistance Program, and if the State has one, the representative from the American Indian Project funded under part C, are excepted from the prohibition against Council members serving more than two consecutive terms. This clarification was made in recognition of limited size of staff associated with many of such programs and projects and the value of continuity in representation given the unique functions of these programs and projects.

The committee was urged to assign the same exception status to the director of a State's parent information and training center. The committee did not do so. Such centers have employees, sponsors, parents assisted by the center, and volunteers, most of whom are parents or strong advocates for children with disabilities. By requiring parent center representation to rotate on the State Rehabilitation Council, as is required of most Council members, the committee believes that such rotation will bring vitality and diversity to the council with regard to the needs of children with disabilities who some day may need vocational rehabilitation services.

Regarding Council functions, the committee amends current law by: (a) clarifying that the Council analyze and advise the designated State unit regarding its performance helping individuals

with disabilities in achieving employment outcomes; (b) specifying that, in partnership with the designated State unit, the Council must develop and review State goals and priorities, evaluate the effectiveness of the vocational rehabilitation program, and submit reports of progress to the Commissioner of the Rehabilitation Service Administration; (c) clarifying that the Council advises the designated State agency and the designated State unit regarding authorized activities, and assists in the preparation of the State plan and amendments to the plan, applications, reports, needs assessments, and evaluations; (d) simplifying the scope of the Council's analysis of the State vocational rehabilitation program's effectiveness and consumer satisfaction with the State vocational rehabilitation program, and requiring the Council address individuals' employment outcomes and the availability of health and other employment benefits in connection with such employment outcomes; and (e) clarifying the Council's functions related to coordination with other entities. The committee intends these amendments to further its goal of creating a consumer-oriented and consumer-driven vocational rehabilitation system.

EVALUATION STANDARDS AND PERFORMANCE INDICATORS

S. 1579 amends the Act pertaining to "Evaluation Standards and Performance Indicators" by requiring the Commissioner to: (a) (no later than September 30, 1998) establish and publish evaluation standards and performance indicators; (b) review and, if necessary, revise the evaluation standards and performance indicators every 3 years (Any revisions of the standards and indicators shall be developed with input from State vocational rehabilitation agencies, related professional and consumer organizations, recipients of vocational rehabilitation services, and other interested parties. Any revisions of the standards and indicators shall be subject to the publication, review, and comment.); (c) effective July 1, 1999, to the maximum extent practicable, make the standards and indicators consistent with the core indicators of performance established under WIPA; and (d) beginning in fiscal year 1999, include in each annual report to Congress, an analysis of program performance, including relative State performance, based on the standards and indicators.

PART B—STATE ALLOTMENTS

The committee adjusts the reservation of funds for part C projects concerning vocational rehabilitation services to American Indians, allowing it to range from $\frac{3}{4}$ of 1 percent to 1.5 percent of the total amount of all States' allotments in fiscal year 1998, and to range from one percent to 1.5 percent of the total amount of all States' allotments in fiscal years 1999 through 2004. The committee intends this change to send a clear signal that, in order to more effectively provide funding for vocational rehabilitation services to American Indians with disabilities, funding should increase and be more predictable.

PAYMENT TO STATES

The committee eliminates the requirement to develop a strategic plan and prohibits using title I funds for construction. These limited changes to section 111 streamline administration and focus the use dollars on vocational rehabilitation services.

CLIENT ASSISTANCE PROGRAM

S. 1579 amends the Client Assistance Program (CAP) by: (a) requiring that if, after the date of enactment of the Rehabilitation Act Amendments of 1998, a designated State agency undergoes any change in its organizational structure that results in the creation of 1 or more new State agencies or results in the merger of the designated State agency with 1 or more other State agencies or departments and one of the agencies within the designated State agency was conducting a client assistance program before the change, the Governor shall redesignate an agency independent of the designated State agency to administer the CAP; (b) allowing increases in minimum allotments (not to exceed the percentage increase from one fiscal year to the next) as appropriations increase; and (c) requiring that each CAP have policies and procedures to assure that, to the maximum extent possible, alternative means of dispute resolution are available at the discretion of an applicant or client prior to resorting to litigation to resolve a dispute; and (d) defining the term “alternative means of dispute resolution to mean any procedure, including good faith negotiation, conciliation, facilitation, mediation, fact finding, and arbitration, and any combination of procedures, that is used in lieu of litigation in a court or formal adjudication in an administrative forum, to resolve a dispute.

INNOVATION AND EXPANSION GRANTS

Part C in current law was repealed. The committee intends this deletion to help streamline the administration of the vocational rehabilitation program.

PART C—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

The committee amends this part (part D in current law) by requiring grants not exceed 60 months in duration. The addition gives the Rehabilitation Services Administration flexibility in making decisions about the duration of individual grants, but also allows for long-term grants that will contribute to the stability and effectiveness of services.

PART D—VOCATIONAL REHABILITATION SERVICES CLIENT INFORMATION (RELETTERED AS PART D RATHER THAN PART E IN CURRENT LAW)

The committee updates current law relating to “data sharing” by adding provisions that specify that: (a) the Secretary of Education and the Secretary of Health and Human Services enter into a memorandum of understanding for the purposes of exchanging data; (b) the Secretary of Labor provides the Commissioner with labor market information that facilitates evaluation of the program carried out under part B of the Act, and allows the Commissioner

to compare the progress of individuals with disabilities who are assisted under the program in securing, retaining, regaining, and advancing in employment with the progress made by individuals who are assisted under title III of WIPA; (c) for purposes of the exchange pertaining to the Secretaries of Education and Health and Human Services, the data pertaining to the Social Security Administration's Summary Earnings and Records and Master Beneficiary Records are not considered return information (as defined in section 6103(b)(2) of the Internal Revenue Code of 1986); and (d) the confidentiality of all client information shall be maintained by the Rehabilitation Services Administration and the Social Security Administration.

TITLE II—RESEARCH AND TRAINING

The committee adds to the purposes of this title and intends to: require a comprehensive and coordinated approach to research, demonstration projects, training, and to ensure that it comports with the 5-year plan developed under section 202(h); amends the transfer of rehabilitation technology to individuals with disabilities through research and demonstration projects strengthens dissemination requirements; and adds an obligation to identify effective strategies that enhance opportunities to engage in employment, employment involving telecommuting, and self-employment.

It is the committee's intent that information and findings from work funded by the Institute be effectively disseminated so that information is accessible to the public, especially individual researchers, educators, rehabilitation practitioners, individuals with disabilities, and their families. The committee recommends that this information be provided and made readily available in a manner appropriate for audiences with diverse communication needs.

The committee understands that the broad mission of the National Institute on Disability and Rehabilitation Research (the Institute) creates challenges and stresses for the Institute. With the scope of its mission being so broad, it has raised expectations among diverse audiences about what it should or could fund. With the skewed latitude given the Director of the Institute, funding decisions related to minor competitions are wide open, whereas funding related to major competitions is often predisposed toward current awardee. The committee intends to bring more fairness, balance, cohesion, coherence, public scrutiny, and public and Congressional acceptance of the Institute's funding priorities through the amendments associated with section 202(h). The other amendments to section 202 of the Act update and clarify its authority so that the Institute will be more easily able to address important, emerging issues.

The committee (a) clarifies that the Institute is authorized to fund training projects; (b) amends the education program of the Institute to include the dissemination of engineering information associated with assistive technology devices; (c) in conducting conferences, seminars, and workshops, includes information about advances in the selection and use of assistive technology devices and assistive technology services; and (d) adds that the Institute conduct research to examine the relationship between the provision of

specific services and successful, sustained employment outcomes, including employment outcomes involving self-employment.

CONSUMER-DRIVEN INFORMATION NEEDS RELATED TO ASSISTIVE TECHNOLOGY

S. 1579 adds a new paragraph (c) to section 202 of the Act, mandating that the Institute provide for consumer-driven information needs related to assistive technology and assistive technology services through funding for the development and dissemination of models that include: (a) convening groups of individuals with disabilities, family members and advocates of such individuals, commercial producers of assistive technology, and entities funded by the Institute to develop, assess, and disseminate knowledge about information needs related to assistive technology; (b) identifying the types of information regarding assistive technology devices and assistive technology services that individuals with disabilities find especially useful; (c) evaluating current models, and developing new models, for transmitting information to consumers and to commercial producers of assistive technology, and (d) disseminating through 1 or more entities funded by the Institute, the models and information to consumers described above and commercial producers of assistive technology.

The committee recognizes that individuals with disabilities lack access to uniform, useful information about assistive technology devices and services that permit individuals to make comparisons and informed decisions about devices and services. The committee strongly urges the Institute to assume a leadership role in promoting the identification, use, and acceptance of uniform information about common devices and services. The committee is not suggesting that the Institute contemplate or set standards for devices and services, but working with individuals with disabilities who use and need devices and services, identify categories of information that should be provided on common devices and services. For example, there is certain vital information worth knowing about battery packs for electric wheelchairs, such as, cost, time between charges, weight, and models of chair for which they can be used.

STANDING PEER REVIEW PANELS

The committee amends the portions of the Act pertaining to the review of applications for funding that specify: (a) The Director shall provide for the review by using, to the maximum extent possible, appropriate peer review panels established within the Institute. The panels shall be standing panels if the grant period or the duration of the program involved is not more than 3 years. The panels shall be composed of individuals who are not Federal employees, who are scientists or other experts in the rehabilitation field, including knowledgeable individuals with disabilities, and who are competent to review applications for the financial assistance. (b) The Director shall solicit nominations for such panels from the public and shall publish the names of the individuals selected. Individuals comprising each panel shall be selected from a pool of qualified individuals to facilitate knowledgeable, cost-effective review. (c) And in providing for such scientific peer review, the Secretary shall provide for training, as necessary and appropriate,

to facilitate the effective participation of those individuals selected to participate in such review.

FIVE-YEAR PLAN FOR FUNDING PRIORITIES

The committee amends section 202 of the Act by tying all funding to a five-year plan. The Director is required to: (a) by October 1, 1998 and every fifth October 1 thereafter, prepare and publish in the Federal Register a draft of a 5-year plan that outlines priorities for rehabilitation research, demonstration projects, training, and related activities, and explains the basis for such priorities; (b) by June 1, 1999, and every fifth June 1 thereafter, after considering public comments, submit the plan in final form to the appropriate committees of Congress; (c) at appropriate intervals, prepare and submit revisions in the plan to the appropriate committees of Congress; and (d) annually prepare and submit progress reports on the plan to the appropriate committees of Congress.

NEW GRANT INITIATIVES

The committee amends section 204 of the Act by authorizing research grants related to quality assurance in the area of rehabilitation technology. Activities to be carried out under this research program may include: (a) the development of methodologies to evaluate rehabilitation technology products and services and the dissemination of the methodologies to consumers and other interested parties; (b) identification of models for service provider training and evaluation and certification of the effectiveness of the models; (c) identification and dissemination of outcome measurement models for the assessment of rehabilitation technology products and services; and (d) development and testing of research-based tools to enhance consumer decision making about rehabilitation technology products and services.

The committee requires the Director to develop the quality assurance research program after consultation with representatives of all types of organizations interested in rehabilitation technology quality assurance. Individuals with disabilities who use assistive technology devices and services indicate that they rely a great deal on other users as sources of information on the dependability, durability, safety, and value of devices and services. The committee believes strongly that the Institute has a special imperative to take quality assurance from where it is now—"word of mouth"—to a credible, accessible set of tools, strategies, and guidelines that allows individuals with disabilities and their families to make intelligent choices about assistive technology devices and services. Without such a commitment from the Institute, the committee believes public and private dollars will be misspent and opportunities to be more independent and productive will be lost.

The committee also authorizes research grants that explore the use and effectiveness of specific alternative or complementary medical practices for individuals with disabilities. Such grants may include activities designed to: (a) determine the use of specific alternative or complementary medical practices among individuals with disabilities and the perceived effectiveness of the practices; (b) determine the specific information sources, decision making methods, and methods of payment used by individuals with disabilities who

access alternative or complementary medical services; (c) develop criteria to screen and assess the validity of research studies of such practices for individuals with disabilities; and (d) determine the effectiveness of specific alternative or complementary medical practices that show promise for promoting increased functioning, prevention of secondary disabilities, or other positive outcomes for individuals with certain types of disabilities, by conducting controlled research studies.

The committee believes that the popularity and potential of alternative and complementary medical practices suggest that these forms of alternative therapies should be explored as they apply to people with disabilities. Thirty-four percent of Americans have used “nonconventional” medical therapies, making 425 million visits to alternative practitioners. This number exceeds those made to primary care physicians. Of a total \$13.7 billion spent for unconventional treatments, \$10.3 billion was paid for by the individual seeking treatment.

The Office of Alternative Medicine at the National Institutes of Health was established to explore the potential of unconventional medical practices, however, disability-specific research is needed to determine the use of alternative and complementary practices by people with disabilities and to determine the effectiveness of different practices on the functioning of people with specific types of disabilities. Additionally, the access of alternative approaches to people with disabilities needs to be explored in terms of informed choice and ability to access such alternatives. By clarifying the Institute’s authority in this area, the committee believes that important information about the effectiveness of alternative therapies on physical functioning, stamina, stress and pain reduction, as well as in other areas of inquiry, will become more readily available to individuals with disabilities, expanding their choices and contributing to their levels of independence.

TITLE III—PROFESSIONAL DEVELOPMENT AND SPECIAL PROJECTS AND DEMONSTRATIONS

The bill amends title III of the Act by streamlining, clarifying, and updating discretionary grant activities. The committee took into account the importance and potential of the full range of authority in current law, initiatives currently authorized in title VIII, which are repealed by this bill, and the need for the Department of Education to conduct competitions and make awards authorized under this title in a timely manner.

The committee amends the purposes of this title by requiring grants and contracts to: (a) provide academic training to ensure that skilled personnel to provide services to individuals with disabilities through vocational, medical, social, and psychological rehabilitation programs (including supported employment programs), through independent living services programs, and through Client Assistance Programs; and provide training to maintain and upgrade basic skills and knowledge of personnel employed to provide state-of-the-art service delivery and rehabilitation technology services; (b) conduct special projects and demonstrations that expand and improve the provision of rehabilitation services, or that otherwise further the purposes of this Act, including related research

and evaluation; (c) provide vocational rehabilitation services to individuals with disabilities who are migrant or seasonal farm workers; (d) initiate recreational programs to provide activities and related experiences for individuals with disabilities to aid in employment, mobility, socialization, independence, and community integration; and (e) provide training and information to individuals with disabilities and other individuals to develop the skills necessary for individuals with disabilities to gain access to the rehabilitation system and workforce investment system and to become active decision makers in the rehabilitation process.

The committee intends amendments to the training provisions in the Act to streamline the administration of this discretionary program, making decisions and notifications about funding more timely. The committee specifies that the Commissioner shall make grants to, and enter into contracts with, States and public or non-profit agencies and organizations (including institutions of higher education) to pay part of the cost of projects to provide training, traineeships, and related activities, including the provision of technical assistance, designed to increase the numbers of, and upgrading the skills of, qualified personnel (especially rehabilitation counselors) who are trained to provide vocational, medical, social, and psychological rehabilitation services.

The committee intends that grants and contracts may be expended for scholarships and may include necessary stipends and allowances.

One of the most important ways State workforce systems funded under WIPA and state vocational rehabilitation agencies will be to work together effectively will be through interagency coordination and training. Regarding training for statewide workforce systems personnel, the committee intends the Commissioner to make grants to and enter into contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to furnish training to personnel providing services to individuals with disabilities under WIPA.

Personnel may be trained: (a) in evaluative skills to determine whether an individual with a disability may be served by the State vocational rehabilitation program or another component of the statewide workforce investment system or (b) to assist individuals with disabilities seeking assistance through one-stop customer service centers established under WIPA. Such training may be jointly funded with the Department of Labor, using funds made available under title III of WIPA.

The committee intends for grants and contracts for academic degrees and academic certificate granting training projects to provide more qualified rehabilitation counselors and service providers. The committee amendments facilitates this end, while streamlining the administration of the training program.

The committee bill authorizes funding for training grants as such sums as necessary from fiscal years 1998 through 2004.

SPECIAL DEMONSTRATIONS

The committee amends the authority to fund special demonstrations. The committee intends that the Commissioner may award grants or contracts to eligible entities to pay all or part of the cost

of programs that expand and improve the provision of rehabilitation and other services authorized under this Act or that further the purposes of the Act. The committee specifies that: to be eligible to receive a grant or contract under section 303(a), an entity must be a State vocational rehabilitation agency, community rehabilitation program, Indian tribe or tribal organization, other public or nonprofit agency or a for profit organization.

Special demonstrations that may be funded are: (a) special projects and demonstrations of service delivery; (b) model demonstration projects; (c) technical assistance projects; (d) systems change projects; (e) special studies and evaluations; and (f) dissemination and utilization activities.

In announcing priorities for competitions for grants and contracts, the committee specifies that the Commissioner shall give priority consideration to: (a) projects that provide training, information, and technical assistance that will enable individuals with disabilities, to participate more effectively in meeting the vocational, independent living, and rehabilitation needs of the individuals with disabilities; (b) special projects and demonstration programs of service delivery for adults who are either low-functioning and deaf or low-functioning and hard of hearing; (c) innovative methods of promoting consumer choice in the rehabilitation process; (d) supported employment, including community-based supported employment programs to meet the needs of individuals with a most significant disability or to provide technical assistance to States and community organizations to improve and expand the provision of supported employment services; and (e) model transitional planning services for youths with disabilities.

Eligible applicants for grants and contracts include: (a) Parent Training and Information Centers funded under the Individuals with Disabilities Education Act; (b) organizations that meet the definition of a parent organization in section 682 of IDEA; and (c) private nonprofit organizations assisting parent training and information centers. Grant and contract recipients shall, to the extent practicable, coordinate training and information activities with Centers for Independent Living.

With regard to additional competitions, the committee intends that, in announcing competitions for grants and contracts under this section, the Commissioner may require that applicants address 1 or more of the following: age ranges; types of disabilities; types of services; models of service delivery; stage of the rehabilitation process; the needs of underserved populations; unserved and underserved areas; individuals with significant disabilities; low-incidence disability populations; individuals residing in Federally designated empowerment zones and enterprise communities; expansion of employment opportunities for individuals with disabilities; projects to promote meaningful access of individual with disabilities to employment related services under the WIPA and under other Federal laws; innovative methods of promoting the achievement of high-quality employment outcomes; the demonstration of the effectiveness of early intervention activities in improving employment outcomes; and alternative methods of providing affordable transportation services to individuals with disabilities who are employed, seeking employment, or receiving vocational rehabilitation services

from public or private organizations and who reside in geographic areas in which public transportation or paratransit service is not available.

With regard to continuation awards, the committee intends that the Commissioner may use funds for continuation awards for projects that were funded under sections 12 and 311 (as such sections were in effect on the day prior to the date of the enactment of the Rehabilitation Act Amendments of 1998).

Section 306 of the Act as amended by this bill specifies that the Commissioner may require that recipients of grants under title III of the Act as amended by this bill submit information, including data, as determined by the Commissioner to be necessary to measure project outcomes and performance, including any data needed to comply with the Government Performance and Results Act.

TITLE IV—NATIONAL COUNCIL ON DISABILITY (NCD)

The committee restates current law, but with amendments that: (a) with regard to staffing, in section 403(a)(1) of the Act, add to the authority of the Chairperson of the NCD by allowing the Chairperson to remove an executive director without regard to laws pertaining to Federal employment and in section 403(a)(2) of the Act, remove the cap on the number of staff NCD may employ; (b) with regard to money or property, in section 403(b)(2)(B) of the Act, add that NCD may solicit money or property; and (c) with regard to investment of NCD assets, in section 403(d) of the Act, add that the Secretary of the Treasury is to invest assets not required for operation of NCD.

TITLE V—RIGHTS AND ADVOCACY

Section 508 requires each Federal agency to procure, maintain, and use electronic and information technology that allows individuals with disabilities the same access to information technology as individuals without disabilities. The Access Board is required to issue regulations establishing the performance criteria necessary to implement the requirements of this section. However, the committee intends that agency compliance with section 508 begin upon enactment of the Rehabilitation Act Amendments of 1998. In order to ensure immediate agency compliance with section 508, the committee directs the Federal Acquisition Regulations Council, the Office of Management and Budget, and other Federal agencies, upon enactment of this bill, to modify procurement policies and directives, as appropriate, to reflect the requirements of section 508. The committee directs the Executive Branch to disseminate information to all Federal employees and customers regarding the requirements in section 508, including the right for an individual to file a complaint against an agency. The committee intends that this information be posted on each agency's website.

Agencies must assess their compliance with section 508 and report their findings to the Access Board. The committee intends for the Access Board to provide guidance to assist agencies in conducting their assessments. The committee believes that the "Requirements for Accessible Software" developed by the Department of Education should be used by the Access Board as one standard

against which agencies could measure their performance in the area of software.

PROTECTION AND ADVOCACY

The committee amends section 509 to: (a) Require, for any fiscal year in which the amount appropriated to carry out section 509 equals or exceeds \$10,500,000, the Commissioner to reserve and use a portion of the allotment to make a grant to the eligible system serving the American Indian consortium. The grant must not be less than \$50,000 for the fiscal year. (b) Provide minimum allotments to systems under subsection (c)(5), under subsection (c)(3)(B), to systems within States under subsection (c)(4)(B). The allotments to the remaining systems within States must be proportionally reduced, with necessary adjustments to prevent the allotment of any remaining system being reduced to less than the minimum allotment.

The committee authorizes funding for section 509 at such sums as may be necessary from fiscal year 1998 through fiscal year 2004.

TITLE VI—EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES

PART A—PROJECTS IN TELECOMMUTING AND SELF-EMPLOYMENT FOR INDIVIDUALS WITH DISABILITIES.

The committee, believing that the law needs to encourage independence and autonomy for individuals with disabilities, authorizes funding for two new types of projects: projects in telecommuting and self-employment for individuals with disabilities.

The committee believes that it is in the best interest of the United States to identify and promote increased employment opportunities for individuals with disabilities. Telecommuting is one of the most rapidly expanding forms of employment. In 1990 there were 4,000,000 telecommuters and that number rose to 11,100,000 in 1997. It is in the best interest of the United States to ensure that individuals with disabilities have access to telecommuting employment opportunities. It has been estimated that 10 percent of individuals with disabilities, who are unemployed, could benefit from telecommuting opportunities. It is in the interest of employers to recognize that individuals with disabilities are excellent candidates for telecommuting employment opportunities. Individuals with disabilities, especially those living in rural areas, often do not have access to accessible transportation, and in such cases telecommuting presents an excellent opportunity for the employment of such individuals. (e) It is in the best interests of economic development agencies, venture capitalists, and financial institutions for the Federal Government to demonstrate that individuals with disabilities, who wish to become or who are self-employed, can meet the criteria for assistance, investment of capital, and business that other entrepreneurs meet.

The committee intends to promote opportunities for individuals with disabilities to secure, retain, regain, or advance in employment involving telecommuting; gain access to employment opportunities; and demonstrate their abilities, capabilities, interests, and preferences regarding employment in positions that are increas-

ingly being offered to individuals in the workplace; and promote opportunities for individuals with disabilities to engage in self-employment enterprises that permit these individuals to achieve significant levels of independence, participate in and contribute to the life of their communities, and offer employment opportunities to others.

The committee intends that to be eligible for a telecommuting grant, contract, or cooperative agreement, an entity must either be a Project With Industry, a designated State agency, a statewide workforce investment partnership or local workforce investment partnership, a public educational agency, a training institution (including an institution of higher education), a private organization, or a public or private employer. A successful applicant must have 3 or more years of experience in assisting individuals with disabilities in securing, retaining, regaining, or advancing in employment and demonstrate the capacity to secure full and part time employment involving telecommuting.

The committee intends to promote and encourage self-employment for individuals with disabilities. To be eligible to receive funding for a self-employment project and entity must be a financial institution, an economic development agency, a venture capitalist, an entity carrying out a Project With Industry, a designated State agency or other public entity, or a private organization. These organizations must demonstrate the capacity to assist clients to successfully engage in self-employment enterprises.

PART B—PROJECTS WITH INDUSTRY (PWI)

In an effort to create a more seamless and cooperative system PWIs now have access to and use of labor market information identified by local workforce partnerships. The committee intends for PWIs to be permitted to provide training or job placement services and PWIs may now make eligibility determinations so long as they comport with both Federal and State statutes and guidelines.

PART C—SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH SIGNIFICANT DISABILITIES

The committee intends to continue the support for individuals with significant disabilities to achieve the employment outcome of supported employment. The committee requires that, under this part, States must include an assurance in their State plans that comprehensive assessments (funded under title I) of individuals with significant disabilities include consideration of supported employment as an appropriate employment outcome.

TITLE VII—INDEPENDENT LIVING SERVICES AND CENTERS FOR INDEPENDENT LIVING

CHAPTER 1, INDIVIDUALS WITH SIGNIFICANT DISABILITIES

PART A—GENERAL PROVISIONS

The committee adds at least one representative of the directors of projects serving American Indians with disabilities to State Independent Living Councils. The committee intends this addition to

give American Indians greater representation and influence on a State's Independent Living Council

It is the recommendation of the committee that appointments to the Statewide Independent Living Council be made in a timely manner by the Governor or the appropriate entity within the State responsible for making Statewide Independent Living Council appointments so that the Council may adequately and effectively perform its duties. The committee recommends that appointments should be filled within sixty days of the development of the Statewide Independent Living Council.

It is also the recommendation of the committee that vacancies on a Statewide Independent Living Councils be filled in a timely manner so that the Council may adequately and effectively perform its duties. The committee recommends that vacancies should be filled within a sixty day period upon the position becoming vacant.

PART B—INDEPENDENT LIVING SERVICES

The committee intends to clarify the means by which minimum allotments are adjusted for inflation.

PART C—CENTERS FOR INDEPENDENT LIVING

The committee intends to clarify the means by which minimum allotments are adjusted for inflation; specify that the Commissioner shall award grants to any eligible agency that has been awarded a grant under part C by September 30, 1997 unless the Commissioner makes a finding that the agency involved fails to meet program and fiscal standards and assurances set forth in section 725 of the Act; specify that the Commissioner awards grants to any eligible agency that has been awarded a grant under part C by September 30, 1997 unless the Commissioner makes a finding that the agency involved fails to meet program and fiscal standards and assurances set forth in section 725 of the Act; specify that Centers operated by State vocational rehabilitation agencies that received assistance for fiscal year 1993 with respect to a center (as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1998) may continue to receive assistance under this part for fiscal year 1994 or a succeeding fiscal year if, for such fiscal year if the conditions in section 724(1) and (2) of the Act are met; and extend the authorization of appropriations for part C, chapter 1 of title VII of the Act from fiscal year 1998 through fiscal year 2004 such sums as may be necessary.

MISCELLANEOUS AMENDMENTS OF THE BILL NOT RELATED TO THE REHABILITATION ACT

HELEN KELLER NATIONAL CENTER ACT (HKNCA)

The committee amends section 205(a) of the HKNCA, extending the authorization of appropriations for the Act from fiscal year 1998 through fiscal year 2004. It also extends the authority for the endowment from fiscal year 1998 through fiscal year 2004 and adds a new section requiring the establishment of a national registry of individuals who are deaf-blind with a separate authorization of appropriations for the registry that extends from fiscal year 1998 through fiscal year 2004.

The committee believes that a national database on deaf-blind individuals is essential to understanding the scope and nature of the deaf-blind population in America, and to better serve that population. Currently, under the Individuals with Disabilities Education Act (IDEA), the Federal child count includes deaf-blind children under the age of twenty-two. There is no register of individuals beyond that age. A cooperative agreement for the vocational rehabilitation of individuals who are deaf-blind provides the framework for collaborative efforts at the Federal,

State, and local levels for vocational rehabilitation services. New reporting codes for deaf-blindness were instituted by the Rehabilitation Services Administration several years ago. These codes established for the first time that deaf-blindness is a distinct disability group requiring its own treatment/service modalities. Many deaf-blind individuals are served through State offices of mental retardation and developmental disabilities, or through nursing homes or long-term care facilities.

One of the great obstacles facing providers of services to deaf-blind individuals is that the population is so heterogeneous: A deaf-blind person may have a college degree, or may be without formal communication skills. Each individual, therefore, has special needs, and often accesses entirely different service systems. It is impossible to plan services for people who are deaf-blind until it is determined who they are, where they live, and what they need. The Helen Keller National Center is the only comprehensive national service, training, and research organization serving deaf-blind citizens. It is appropriate that HKNC have the authority to establish and maintain a registry of deaf-blind individuals.

THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF INDIVIDUALS WITH
DISABILITIES

The committee gives the President's Committee on Employment of Individuals with Disabilities the authority to solicit money and property. [The authorization for the Committee is found in section 2(2) of the Joint Resolution entitled "Joint Resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week", approved July 11, 1949 (36 U.S.C. 155b(2)).]

V. COST ESTIMATE

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, February 26, 1998.

Hon. JAMES M. JEFFORDS,
Chairman,
Committee on Labor and Human Resources,
U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1579, the Rehabilitation Act Amendments of 1998.

If you wish further details on this estimate, we will be pleased to provide them.

The CBO staff contact is Deborah Kalcevic.
Sincerely,

JUNE E. O'NEILL,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 1579—Rehabilitation Act Amendments of 1998

Summary: S. 1579 would amend the Rehabilitation Act (VRA) of 1973 by reauthorizing several existing programs that cost over \$2.5 billion a year and altering the authorizing language for many of these grant programs. The bill would not reauthorize other programs that are currently unfunded. Although the major programs under the VRA expire in 1999, the Deficit Control Act requires that baseline spending projections assume extension of any mandatory program with outlays exceeding \$50 million (if that program was enacted before August 5, 1997). Consequently, the extensions of authorizations for VRA programs would not have any impact on pay-as-you-go budgetary procedures. The relatively modest changes to the VRA, which could have pay-as-you-go effects, would have an insignificant impact on direct federal spending.

The bill also would authorize appropriations for new programs totaling \$10 million for fiscal year 1998 and such sums as necessary for 1999 through 2004. Under the General Education Provisions Act (GEPA), which provides an automatic one-year extension of the authorization for all programs of the Department of Education, these authorizations would be extended through 2005. In addition, the bill would reauthorize the Helen Keller National Center Act, which expires at the end of fiscal year 1998. Costs for this program are projected to be about \$8 million a year. Finally, S. 1579 would eliminate authorizations for programs funded through Title VIII of the VRA, which currently are authorized through 1998. Title VIII programs are considered discretionary spending and are currently funded at about \$2 million a year.

Authorizations for discretionary appropriations under S. 1579 would total \$114 million for fiscal years 1998–2003, assuming adjustments for inflation. If funding for these programs is projected at 1998 levels without adjustments for inflation, authorizations over the 1998–2003 period would total \$105 million.

S. 1579 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA).

Estimated cost to the Federal Government: The estimated budgetary impact of S. 1579 is shown in the table below.

The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

Basis of estimate

Spending Subject to Appropriation

For new programs, CBO used the stated authorization amount for fiscal year 1998 as the basis for projecting costs for those years for which amounts are not specified. We projected such spending both with and without adjustments for inflation. Similarly, for existing programs with “such sums” authorizations, we used the 1998

By Fiscal Year, in Millions of Dollars

	1998	1999	2000	2001	2002	2003
SPENDING SUBJECT TO APPROPRIATION						
ending Under Current Law						
Budget Authority	4	--	--	--	--	--
Estimated Outlays	3	1	--	--	--	--
With Adjustments for Inflation						
Proposed Changes						
Vocational Rehabilitation Act						
Estimated Authorization Levels	10	12	12	13	13	13
Estimated Outlays	7	11	12	12	13	13
Helen Keller National Center Act						
Estimated Authorization Levels	--	8	8	8	8	8
Estimated Outlays	--	5	8	8	8	8
Spending Under S. 1579						
Estimated Authorization Levels	14	20	20	21	21	22
Estimated Outlays	10	18	20	21	21	22
Without Adjustments for Inflation						
Proposed Changes						
Vocational Rehabilitation Act						
Estimated Authorization Levels	10	12	12	12	12	12
Estimated Outlays	7	11	12	12	12	12
Helen Keller National Center Act						
Estimated Authorization Levels	--	8	8	8	8	8
Estimated Outlays	--	5	7	8	8	8
Spending Under S. 1579						
Estimated Authorization Levels	14	19	19	19	19	19
Estimated Outlays	10	17	19	19	19	19
DIRECT SPENDING						
Baseline Spending Under Current Law						
Estimated Budget Authority	2,555	2,601	2,668	2,735	2,808	2,885
Estimated Outlays	2,529	2,585	2,646	2,713	2,784	2,860
Proposed Changes						
Estimated Budget Authority	*	*	*	*	*	*
Estimated Outlays	*	*	*	*	*	*
Baseline Spending Under S. 1579						
Estimated Budget Authority	2,555	2,601	2,668	2,735	2,808	2,885
Estimated Outlays	2,529	2,585	2,646	2,713	2,784	2,860

* = Less than \$500,000

Components may not sum to totals due to rounding.

appropriation as the basis for projecting future funding levels. Estimated outlays assume current spending patterns.

Vocational Rehabilitation Act. While the bulk of programs authorized by the VRA are deemed to be direct spending, some VRA programs, including the National Council on Disability and programs authorized under Title VIII, are considered discretionary spending. In addition, spending authorized by any amendments to the VRA is classified as discretionary.

The bill would amend Title VI-A of the VRA to create a new grant program that would fund projects in telecommuting and self-employment for individuals with disabilities. The bill would authorize the appropriation of \$10 million in fiscal year 1998, and such sums as may be necessary through fiscal year 2004 for this new grant program. After accounting for the GEPA extension, this new program would be authorized through 2005. In addition, S. 1579 would eliminate the existing authorization for community service employment pilot programs, which are not currently funded.

The authorization for the National Council on Disability expires at the end of fiscal year 1998. S. 1579 would extend the "such sums" authorization of the council through 2004. The council has been funded at about \$2 million annually for the past several years.

Finally, S. 1579 would not extend authorizations for programs now authorized in Title VIII of the VRA. Although Title VIII currently authorizes several discretionary grant programs, they are funded at just \$2 million for fiscal year 1998, and are not authorized beyond that year.

Helen Keller National Center Act. The current authorization for the Helen Keller National Center Act expires at the end of 1998. S. 1579 would extend the "such sums" authorization for the center through 2005, including the GEPA extension.

The center is funded in the Rehabilitation Services and Disability Research budget account and, thus, currently is classified as direct spending. However, unlike the VRA grant programs, this program is not included in the current baseline spending projections after 1998 because the Deficit Control Act stipulates that direct spending programs of less than \$50 million shall not be included in the baseline projections past their expiration dates. This bill would reauthorize the center, and under existing budget practices, it would be reclassified as a discretionary program. The center received funding of \$8 million in 1998.

The bill would authorize additional appropriations for the center to maintain a national registry of individuals who are deaf-blind. CBO estimates that the costs of this registry would be negligible.

Direct Spending

S. 1579 would extend the "such sums" authorizations for existing programs under the VRA. The bill also would eliminate the authorizations of several unfunded programs. Most of the existing programs are funded in the Rehabilitation Services and Disability budget account, which is currently classified as direct spending.

Most of the grant programs under the VRA are currently authorized at "such sums as may be necessary" through 1998. There are, however, two exceptions: the authorization for the basic state grant

program expires at the end of 1999 (assuming the GEPA extension), and the improvement and evaluation grants are permanently authorized.

S. 1579 would extend the authorization for the basic state grant program through 2006 including the GEPA extension. The estimated budget authority for basic grants is the previous year's appropriation adjusted for inflation. The basic state grant program received a total of \$2.25 billion in 1998.

For the client assistance grants under Title I and all the grants under Titles II through VII for which the authorization expires at the end of 1998, S. 1579 extends those "such sums" authorizations through 2005, including the GEPA extension. In 1998, these grant programs received appropriations totaling \$296 million.

S. 1579 would authorize the National Council on Disability to solicit and accept monetary and non-monetary gifts ad to use any such gifts to further its programs. The proceeds of such gifts would be invested in interest-bearing obligations of the United States. Because donations are uncommon in other instances when agencies have this authority, CBO has not estimated any significant direct spending effects from this provision.

Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. While S. 1579 would affect both direct spending and receipts, it would not result in any significant change in either outlays or receipts in fiscal years 1998 through 2003 relative to CBO's baseline projections.

Intergovernmental and private-sector impact: S. 1759 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995. The bill would reauthorize federal programs that provide grants to states for comprehensive vocational rehabilitation services designed to help individuals with physical and mental disabilities. In fiscal year 1998, states received approximately \$2.4 billion in grants from programs reauthorized in the bill. CBO estimates that under S. 1579 such grants would total \$2.5 billion in fiscal year 1999.

Previous CBO estimate: On May 8, 1997, CBO provided an estimate for H.R. 1385, the Employment, Training and Literary Enhancement Act of 1997. Division B of this bill dealt with authorization of VRA programs. Although S. 1579 and H.R. 1385 differ, their budgetary effects with regards to the VRA are similar.

Estimate prepared by: Federal Cost: Paul Cullinan, Deborah Kalcevic, Justin Latus, and Christina Hawley Sadoti. Impact on State, Local, and Tribal Governments: Marc Nicole. Impact on the Private Sector: Theresa Devine.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

VI. APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104-1, the Congressional Accountability Act (CAA), requires a description of the application of this bill to the legislative branch. S. 1579 amends the Rehabilitation Act of 1973 by improving access to vocational rehabilitation services, increasing access to employment opportunities, and

streamlining administrative and discretionary program requirements. Other than requirements that the Rehabilitation Services Administration and the National Institute on Disability and Rehabilitation Research submit certain reports to appropriate authorizing committees of Congress and the National Council on Disability advise Congress on Federal disability policy, there are no provisions that reference or apply to the legislative branch.

VII. REGULATORY IMPACT STATEMENT

The committee has determined that there will be no increase in the regulatory burden imposed by this bill.

VIII. SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE.

This section of the bill cites the title of this Act, “the Rehabilitation Act Amendments of 1998”.

SECTION 2. TITLE.

This section of the bill amends the current title to add links between this Act and the Workforce Investment Partnership Act of 1998 (WIPA).

SECTION 3. GENERAL PROVISIONS.

This section strikes the sections preceding title I and inserts the following new/revised sections:

Section 1. Short Title; Table of Contents.

This section provides the short title, the “Rehabilitation Act of 1973” and restates the current table of contents with amendments.

Section 2. Findings, Purpose, and Policy.

This section describes the reasons and justifications for this Act and adds links to the Workforce Investment Partnership Act. (In the section pertaining to “Policy” the bill uses the term “individual’s representative” to mean any representative chosen by the eligible individual or other individual with a disability, including a parent, guardian, other family member, or advocate; or if a representative or legal guardian has been appointed by a court to represent the eligible individual or other individual with a disability, the court-appointed representative or legal guardian.)

Section 3. Rehabilitative Services Administration.

This section provides administrative guidelines. It restates, without amendment, sections 3, 4, and 5 as they existed prior to this Act.

Section 4. Advance Funding.

This section addresses appropriations procedures.

Section 5. Joint Funding.

This section addresses the status of funds contributed to one Federal agency by another or others. The principal agency involved

may be designated to act for all those contributing and if the primary agency is the Rehabilitation Services Administration, it may waive any grant or contract requirement that is inconsistent with any of the entity's administering requirements.

Section 6. Deleted.

Section 7. Definitions.

This section provides the meanings of certain terms used in this Act, clarifies the meanings of certain terms, deletes certain terms, and alphabetizes the definitions.

Section 8. Allotment Percentage.

This section addresses how the percent of the Federal allotment to the States as well as the percent of the Federal allotment to the District of Columbia and US territories are to be determined. This section has been amended to delete the Republic of Palau.

Section 9. Repealed by Public Law 103-382.

Section 10. Nonduplication.

This section states that funds coming from other Federal sources will not be counted as a part of the Federal allotment to a State.

Section 11. Application of Other Laws.

This section states that Public Law 93-510 and title V of Public law 95-134 do not apply to the administration of this Act.

Section 12. Administration of the Act.

This section specifies actions the Commissioner may take in carrying out the purposes and provisions of this Act and stipulates regulations to be promulgated. This section also adds links to the WIPA and requires regulations implementing these amendments to be published no later than 180 days after their implementation. Furthermore, any regulations implementing these amendments must be necessary to administer the Amendments and ensure compliance with this Act.

Section 13. Reports.

This section requires an annual report to the President and Congress no later than 180 days after the close of a fiscal year on activities carried out under this Act in such year. To the maximum extent appropriate, this information should be the same type of information described in section 321(d) of WIPA.

Section 14. Evaluation.

This section instructs the Secretary of Education to conduct evaluations of programs authorized by this Act in order to improve their management and effectiveness. This section also requires the Commissioner of the Rehabilitative Services Agency (Commissioner) to conduct studies and analyses that identify exemplary practices concerning vocational rehabilitation, including studies in areas relating to providing informed choice in the rehabilitation process, promoting consumer satisfaction, promoting job placement and retention, providing supported employment, providing services

to particular disability populations, financing personal assistance services, providing assistive technology devices and assistive technology services, entering into cooperative agreements, establishing standards and certification for community rehabilitation programs, converting from nonintegrated to integrated employment, and providing caseload management.

Section 15. Information Clearinghouse.

This section establishes an “Information Clearinghouse,” to provide information on the location and availability of services for individuals with disabilities and requires the Clearinghouse to disseminate information provided by statewide workforce partnerships established under section 303 of WIPA regarding such services and programs authorized under WIPA.

Section 16. Transfer of Funds.

This section provides that the funds appropriated under this Act must be used for the purposes for which they were intended.

Section 17. State Administration.

This section states that the application of any state rule will be considered a state imposed requirement.

Section 18. Review of Applications.

This section requires that any application for grants that exceed \$100,000.00 be reviewed and requires such review to be done by peer review panels (except for applications concerning dissemination or conferences).

Section 19. Carryover.

This section provides that any funds granted for a particular fiscal year, but not used during that year, may be held over and used during the next fiscal year.

Section 20. Client Assistance Information.

This section provides that any programs providing rehabilitation services must advise their recipients of the availability and purpose of the Client Assistance Program as it is described in section 112.

Section 21. Traditionally Underserved Populations.

This section finds that there are traditionally underserved populations, especially among minorities, and provides for recruitment, outreach, and awards to minorities. This section also requires the Commissioner and the Director of the National Institute on Disability and Rehabilitation Research to reserve 1 percent of the funds each fiscal year for programs authorized under titles II, III, VI, and VII, of this Act, to carry out section 21(b). The Commissioner and the Director, in awarding grants, or entering into contracts or cooperative agreements under titles I, II, III, VI, and VII, and section 509, in appropriate cases, shall require applicants to demonstrate how they will address, in whole or in part, the needs of individuals with disabilities from minority backgrounds.

SECTION 4. TITLE I—VOCATIONAL REHABILITATION SERVICES.

This section strikes the sections in title I and inserts the following new/revised sections:

PART A—GENERAL PROVISIONS

Section 100. Declaration of Policy; Authorization of Appropriations.

This section describes the findings, purposes, and policies that warrant and justify the Act. This section clarifies that applicants as well as eligible individuals must be active and full partners in collaboration with qualified vocational rehabilitation professionals during all aspects of the vocational rehabilitation process. Furthermore, this section provides links to

WIPA, and technical amendments clarifying references to the Consumer Price Index.

Section 101. State Plans.

This section provides the parameters and requirements for a State in developing its plan for providing rehabilitation services. It streamlines State requirements, coordinates the submission of this plan with State plans submitted under WIPA, simplifies State plan submission requirements, eliminates duplicative provisions, and clarifies other provisions. This section's subsections are addressed accordingly below.

101(a)(1). Plan Requirements.—This paragraph states that a State is not required to submit a State plan that has been previously submitted to the Commissioner and demonstrates that the State meets the requirements of title I of this Act. A State's plan shall remain in effect subject to the submission of modifications, a change in Federal law (including regulations), an interpretation of this Act by a State or Federal court or the highest State court, or a finding by the Commissioner of noncompliance with the Act, until the State submits and receives approval of a new State plan.

101(a)(2). Designated State Agency.—This paragraph requires the State plan to designate a State agency and/or a designated state unit to operate the State vocational rehabilitation system.

101(a)(3). Non-Federal Share.—This paragraph requires the State plan to provide for financial participation by the State.

101(a)(4). Statewideness.—This paragraph requires the State plan to be in effect in "all political subdivisions" of the State.

101(a)(5). Order of Selection.—This paragraph establishes the procedures a State must include in its State plan to be implemented if it can not serve all eligible individuals with disabilities. This paragraph provides that eligible individuals, who do not meet a State's order of selection criteria, shall have access to services provided through the information and referral system implemented under section 101(a)(20).

101(a)(6). Methods of Administration.—This paragraph provides parameters under which each State rehabilitation agency must operate. This paragraph requires a State to provide an assurance in its State plan that, to the extent that private providers of utilize personnel not meeting the highest State standards that the private providers shall take steps to retrain them or hire new personnel that do meet these standards.

101(a)(7). Comprehensive System of Personnel Development.—This paragraph provides that a State plan must include a comprehensive nondiscriminatory system of personnel development. This paragraph requires that a State set aside funds from its allotment under section 110 to carry out the comprehensive system of personnel development, including the training of State agency personnel consistent with the agency’s plan for personnel development.

101(a)(8). Comparable Services and Benefits.—This paragraph requires State agencies to find other resources to pay for certain services if such resources are available. It requires a State to assure that, prior to providing any vocational rehabilitation services (except services specified in paragraph (5)(D) and paragraphs (1) through (4), and (14)) the State vocational rehabilitation agency will determine whether comparable services and benefits are available under any other program (other than a program carried out under title I of this Act) unless such a determination would interrupt or delay the progress of the individual toward achieving the employment outcome identified in his/her individualized rehabilitation employment plan or the provision of such service to any individual at extreme medical risk. The paragraph specifies that comparable benefits do not include awards and scholarships based on merit. This paragraph also requires the State’s executive branch to oversee interagency agreements that will facilitate the provision of comparable benefits.

101(a)(9). Individualized Rehabilitation Employment Plan.—This paragraph requires a State plan to include an assurance that an individualized rehabilitation employment plan meeting the requirements of section 102(b) will be developed and implemented in a timely manner subsequent to the eligibility determination, except that in a State operating under an order of selection described in section 101(a) (5) the plan will be developed and implemented only for individuals meeting the order of selection criteria of the State. The State plan shall also include an assurance that services will be provided in accordance with the provisions of the individualized rehabilitation employment plan.

101(a)(10). Reporting Requirements.—This paragraph requires the State plan to include assurances that the designated State unit will submit appropriate reports to the Commissioner regarding the performance of the State’s vocational rehabilitation system. The paragraph further requires annual reporting on the eligible individuals receiving services, on those specific data elements described in section 321(d)(2) of WIPA determined relevant by the Secretary. Finally, this section requires “additional data,” as enumerated in the Act, to be submitted to the Commissioner.

101(a)(11). Cooperation, Collaboration, and Coordination.—This paragraph requires the creation of agreements or contracts between the State vocational rehabilitation system and the State’s workforce investment system or components thereof and the replication of such cooperative agreements at the local level. These contracts may include, but not be limited to the following:

- provision of intercomponent and/or interagency staff training and technical assistance;
- shared use of information and financial management systems that link all components of the statewide workforce investment sys-

tem such as labor market information, information on job vacancies, career planning, and workforce investment activities;

- use of customer service features such as common intake and referral procedures, customer databases, resource information, and human services hot lines;

- establishment of cooperative efforts with employers to facilitate job placement; and carry out other activities that the State agency and employers determine appropriate; and

- procedures for resolving disputes among such components.

This paragraph also requires the State plan to include an assurance that the State agency and the Statewide Independent Living Council, develop working relationships and coordinate their activities. This paragraph also requires that, in applicable cases, the State plan include an assurance that the State enters into a formal cooperative agreement with each grant recipient in the State that receives funds under part C. The agreement shall describe strategies for collaboration and coordination in providing vocational rehabilitation services to American Indians.

101(a)(12). Residency.—This paragraph requires the State plan to include an assurance that the State will not impose residency requirements on any individuals who seeks assistance from the State vocational rehabilitation system.

101(a)(13). Services to American Indians.—This paragraph requires the State plan to assure that, except as otherwise provided in part C, the State vocational rehabilitation agency will provide vocational rehabilitation services to American Indians who are individuals with disabilities residing in the State to the same extent as to other significant populations of residing in the State.

101(a)(14). Annual Review of Individuals in Extended Employment or Other Employment under Special Certificate Provisions of the Fair Labor Standards Act of 1938.—This paragraph requires the State plan to provide for:

- an annual review and reevaluation of the status of each individual served under title I of this Act, who has achieved an employment outcome to determine the interests, priorities, and needs of the individual with respect to competitive employment or training for competitive employment;

- the individual's input into the review and reevaluation and a signed acknowledgment by the individual, or, if appropriate the individual's representative that such review and reevaluation was conducted; and

- maximum efforts, including the identification and provision of vocational rehabilitation services, reasonable accommodations, and other necessary support services, to assist the individuals in engaging in competitive employment.

101(a)(15). Annual State Goals and Reports of Progress.—This paragraph specifies that the State plan must include the results of a comprehensive statewide assessment, every 3 years, describing the rehabilitation needs of resident individuals with disabilities. The assessment must include individuals with the most significant disabilities, individuals who have been underserved by the vocational rehabilitation program, and individuals served through other components of the statewide workforce investment system. This paragraph also requires the State Plan to include an assessment of

the need to establish, develop, or improve community rehabilitation programs within the State.

The State plan must also include estimates of the number of individuals in the State who are eligible for services, the number of such individuals who will receive services provided with funds provided under part B and under part C of title VI, including, if the State agency uses an order of selection in accordance with section 101 (a)(5), estimates of the number of individuals to be served under each priority category within the order.

Finally, this section requires the State plan to identify the State's goals and priorities developed by the State vocational rehabilitation agency and the State Rehabilitation Council (if the State has such a council) for carrying out the program; describe the strategies the State will use to address the needs identified in the comprehensive assessment and to achieve its goals and priorities; and include the results of an evaluation of the State's performance relative to its goals on an annual basis.

101(a)(16). Public Comment.—This paragraph consolidates public comment provisions and requires the State plan to:

- provide for public meetings throughout the State to comment on proposed policies or procedures; and
- provide for the State agency to take into account the views of individuals and groups of individuals who are recipients of vocational rehabilitation services, or in appropriate cases, the individuals' representatives, personnel working in programs that provide vocational rehabilitation services to individuals with disabilities, the director of the client assistance program, and the State Rehabilitation Council, if the State has such a Council.

101(a)(17). Construction.—This paragraph requires the State plan to assure that the State will not use any funds made available under title I of this Act for the construction of facilities.

101(a)(18). Innovation and Expansion Activities.—This paragraph requires the State plan to:

- include an assurance that the State will reserve and use a portion of the funds allotted to the State under section 110 for the development and implementation of innovative approaches to expand and improve the provision of vocational rehabilitation service and to support the funding of the State Rehabilitation Council and the Statewide Independent Living Council;
- include a description of how the reserved funds will be utilized; and
- provide that the State shall submit to the Commissioner an annual report containing a description of how the reserved funds will be utilized.

101(a)(19). Choice.—This paragraph requires the State plan to assure that applicants, eligible individuals, or their representatives, will be provided information and support services to assist in exercising informed choice throughout the rehabilitation process.

101(a)(20). Information and Referral Services.—This paragraph requires the State plan to assure that the State agency will implement an information and referral system adequate to ensure that individuals with disabilities will be provided accurate vocational rehabilitation information to assist in preparing for, securing, retaining, or regaining employment, and will be appropriately referred to

Federal and State programs including other components of the statewide workforce investment system in the State. In providing these activities, a State may include services such as: individualized counseling and guidance, individualized vocational exploration, supervised job placement referrals, and assistance in securing reasonable accommodations for eligible individuals who do not meet the order of selection criteria used by the State, to the extent that such services are not purchased by the State vocational rehabilitation agency.

101(a)(21). State Independent Consumer-Controlled Commission; State Rehabilitation Council.—This paragraph requires the State plan to provide either an independent consumer controlled commission or a state rehabilitation council. The paragraph also provides for the specific requirements and responsibilities for each.

101(a)(22). Supported Employment State Plan Supplement.—This paragraph requires the State plan to assure that the State has an acceptable plan for carrying out part C of title VI, including the use of funds under that part to supplement funds made available under part B of title I to pay for the cost of services leading to supported employment.

101(a)(23). Electronic and Information Technology Regulations.—This paragraph requires the State plan to assure that the State and any recipient or subrecipient of funds will comply with the requirements of section 508, including the regulations established under that section, and will coordinate efforts to comply with section 508, adopt grievance procedures that incorporate due process standards, and provide for the prompt and equitable resolution of complaints concerning such requirements.

101(a)(24). Annual Updates.—This paragraph requires a State plan to assure that the State will submit to the Commissioner reports containing annual updates of the information required in section 101(a)(7) relating to a comprehensive system of personnel development, updates of information required under section 101 requested by the Commissioner, annual reports as provided in section 101(a)(15) relating to assessments, estimates, goals and priorities, and reports of progress, and section 101(a)(18) (relating to innovation and expansion), at such time and in such manner as the Secretary may determine to be appropriate.

101(b). Approval; Disapproval of the State Plan.—This subsection provides that the Commissioner shall approve any plan that the he finds fulfills the conditions specified in section 101, and shall disapprove any plan that does not fulfill such conditions. Prior to disapproval of the State plan, the Commissioner shall notify the State of the intention to disapprove the plan and shall afford the State reasonable notice and opportunity for a hearing.

Section 102. Eligibility and Individualized Rehabilitation Employment Plan.

This section addresses an individual's eligibility for vocational rehabilitation services, development of the Individualized Rehabilitation Employment Plan (IREP), dispute resolution procedures, and informed choice. Subsection 102(a) covers: criterion for eligibility, a presumption of benefit for individuals, a presumption of eligibility for individuals receiving SSI or SSDI benefits, the use of existing

information to determine eligibility, determinations of ineligibility, and the time frame for making eligibility determinations.

Subsection (b) addresses the development of individualized rehabilitation employment plans (IREPs), and mandatory procedures and components of an IREP.

Subsection (c) addresses due process procedures, options a State has in setting up its dispute resolution process, and provides for mediation.

Subsection (d) addresses the issue of informed choice. This subsection requires a State to implement policies assuring eligible individuals the opportunity to exercise informed choice throughout their vocational rehabilitation process, including policies and procedures that require the State vocational rehabilitation agency to: inform individuals about the availability of and opportunities to, exercise informed choice; afford eligible individuals meaningful choices among the methods used to procure services; assist individuals in the selection of an employment outcome, necessary specific vocational rehabilitation services, the entity that will provide the services, and the employment setting in which the services will be provided.

Section 103. Vocational Rehabilitation Services.

This section specifies that vocational rehabilitation services provided under title I are any services described in an IREP necessary to assist an individual prepare for, secure, retain, or regain an employment outcome consistent with his/her strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. This section also lists what these services may include. Subsection (b) specifies certain vocational rehabilitation services that may be provided for the benefit of groups of individuals.

Section 104. Non-Federal Share.

This section deletes references to construction. Additionally, this section states that, for the purpose of determining the amount of payments to States for carrying out part B or part C of the Act, the non-Federal share, subject to limitations prescribed in regulations, shall include contributions of funds made by any private agency, organization, or individual to a State or local agency to assist in meeting the costs of establishment of a community rehabilitation program, which would be regarded as State or local funds except for the condition, imposed by the contributor, limiting use of such funds to establishment of such a program.

Section 105. State Rehabilitation Council.

This section requires that if the State vocational rehabilitation agency is not a consumer controlled commission, the State must establish a State Rehabilitation Council. States which have separate agencies to provide vocational rehabilitation assistance for individuals who are blind, may establish separate councils for such agencies. It also renames the State Rehabilitation Council as such and amends the provision regarding the Council's membership. Finally, this section lists the Council's functions.

Section 106. Evaluation Standards and Performance Indicators.

This section requires the Commissioner to establish and publish standards and performance indicators no later than September 30, 1998. It also requires the Commissioner to: review and, if necessary, revise the evaluation standards and performance indicators every 3 years. He must also, to the maximum extent practicable, make the standards and indicators consistent with the core indicators of performance established under section 321(b) of WIPA, and beginning in fiscal year 1999, include in each annual report to the Congress an analysis of program performance.

Section 107. Monitoring and Review.

This section requires the Commissioner to review State programs and determine whether the State is complying with the provisions of its State plan. This section provides the procedures for these reviews and what the Commissioner may do upon a finding of non-compliance including technical assistance and withholding payments. This section also provides States that have been found out of compliance an opportunity to appeal this decision along with all the procedures and standards inherent thereto.

Section 108. Expenditure of Certain Amounts.

This section states that Social Security reimbursements may not be expended except for the purposes of carrying out specific programs.

Section 109. Training of Employers with Respect to the Americans with Disabilities Act of 1990.

This section allows States to expend funds to train employers regarding compliance with the Americans with Disabilities Act of 1990.

PART B—BASIC VOCATIONAL REHABILITATION SERVICES

Section 110. State Allotments.

This section describes the protocols and amounts each State will receive from the Federal government to operate its vocational rehabilitation programs. It also adjusts the reservation of funds for part C projects (vocational rehabilitation services to American Indians) allowing it to range from 3/4 of 1 percent to 1.5 percent of the total amount of all States' allotments in fiscal year 1998, and to range from one percent to 1.5 percent of the total amount of all States' allotments in fiscal years 1999 through 2004.

Section 111. Payments to States.

This section states additional protocols by which states receive their payments from the Federal government for the operation of vocational rehabilitation programs. This section also deletes references to the "Strategic Plan" in section 111(a)(1) and also deletes paragraph (3), concerning construction projects, in subsection 111(a).

Section 112. Client Assistance Program.

This section describes the program through which individuals receiving vocational rehabilitation services receive legal advice and advocacy regarding their relationships with rehabilitation counselors and the State agency. This section also requires each Client Assistance Program to assure, to the maximum extent possible, that alternative means of dispute resolution are available at an individual's discretion prior to resorting to litigation or formal adjudication to resolve a dispute. This section defines "alternative means of dispute resolution" as any procedure, including good faith negotiation, conciliation, facilitation, mediation, fact finding, and arbitration, and any combination of procedures, that is used in lieu of litigation or formal adjudication, to resolve a dispute.

PART C—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

Section 121. Vocational Rehabilitation Services Grants.

This section allows the Commissioner to make grants to Indian tribes to paying 90% of the vocational rehabilitation costs of individuals with disabilities living on reservations. To receive a grant, an Indian tribe must submit an application conforming with the requirements of this section and the application must be approved by the Commissioner. This section also requires that grants not exceed 60 months in duration except as otherwise determined by the Commissioner pursuant to prescribed regulations.

PART D—VOCATIONAL REHABILITATION SERVICES/CLIENT INFORMATION

Section 131. Data Sharing.

This section requires the Secretaries of Education and Health and Human Services to enter into an agreement through which the departments will exchange information of mutual importance. Furthermore, this section requires the Secretary of Labor to provide the Commissioner with labor market information important to the evaluation of the rehabilitation program, especially compared to the progress of individuals being assisted under WIPA.

SECTION 5. RESEARCH AND TRAINING.

This section strikes the sections in title II and inserts the following new/revised sections:

TITLE II—RESEARCH AND TRAINING

Section 200. Purpose.

This section describes the purposes of this title. It also: requires a comprehensive and coordinated approach to the support and conduct of research, demonstration projects, training, and related activities; promotes the of transfer of rehabilitation technology to individuals with disabilities through research and demonstration; obligates the dissemination of practical scientific and technological information to the general public; and requires the identification of effective strategies that enhance the opportunities of individuals with disabilities to engage in employment, including employment involving telecommuting and self-employment.

Section 201. Authorization of Appropriations.

This section provides authorization for funds to be spent on title II activities. This section also extends the authorizations of appropriations for the National Institute on Disability and Rehabilitation Research (the Institute) through fiscal year 2004.

Section 202. National Institute on Disability and Rehabilitation Research.

This section establishes an institute known as the National Institute on Disability and Rehabilitation Research. This section also provides the general responsibilities of the Institute as well as the responsibilities of its Director. This section also provides for "Standing Peer Review Panels," their make-up, authority, and responsibilities, for the review of applications for funding. All funding must be tied to a five-year plan.

Section 203. Interagency Committee.

This section establishes an "Interagency Committee on Disability Research." The section establishes who shall serve on this Committee, how often it shall meet, and requires the committee to submit to the President and to the appropriate Congressional committees, a report outlining the committee's recommendations for the coordination of policy and development directives.

Section 204. Research and Other Covered Activities.

This section allows the Director of the National Institute on Disability and Rehabilitation Research to make grants to and contracts with States and public or private agencies and organizations. Although the Director emphasizes projects that support the implementation of titles I, III, V, VI, and VII, this section delineates many various projects for which these grants may be used including the establishment of Rehabilitation Research and Training Centers and projects that these centers may conduct. However, Rehabilitation Research and Training Centers must promote the ability of individuals with disabilities to prepare for, secure, retain, regain, or advance in employment. This section outlines the eligibility criteria to receive these grants and states that the grants shall be awarded on a competitive basis.

Section 205. Rehabilitation Research Advisory Council.

This section allows the Secretary of Education to establish a "Rehabilitation Research Advisory Council" subject to the availability of appropriations. This section describes the duties of the Council, qualifications for its members, the details of their terms of appointment, procedures for the event of a vacancy, and other administrative concerns.

SECTION 6. PROFESSIONAL DEVELOPMENT AND SPECIAL PROJECTS AND DEMONSTRATIONS.

This section strikes the sections in title III and inserts the following new/revised sections:

TITLE III—PROFESSIONAL DEVELOPMENT AND SPECIAL PROJECTS AND
DEMONSTRATIONS*Section 301. Declaration of Purpose and Competitive Basis of
Grants and Contracts.*

This section outlines the purpose of this title (to authorize grants and contract) as well as the purposes of such grants and contracts. The Secretary must ensure that all grants and contracts are awarded under this title are done so on a competitive basis.

Section 302. Training.

This section requires the Commissioner to make grants and enter into contracts to assist in increasing the numbers of, and upgrade the skills of, qualified personnel, especially rehabilitation counselors. These grants and contracts may include scholarships and any necessary stipends. Importantly, this section permits the Commissioner to make grants and enter into contracts to furnish training to personnel providing services to individuals with disabilities under WIPA. These training projects may be jointly funded with the Department of Labor, using monies available under title III of WIPA. This section also allows the Commissioner to make grants or enter into contracts to pay part of the costs of academic training projects to provide training that leads to an academic degree or certificate so long as these funds are targeted at areas with shortages of qualified personnel. However, this section places certain limitations on such grants or contracts and requires any recipients to make certain assurances to the Commissioner. No grants are awarded unless the applicant applies pursuant to prescribed rules. The Commissioner may award grants to establish interpreter training programs for the deaf, hard of hearing, and deaf/blind communities. And, the Commissioner must provide training grants to Historically Black Colleges and Universities.

Section 303. Special Demonstration Programs.

This section allows the Commissioner to award grants or enter into contracts for the purpose of funding programs that expand and improve the provision of rehabilitation services. In addition to authorizing demonstrations that provide direct services to individuals, this authority would allow for replication, dissemination, and use of projects and activities directed at State systemic change. This section describes eligible entities, the terms and conditions of the grants or contracts, the application requirement of each potential grantee, and the types of projects that may be funded. Specifically, this section establishes several authorities within a menu from which the Commissioner may choose in announcing and tailoring specific competitions. This section also provides a list of activities that are to be given priority consideration in announcing a competition along with several other authorized activities that can be considered.

Section 304. Migrant and Seasonal Farm Workers.

This section specifies that the Commissioner may make grants to eligible entities to pay up to 90 percent of the cost of projects or demonstration programs for the provision of vocational rehabilita-

tion services to individuals with disabilities who are migrant or seasonal farm workers and to the family members who are residing with these individuals. This section also provides the eligibility requirements for such grants.

Section 305. Recreational Projects.

This section requires the Commissioner to make grants to pay the Federal share of the cost to establish and operate recreation programs providing individuals with disabilities recreational activities to aid in their employment, mobility, socialization, independence, and community integration. This section requires that programs and activities carried out under this section demonstrate ways in which such programs assist in maximizing the independence and integration of individuals with disabilities. This section establishes eligibility criteria and states that applicants must make certain assurances to the Commissioner.

Section 306. Measuring Project Outcomes and Performance.

This section allows the Commissioner to require grant recipients under title III to submit information, as determined by the Commissioner to be necessary, to measure project outcomes and performance, including any data needed to comply with the Government Performance and Results Act.

SECTION 7. NATIONAL COUNCIL ON DISABILITY.

This section strikes the sections in title IV and inserts the following new/revised sections:

TITLE IV—NATIONAL COUNCIL ON DISABILITY

Section 400. Establishment of National Council on Disability.

This section establishes a National Council on Disability, provides for the number of members, how they are selected, who they shall represent, and their terms.

Section 401. Duties of National Council.

This section outlines the duties and responsibilities of the Council. These shall include providing advice to the Director of the National Institute on Disability and Rehabilitation Research and providing advice to the Commissioner, the President, and Congress, as well as provide a “progress” report to Congress no later than July 26, 1998 and annually thereafter.

Section 402. Compensation of National Council members.

This section entitles the members of the Council to compensation pursuant to the Senior Executive Service Schedule

Section 403. Staff of National Council.

This section addresses the appointment and removal authority of the Council, procurement of temporary services, and other staffing issues and procedures. The Chairperson of the Council may remove an executive director without regard to laws pertaining to Federal employment. The cap on the number of staff the Council may employ is lifted. The Council may solicit money or property, however,

the Secretary of the Treasury is to invest any assets not required for the operation of NCD.

Section 404. Administrative Powers of the National Council.

This section allows the Council to use such administrative tools as may be necessary to carry out its duties such as prescribing by-laws, holding hearings, and appointing advisory committees.

Section 405. Authorization of Appropriations.

Such sums as may be necessary are authorized for this title.

SECTION 8. RIGHTS AND ADVOCACY.

This section and its subsections delete certain sections of title V, Rights and Advocacy, and inserts the new/revised sections referred to therein. The balance of title V, Rights and Advocacy, (The sections not referred to herein) remain unchanged.

SECTION 8(a). Conforming Amendments to Rights and Advocacy Provisions.

Sections 501, 502, 504, and 506 each have conforming amendments.

SECTION 8(b). Section 508.

Electronic and Information Technology Regulations. This section requires each federal agency to procure, maintain, and use electronic and information technology that allows individuals with disabilities the same access to information technology as individuals with out disabilities. The Access Board is required to issue regulations establishing the criteria necessary to implement the requirements of this section.

SECTION 8(c). Section 509.

Protection and Advocacy.—This section establishes the procedures, means, and details to support a system in each State to protect the legal and human rights of individuals with disabilities. This section makes specific provisions for an allotment to the American Indian consortium and provides definitions for the terms “Eligible System” and “American Indian consortium.”

SECTION 9. Employment Opportunities for Individuals with Disabilities.

This section strikes the sections in title VI and inserts the following new/revised sections:

TITLE VI—EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH
DISABILITIES

PART A—PROJECTS IN TELECOMMUTING AND SELF-EMPLOYMENT FOR
INDIVIDUALS WITH DISABILITIES

Section 601. Short Title.

This title may be cited as the Employment Opportunities for Individuals With Disabilities Act.

Section 611. Findings, Policies, and Purposes.

This section establishes the reasons for creating this title and what it is intended to accomplish. Specifically, it promotes opportunities for individuals with disabilities to secure, retain, regain, or advance in employment involving telecommuting; gain access to employment opportunities; demonstrate their abilities, capabilities, interests, and preferences regarding employment in positions that are increasingly being offered to individuals in the workplace; and promote opportunities for individuals with disabilities to engage in self-employment enterprises that permit these individuals to achieve significant levels of independence, participate in and contribute to the life of their communities, and offer employment opportunities to others.

Section 612. Telecommuting.

This section authorizes projects in telecommuting for individuals with disabilities, describes what eligible entities must do to qualify for grants, how grant funds must be used, sets out certain requirements for each telecommunication project to meet, and describes certain limitations on these projects.

Section 613. Self-Employment.

This section authorizes projects in self-employment for individuals with disabilities, describes what eligible entities must do to qualify for grants, how grant funds must be used, sets out certain requirements for each self employment project to meet, and describes certain limitations on these projects. This section also specifies that the term 'client' means 1 or more individuals with disabilities who engage in or seek to engage in a self-employment enterprise.

Section 614. Dual Purpose Grants.

This section authorizes the Commissioner to make dual purpose awards, as long as applications meet the requirements of sections 612 and 613.

Section 615. Authorization of Appropriations.

This part is authorized for such sums as may be necessary.

PART B—PROJECTS WITH INDUSTRY

Section 621. Projects with Industry.

This section intends to create and expand job and career opportunities for individuals with disabilities in the competitive labor market. This section permits the Commissioner to award grants to any of several entities to establish business advisory councils (whose responsibilities are enumerated), job placement and career advancement services, to the extent appropriate training in realistic work settings, and support services. This section also requires access to and use of labor market information identified by local workforce partnerships for project grantees. This section also delineates the eligibility determination for individuals, provides for an agreement between the Commissioner and the grantee to providing the serv-

ices, and provides for standards under which a grantee's performance will be evaluated.

PART C—SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH
SIGNIFICANT DISABILITIES

Section 631. Purpose.

This sections states the reason for establishing this Part; i.e., to enable individuals with significant disabilities to achieve the employment outcome of supported employment.

Section 632. Allotments.

This section provides for allotments to States to carry out this Part.

Section 633. Availability of Services.

This section delineates to whom funds for services are available.

Section 634. Eligibility.

This section explains the criteria an individual must have to be eligible for supported employment services.

Section 635. State Plan.

This section outlines the requirements a State Plan must meet in order to be eligible for supported employment funds. Among other requirements, State Plans must include an assurance that the comprehensive assessments of individuals with significant disabilities conducted under section 102(b)(1) and funded under title I of the Act will include consideration of supported employment as an appropriate employment outcome.

Section 636. Restriction.

This section states that required information must be collected separately for eligible individuals receiving supported employment services under this part and for those receiving it under title I.

Section 637. Savings Provision.

This section allows States to use funds received under section 110 to provide supported employment services.

Section 638. Authorization of Appropriations.

This section authorizes such sums as may be necessary to carry out these provisions and extends the authorization of appropriations of part C of the Act through fiscal year 2004.

SECTION 10. INDEPENDENT LIVING SERVICES AND CENTERS FOR
INDEPENDENT LIVING.

This section strikes the sections in title VII and inserts the following new/revised sections:

TITLE VII—INDEPENDENT LIVING SERVICES AND CENTERS FOR
INDEPENDENT LIVING

CHAPTER 1—INDIVIDUALS WITH SIGNIFICANT DISABILITIES

PART A—GENERAL PROVISIONS

Section 701. Purpose.

This section states the reason for implementing this chapter; i.e., to promote a philosophy of independent living, consumer control, peer support, self-help, self determination, equal access, and individual and system advocacy.

Section 702. Definitions.

This section provides certain definitions for given terms used in this chapter. The defined terms are: “Center for Independent Living” and “Consumer Control.”

Section 703. Eligibility for Receipt of Services.

This sections states that any individual who has a significant disability as defined in section 7(21)(B) is eligible for services.

Section 704. State Plan.

This section requires a State to provide to the Commissioner a State plan (jointly developed with the State director and the chairperson of the Statewide Independent Living Council). This section also details what the plan must include and what it must provide including independent living services, the provision for the Statewide Independent Living Council, coordination of services to avoid duplication of services with other State or Federal agencies, provisions for outreach to underserved populations, and a method for periodic evaluation of the plan’s effectiveness.

Section 705. Statewide Independent Living Council.

This section states that to receive financial assistance under this chapter, a State must establish a “Statewide Independent Living Council.” This section goes on to describe the Council’s composition which includes at least 1 director of a center for independent living, representatives of appropriate State agencies, and in a State with projects carried out under section 121 (American Indian Vocational Rehabilitation) at least 1 representative of the directors of those projects. This section also describes the qualifications of Council members, the terms of their appointments, procedures to take in the event of a vacancy, the Council’s duties, and the Council’s authority to conduct hearings.

Section 706. Responsibilities of the Commissioner.

This section outlines the Commissioner’s responsibilities regarding: the approval of the State plans submitted pursuant to section 704, publishing indicators of minimum compliance, conducting on site compliance reviews, and reporting the results of these reviews as well as Independent Living Centers’ compliance with compliance indicators.

PART B—INDEPENDENT LIVING SERVICES

Section 711. Allotments.

This section provides for State allotments to carry out the functions of this Part. This section now clarifies the means by which minimum allotments are adjusted for inflation.

Section 712. Payments to States From Allotments.

This section addresses the payments of the Federal shares to the States.

Section 713. Authorized Use of Funds.

This section authorizes States to use their allotment for costs related to the Statewide Independent Living Council and other enumerated expenses.

Section 714. Authorization of Appropriations.

This section authorizes such sums as may be necessary to carry out the functions of this part and extends the authorization of appropriations for part B, chapter 1 of title VII through fiscal year 2004.

PART C—CENTERS FOR INDEPENDENT LIVING

Section 721. Program Authorization.

This section requires the Commissioner to allot such sums as may be necessary according to the provisions of this section pertaining to: training; the States' allotment pursuant to population basis, the maintenance of 1992 amounts, allowable minimum amounts; certain territories' allotments; and reallocations of funds that will not be used by certain States. This section also clarifies the means by which minimum allotments are adjusted for inflation.

Section 722. Grants to Centers for Independent Living in States in Which Federal Funding Exceeds State Funding.

This section provides that unless the State director awards grants to eligible centers for independent living in his State, the Commissioner shall for the purposes of planning, conduct, and administration of independent living centers that meet the compliance assurance standards set out in this title. This section also provides the eligibility standards for such grants, addresses the possibility that no center for independent living exists in a given area, and the Commissioner's periodic review of centers for independent living receiving such funds.

Section 723. Grants to Centers for Independent Living in States in Which State Funding Equals or Exceeds Federal Funding.

This section provides that the State Director or the Commissioner must award grants to eligible centers for independent living if the Commissioner determines that the amount a State has set aside to support its eligible centers for independent living either equals or exceeds the amount allotted to the State for that purpose. This section provides the eligibility standards for such grants, addresses the possibility that no center for independent living exists

in a given area, and the Commissioner's periodic review of centers for independent living receiving such funds. These grants are for the planning conduct and administration of independent living centers that meet the compliance assurance standards set out in this title.

Section 724. Centers Operated by State Agencies.

This section provides that States or outlying areas receiving assistance for centers for independent living they operate, may continue to do so, so long as no nonprofit agency is approved to operate the center and funds are available.

Section 725. Standards and Assurances for Centers for Independent Living.

This section provides standards and assurances with which each Center for Independent Living receiving assistance must comply.

Section 726. Definitions.

This section defines the term "eligible agency" as it is used in this Part.

Section 727. Authorization or Appropriations.

This section authorizes such sums as may be necessary to carry out the functions of this Part and extends the authorization of appropriations for part C, chapter 1 of title VII of the Act through fiscal year 2004.

CHAPTER 2—INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND

Section 751. Definitions.

This section defines the term "older individual who is blind" for the purposes of this chapter.

Section 752. Program of Grants.

This section provides that the Commissioner may make certain grants (contingent on described factors) to States for the purpose of providing independent living services to older individuals who are blind, conducting activities that will improve or expand these services, and conducting activities to help improve the public's understanding of the problems of such individuals. This section also provides that State grants are not allowable unless a State makes available matching non-Federal contributions. A State must incorporate any new methods relating to independent living services for older individuals who are blind into its State Plan, a State must apply for these grants, and there is a formula by which the amount of these grants are determined.

Section 753. Authorization of Appropriations.

This section authorizes such sums as may be necessary to carry out the functions of this Part and extends the authorization of appropriations for part C, chapter 1 of title VII of the Act through fiscal year 2004.

TITLE VIII—REPEALED

MISCELLANEOUS AMENDMENTS NOT RELATED TO THE REHABILITATION
ACT*SECTION 11. Helen Keller National Center Act (HKNCA)*

11(a). Section 205(a). General Authorization of Appropriations.—This section of the HKNCA, extends the authorization of appropriations for the Act through fiscal year 2004.

11(b). Section 208(h). Helen Keller National Center Federal Endowment Fund.—This section of the HKNCA extends the authority for the endowment through fiscal year 2004.

11(c). Section 209. Registry.—This section is added to the HKNCA, requiring the establishment of a national registry of individuals who are deaf-blind with a separate authorization of appropriations for the registry that extends to fiscal year 2000.

SECTION 12. President's Committee on Employment of People with Disabilities

This section gives the above named Committee the authority to solicit money and property. [The authorization for the committee is found in section 2(2) of the Joint Resolution entitled “Joint Resolution authorizing an appropriation for the work of the President’s Committee on National Employ the Physically Handicapped Week”, approved July 11, 1949 (36 U.S.C. 155b(2)).]

SECTION 13. Peer Review—This section amends Part B of title IV of the Department of Education Organization Act by inserting before its section 427, a new section “426A. Peer Review, which states that the Federal Advisory Committee Act does not apply to peer review panels established by the Secretary to evaluate applications for financial assistance awarded on a competitive basis.”

SECTION 14. Conforming Amendments.

14(a) Preparation.—This subsection requires the Secretary of Education to recommend legislation containing technical and conforming amendments.

14(b) Submission to Congress.—This subsection requires the submission of said recommendations no later than 6 months following the date of enactment.

