

Calendar No. 318

105<sup>TH</sup> CONGRESS  
2D Session

**S. 1579**

[Report No. 105-166]

**A BILL**

To amend the Rehabilitation Act of 1973 to extend the authorizations of appropriations for such Act, and for other purposes.

MARCH 2, 1998

Reported with amendments

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## IN THE SENATE OF THE UNITED STATES

JANUARY 28, 1998

Mr. DEWINE (for himself, Mr. JEFFORDS, Mr. KENNEDY, Mr. WELLSTONE, Mr. HARKIN, Mr. FRIST, Ms. COLLINS, Mr. DODD, Mr. REED, Mr. CHAFEE, and Mr. BINGAMAN) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

MARCH 2, 1998

Reported by Mr. JEFFORDS, with amendments

[Omit the part struck through and insert the part printed in *italic*]**A BILL**

To amend the Rehabilitation Act of 1973 to extend the authorizations of appropriations for such Act, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Rehabilitation Act  
3 Amendments of 1998”.

4 **SEC. 2. TITLE.**

5 The title of the Rehabilitation Act of 1973 is amend-  
6 ed by striking “to establish special responsibilities” and  
7 all that follows and inserting the following: “to create link-  
8 age between State vocational rehabilitation programs and  
9 workforce investment activities carried out under the  
10 Workforce Investment Partnership Act of 1998, to estab-  
11 lish special responsibilities for the Secretary of Education  
12 for coordination of all activities with respect to individuals  
13 with disabilities within and across programs administered  
14 by the Federal Government, and for other purposes.”.

15 **SEC. 3. GENERAL PROVISIONS.**

16 The Rehabilitation Act of 1973 is amended by strik-  
17 ing the matter preceding title I and inserting the follow-  
18 ing:

19 **“SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

20 “(a) *SHORT TITLE.*—*This Act may be cited as the ‘Re-*  
21 *habilitation Act of 1973’.*

22 “(b) *TABLE OF CONTENTS.*—*The table of contents for*  
23 *this Act is as follows:*

“Sec. 1. Short title; table of contents.

“Sec. 2. Findings; purpose; policy.

“Sec. 3. Rehabilitation Services Administration.

“Sec. 4. Advance funding.

“Sec. 5. Joint funding.

- “Sec. 7. Definitions.
- “Sec. 8. Allotment percentage.
- “Sec. 10. Nonduplication.
- “Sec. 11. Application of other laws.
- “Sec. 12. Administration of the Act.
- “Sec. 13. Reports.
- “Sec. 14. Evaluation.
- “Sec. 15. Information clearinghouse.
- “Sec. 16. Transfer of funds.
- “Sec. 17. State administration.
- “Sec. 18. Review of applications.
- “Sec. 19. Carryover.
- “Sec. 20. Client assistance information.
- “Sec. 21. Traditionally underserved populations.

## “TITLE I—VOCATIONAL REHABILITATION SERVICES

### “PART A—GENERAL PROVISIONS

- “Sec. 100. Declaration of policy; authorization of appropriations.
- “Sec. 101. State plans.
- “Sec. 102. Eligibility and individualized rehabilitation employment plan.
- “Sec. 103. Vocational rehabilitation services.
- “Sec. 104. Non-Federal share for establishment of program.
- “Sec. 105. State Rehabilitation Council.
- “Sec. 106. Evaluation standards and performance indicators.
- “Sec. 107. Monitoring and review.
- “Sec. 108. Expenditure of certain amounts.
- “Sec. 109. Training of employers with respect to Americans with Disabilities Act of 1990.

### “PART B—BASIC VOCATIONAL REHABILITATION SERVICES

- “Sec. 110. State allotments.
- “Sec. 111. Payments to States.
- “Sec. 112. Client assistance program.

### “PART C—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

- “Sec. 121. Vocational rehabilitation services grants.

### “PART D—VOCATIONAL REHABILITATION SERVICES CLIENT INFORMATION

- “Sec. 131. Data sharing.

## “TITLE II—RESEARCH AND TRAINING

- “Sec. 200. Declaration of purpose.
- “Sec. 201. Authorization of appropriations.
- “Sec. 202. National Institute on Disability and Rehabilitation Research.
- “Sec. 203. Interagency Committee.
- “Sec. 204. Research and other covered activities.
- “Sec. 205. Rehabilitation Research Advisory Council.

## “TITLE III—PROFESSIONAL DEVELOPMENT AND SPECIAL PROJECTS AND DEMONSTRATIONS

- “Sec. 301. Declaration of purpose and competitive basis of grants and contracts.
- “Sec. 302. Training.
- “Sec. 303. Special demonstration program.
- “Sec. 304. Migrant and seasonal farmworkers.
- “Sec. 305. Recreational programs.
- “Sec. 306. Measuring of project outcomes and performance.

#### “TITLE IV—NATIONAL COUNCIL ON DISABILITY

- “Sec. 400. Establishment of National Council on Disability.
- “Sec. 401. Duties of National Council.
- “Sec. 402. Compensation of National Council members.
- “Sec. 403. Staff of National Council.
- “Sec. 404. Administrative powers of National Council.
- “Sec. 405. Authorization of Appropriations.

#### “TITLE V—RIGHTS AND ADVOCACY

- “Sec. 501. Employment of individuals with disabilities.
- “Sec. 502. Architectural and Transportation Barriers Compliance Board.
- “Sec. 503. Employment under Federal contracts.
- “Sec. 504. Nondiscrimination under Federal grants and programs.
- “Sec. 505. Remedies and attorneys’ fees.
- “Sec. 506. Secretarial responsibilities.
- “Sec. 507. Interagency Disability Coordinating Council.
- “Sec. 508. Electronic and information technology regulations.
- “Sec. 509. Protection and advocacy of individual rights.

#### “TITLE VI—EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES

- “Sec. 601. Short title.

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

- “Sec. 611. Findings, policies, and purposes.
- “Sec. 612. Projects in telecommuting for individuals with disabilities.
- “Sec. 613. Projects in self-employment for individuals with disabilities.
- “Sec. 614. Discretionary authority for dual-purpose applications.
- “Sec. 615. Authorization of appropriations.

#### “PART B—PROJECTS WITH INDUSTRY

- “Sec. 621. Projects with industry.
- “Sec. 622. Authorization of appropriations.

#### “PART C—SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH *THE MOST* SIGNIFICANT DISABILITIES

- “Sec. 631. Purpose.
- “Sec. 632. Allotments.
- “Sec. 633. Availability of services.
- “Sec. 634. Eligibility.
- “Sec. 635. State plan.
- “Sec. 636. Restriction.
- “Sec. 637. Savings provision.

“Sec. 638. Authorization of appropriations.

“TITLE VII—INDEPENDENT LIVING SERVICES AND CENTERS FOR  
INDEPENDENT LIVING

“CHAPTER 1—INDIVIDUALS WITH SIGNIFICANT DISABILITIES

“PART A—GENERAL PROVISIONS

“Sec. 701. Purpose.

“Sec. 702. Definitions.

“Sec. 703. Eligibility for receipt of services.

“Sec. 704. State plan.

“Sec. 705. Statewide Independent Living Council.

“Sec. 706. Responsibilities of the Commissioner.

“PART B—INDEPENDENT LIVING SERVICES

“Sec. 711. Allotments.

“Sec. 712. Payments to States from allotments.

“Sec. 713. Authorized uses of funds.

“Sec. 714. Authorization of appropriations.

“PART C—CENTERS FOR INDEPENDENT LIVING

“Sec. 721. Program authorization.

“Sec. 722. Grants to centers for independent living in States in which Federal  
funding exceeds State funding.

“Sec. 723. Grants to centers for independent living in States in which State  
funding equals or exceeds Federal funding.

“Sec. 724. Centers operated by State agencies.

“Sec. 725. Standards and assurances for centers for independent living.

“Sec. 726. Definitions.

“Sec. 727. Authorization of appropriations.

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

“Sec. 751. Definition.

“Sec. 752. Program of grants.

“Sec. 753. Authorization of appropriations.

1 “FINDINGS; PURPOSE; POLICY

2 “SEC. 2. (a) FINDINGS.—Congress finds that—

3 “(1) millions of Americans have one or more  
4 physical or mental disabilities and the number of  
5 Americans with such disabilities is increasing;

6 “(2) individuals with disabilities constitute one  
7 of the most disadvantaged groups in society;

1           “(3) disability is a natural part of the human  
2           experience and in no way diminishes the right of in-  
3           dividuals to—

4                   “(A) live independently;

5                   “(B) enjoy self-determination;

6                   “(C) make choices;

7                   “(D) contribute to society;

8                   “(E) pursue meaningful careers; and

9                   “(F) enjoy full inclusion and integration in

10           the economic, political, social, cultural, and edu-

11           cational mainstream of American society;

12           “(4) increased employment of individuals with  
13           disabilities can be achieved through implementation  
14           of statewide activities carried out under the Work-  
15           force Investment Partnership Act of 1998 that pro-  
16           vide meaningful and effective participation for indi-  
17           viduals with disabilities in workforce investment ac-  
18           tivities and activities carried out under the voca-  
19           tional rehabilitation program established under title  
20           I, and through the provision of independent living  
21           services, support services, and meaningful opportuni-  
22           ties for employment in integrated work settings  
23           through the provision of reasonable accommodations;

24           “(5) individuals with disabilities continually en-  
25           counter various forms of discrimination in such criti-

1 cal areas as employment, housing, public accom-  
 2 modations, education, transportation, communica-  
 3 tion, recreation, institutionalization, health services,  
 4 voting, and public services; and

5 “(6) the goals of the Nation properly include  
 6 the goal of providing individuals with disabilities  
 7 with the tools necessary to—

8 “(A) make informed choices and decisions;  
 9 and

10 “(B) achieve equality of opportunity, full  
 11 inclusion and integration in society, employ-  
 12 ment, independent living, and economic and so-  
 13 cial self-sufficiency, for such individuals.

14 “(b) PURPOSE.—The purposes of this Act are—

15 “(1) to empower individuals with disabilities to  
 16 maximize employment, economic self-sufficiency,  
 17 independence, and inclusion and integration into so-  
 18 ciety, through—

19 “(A) statewide activities carried out in ac-  
 20 cordance with the Workforce Investment Part-  
 21 nership Act of 1998 that include, as integral  
 22 components, comprehensive and coordinated  
 23 state-of-the-art programs of vocational rehabili-  
 24 tation;



1                   “(B) independent living centers and serv-  
2                   ices;

3                   “(C) research;

4                   “(D) training;

5                   “(E) demonstration projects; and

6                   “(F) the guarantee of equal opportunity;

7                   and

8                   “(2) to ensure that the Federal Government  
9                   plays a leadership role in promoting the employment  
10                  of individuals with disabilities, especially individuals  
11                  with significant disabilities, and in assisting States  
12                  and providers of services in fulfilling the aspirations  
13                  of such individuals with disabilities for meaningful  
14                  and gainful employment and independent living.

15               “(c) POLICY.—It is the policy of the United States  
16               that all programs, projects, and activities receiving assist-  
17               ance under this Act shall be carried out in a manner con-  
18               sistent with the principles of—

19               “(1) respect for individual dignity, personal re-  
20               sponsibility, self-determination, and pursuit of mean-  
21               ingful careers, based on informed choice, of individ-  
22               uals with disabilities;

23               “(2) respect for the privacy, rights, and equal  
24               access (including the use of accessible formats), of  
25               the individuals;

1           “(3) inclusion, integration, and full participa-  
2           tion of the individuals;

3           “(4) support for the involvement of an individ-  
4           ual’s representative if an individual with a disability  
5           requests, desires, or needs such support; and

6           “(5) support for individual and systemic advo-  
7           cacy and community involvement.

8           “REHABILITATION SERVICES ADMINISTRATION

9           “SEC. 3. (a) There is established in the Office of the  
10          Secretary a Rehabilitation Services Administration which  
11          shall be headed by a Commissioner (hereinafter in this Act  
12          referred to as the ‘Commissioner’) appointed by the Presi-  
13          dent by and with the advice and consent of the Senate.  
14          Except for titles IV and V and part A of title VI and as  
15          otherwise specifically provided in this Act, such Adminis-  
16          tration shall be the principal agency, and the Commis-  
17          sioner shall be the principal officer, of such Department  
18          for carrying out this Act. The Commissioner shall be an  
19          individual with substantial experience in rehabilitation and  
20          in rehabilitation program management. In the perform-  
21          ance of the functions of the office, the Commissioner shall  
22          be directly responsible to the Secretary or to the Under  
23          Secretary or an appropriate Assistant Secretary of such  
24          Department, as designated by the Secretary. The func-  
25          tions of the Commissioner shall not be delegated to any  
26          officer not directly responsible, both with respect to pro-

1 gram operation and administration, to the Commissioner.  
 2 Any reference in this Act to duties to be carried out by  
 3 the Commissioner shall be considered to be a reference  
 4 to duties to be carried out by the Secretary acting through  
 5 the Commissioner. In carrying out any of the functions  
 6 of the office under this Act, the Commissioner shall be  
 7 guided by general policies of the National Council on Dis-  
 8 ability established under title IV of this Act.

9 “(b) The Secretary shall take whatever action is nec-  
 10 essary to ~~insure~~ *ensure* that funds appropriated pursuant  
 11 to this Act, as well as unexpended appropriations for car-  
 12 rying out the Vocational Rehabilitation Act (29 U.S.C.  
 13 31–42), are expended only for the programs, personnel,  
 14 and administration of programs carried out under this  
 15 Act.

16 “(c) The Secretary shall take such action as nec-  
 17 essary to ensure that—

18 “(1) the staffing of the Rehabilitation Services  
 19 Administration shall be in sufficient numbers to  
 20 meet program needs and at levels which will attract  
 21 and maintain the most qualified personnel; and

22 “(2) such staff includes individuals who have  
 23 training and experience in the provision of rehabili-  
 24 tation services and that staff competencies meet pro-  
 25 fessional standards.

1 “ADVANCE FUNDING

2 “SEC. 4. (a) For the purpose of affording adequate  
3 notice of funding available under this Act, appropriations  
4 under this Act are authorized to be included in the appro-  
5 priation Act for the fiscal year preceding the fiscal year  
6 for which they are available for obligation.

7 “(b) In order to effect a transition to the advance  
8 funding method of timing appropriation action, the au-  
9 thority provided by subsection (a) of this section shall  
10 apply notwithstanding that its initial application will re-  
11 sult in the enactment in the same year (whether in the  
12 same appropriation Act or otherwise) of two separate ap-  
13 propriations, one for the then current fiscal year and one  
14 for the succeeding fiscal year.

15 “JOINT FUNDING

16 “SEC. 5. Pursuant to regulations prescribed by the  
17 President, and to the extent consistent with the other pro-  
18 visions of this Act, where funds are provided for a single  
19 project by more than one Federal agency to an agency  
20 or organization assisted under this Act, the Federal agen-  
21 cy principally involved may be designated to act for all  
22 in administering the funds provided, and, in such cases,  
23 a single non-Federal share requirement may be established  
24 according to the proportion of funds advanced by each  
25 agency. When the principal agency involved is the Reha-  
26 bilitation Services Administration, it may waive any grant

1 or contract requirement (as defined by such regulations)  
 2 under or pursuant to any law other than this Act, which  
 3 requirement is inconsistent with the similar requirements  
 4 of the administering agency under or pursuant to this Act.

5 **“SEC. 7. DEFINITIONS.**

6 “For the purposes of this Act:

7 “(1) ADMINISTRATIVE COSTS.—The term ‘ad-  
 8 ministrative costs’ means expenditures incurred by  
 9 the designated State unit in the performance of ad-  
 10 ministrative functions under the vocational rehabili-  
 11 tation program carried out under title I, including  
 12 expenses related to program planning, development,  
 13 monitoring, and evaluation, including—

14 “(A) expenses for—

15 “(i) quality assurance;

16 “(ii) budgeting, accounting, financial  
 17 management, information systems, and re-  
 18 lated data processing;

19 “(iii) provision of information about  
 20 the program to the public;

21 “(iv) technical assistance and related  
 22 support services to other State agencies,  
 23 private nonprofit organizations, and busi-  
 24 nesses and industries, except for technical

1 assistance and support services described  
2 in section 103(b)(5);

3 “(v) the State Rehabilitation Council  
4 and other entities that advise the des-  
5 ignated State unit with regard to the pro-  
6 vision of vocational rehabilitation services;

7 “(vi) removal of architectural barriers  
8 in State vocational rehabilitation agency  
9 offices and State operated rehabilitation  
10 facilities;

11 “(vii) operation and maintenance of  
12 designated State unit facilities, equipment,  
13 and grounds;

14 “(viii) supplies; and

15 “(ix)(I) administration of the com-  
16 prehensive system of personnel develop-  
17 ment described in section 101(a)(7), in-  
18 cluding personnel administration, and ad-  
19 ministration of affirmative action plans;

20 “(II) training and staff development;  
21 and

22 “(III) administrative salaries, includ-  
23 ing clerical and other support staff sala-  
24 ries, in support of the administrative func-  
25 tions;

1 “(B) travel costs related to carrying out  
 2 the program, other than travel costs related to  
 3 the provision of services;

4 “(C) costs incurred in conducting reviews  
 5 of rehabilitation counselor or coordinator deter-  
 6 minations; and

7 “(D) legal expenses required in the admin-  
 8 istration of the program.

9 “(2) ASSESSMENT FOR DETERMINING ELIGI-  
 10 BILITY AND VOCATIONAL REHABILITATION  
 11 NEEDS.—The term ‘assessment for determining eli-  
 12 gibility and vocational rehabilitation needs’ means,  
 13 as appropriate in each case—

14 “(A)(i) a review of existing data—

15 “(I) to determine whether an individ-  
 16 ual is eligible for vocational rehabilitation  
 17 services; and

18 “(II) to assign priority for an order of  
 19 selection described in section 101(a)(5)(A)  
 20 in the States that use an order of selection  
 21 pursuant to section 101(a)(5)(A); and

22 “(ii) to the extent necessary, the provision  
 23 of appropriate assessment activities to obtain  
 24 necessary additional data to make such deter-  
 25 mination and assignment;

1           “(B) to the extent additional data is nec-  
2           essary to make a determination of the employ-  
3           ment outcomes, and the objectives, nature, and  
4           scope of vocational rehabilitation services, to be  
5           included in the individualized rehabilitation em-  
6           ployment plan of an eligible individual, a com-  
7           prehensive assessment to determine the unique  
8           strengths, resources, priorities, concerns, abili-  
9           ties, capabilities, interests, and informed choice,  
10          including the need for supported employment,  
11          of the eligible individual, which comprehensive  
12          assessment—

13               “(i) is limited to information that is  
14               necessary to identify the rehabilitation  
15               needs of the individual and to develop the  
16               individualized rehabilitation employment  
17               plan of the eligible individual;

18               “(ii) uses, as a primary source of such  
19               information, to the maximum extent pos-  
20               sible and appropriate and in accordance  
21               with confidentiality requirements—

22               “(I) existing information ob-  
23               tained for the purposes of determining  
24               the eligibility of the individual and as-  
25               signing priority for an order of selec-



1                   tion described in section 101(a)(5)(A)  
2                   for the individual; and

3                   “(II) such information as can be  
4                   provided by the individual and, where  
5                   appropriate, by the family of the indi-  
6                   vidual;

7                   “(iii) may include, to the degree need-  
8                   ed to make such a determination, an as-  
9                   sessment of the personality, interests,  
10                  interpersonal skills, intelligence and related  
11                  functional capacities, educational achieve-  
12                  ments, work experience, vocational apti-  
13                  tudes, personal and social adjustments,  
14                  and employment opportunities of the indi-  
15                  vidual, and the medical, psychiatric, psy-  
16                  chological, and other pertinent vocational,  
17                  educational, cultural, social, recreational,  
18                  and environmental factors, that affect the  
19                  employment and rehabilitation needs of the  
20                  individual; and

21                  “(iv) may include, to the degree need-  
22                  ed, an appraisal of the patterns of work  
23                  behavior of the individual and services  
24                  needed for the individual to acquire occu-  
25                  pational skills, and to develop work atti-

1 tudes, work habits, work tolerance, and so-  
2 cial and behavior patterns necessary for  
3 successful job performance, including the  
4 utilization of work in real job situations to  
5 assess and develop the capacities of the in-  
6 dividual to perform adequately in a work  
7 environment;

8 “(C) referral, for the provision of rehabili-  
9 tation technology services to the individual, to  
10 assess and develop the capacities of the individ-  
11 ual to perform in a work environment; and

12 “(D) an exploration of the individual’s  
13 abilities, capabilities, and capacity to perform in  
14 work situations, through the use of trial work  
15 experiences, including experiences in which the  
16 individual is provided appropriate supports and  
17 training.

18 “(3) ASSISTIVE TECHNOLOGY DEVICE.—The  
19 term ‘assistive technology device’ has the meaning  
20 given such term in section 3(2) of the Technology-  
21 Related Assistance for Individuals With Disabilities  
22 Act of 1988 (29 U.S.C. 2202(2)), except that the  
23 reference in such section to the term ‘individuals  
24 with disabilities’ shall be deemed to mean more than

1 one individual with a disability as defined in para-  
2 graph (20)(A).

3 “(4) ASSISTIVE TECHNOLOGY SERVICE.—The  
4 term ‘assistive technology service’ has the meaning  
5 given such term in section 3(3) of the Technology-  
6 Related Assistance for Individuals With Disabilities  
7 Act of 1988 (29 U.S.C. 2202(3)), except that the  
8 reference in such section—

9 “(A) to the term ‘individual with a disabili-  
10 ty’ shall be deemed to mean an individual with  
11 a disability, as defined in paragraph (20)(A);  
12 and

13 “(B) to the term ‘individuals with disabili-  
14 ties’ shall be deemed to mean more than one  
15 such individual.

16 “(5) COMMUNITY REHABILITATION PRO-  
17 GRAM.—The term ‘community rehabilitation pro-  
18 gram’ means a program that provides directly or fa-  
19 cilitates the provision of vocational rehabilitation  
20 services to individuals with disabilities, and that pro-  
21 vides, singly or in combination, for an individual  
22 with a disability to enable the individual to maximize  
23 opportunities for employment, including career ad-  
24 vancement—

1           “(A) medical, psychiatric, psychological,  
2           social, and vocational services that are provided  
3           under one management;

4           “(B) testing, fitting, or training in the use  
5           of prosthetic and orthotic devices;

6           “(C) recreational therapy;

7           “(D) physical and occupational therapy;

8           “(E) speech, language, and hearing ther-  
9           apy;

10          “(F) psychiatric, psychological, and social  
11          services, including positive behavior manage-  
12          ment;

13          “(G) assessment for determining eligibility  
14          and vocational rehabilitation needs;

15          “(H) rehabilitation technology;

16          “(I) job development, placement, and re-  
17          tention services;

18          “(J) evaluation or control of specific dis-  
19          abilities;

20          “(K) orientation and mobility services for  
21          individuals who are blind;

22          “(L) extended employment;

23          “(M) psychosocial rehabilitation services;

24          “(N) supported employment services and  
25          extended services;

1           “(O) services to family members when nec-  
2           essary to the vocational rehabilitation of the in-  
3           dividual;

4           “(P) personal assistance services; or

5           “(Q) services similar to the services de-  
6           scribed in one of subparagraphs (A) through  
7           (P).

8           “(6) CRIMINAL ACT.—The term ‘criminal act’  
9           means any crime, including an act, omission, or pos-  
10          session under the laws of the United States or a  
11          State or unit of general local government, which  
12          poses a substantial threat of personal injury, not-  
13          withstanding that by reason of age, insanity, or in-  
14          toxication or otherwise the person engaging in the  
15          act, omission, or possession was legally incapable of  
16          committing a crime.

17          “(7) DESIGNATED STATE AGENCY.—The term  
18          ‘designated State agency’ means an agency des-  
19          ignated under section 101(a)(2)(A).

20          “(8) DESIGNATED STATE UNIT.—The term  
21          ‘designated State unit’ means—

22                  “(A) any State agency unit required under  
23                  section 101(a)(2)(B)(ii); or

1           “(B) in cases in which no such unit is so  
2           required, the State agency described in section  
3           101(a)(2)(B)(i).

4           “(9)   DISABILITY.—The    term    ‘disability’  
5           means—

6           “(A) except as otherwise provided in sub-  
7           paragraph (B), a physical or mental impair-  
8           ment that constitutes or results in a substantial  
9           impediment to employment; or

10          “(B) for purposes of sections 2, 14, and  
11          15, and titles II, IV, V, and VII, a physical or  
12          mental impairment that substantially limits one  
13          or more major life activities.

14          “(10) DRUG AND ILLEGAL USE OF DRUGS.—

15          “(A) DRUG.—The term ‘drug’ means a  
16          controlled substance, as defined in schedules I  
17          through V of section 202 of the Controlled Sub-  
18          stances Act (21 U.S.C. 812).

19          “(B) ILLEGAL USE OF DRUGS.—The term  
20          ‘illegal use of drugs’ means the use of drugs,  
21          the possession or distribution of which is unlaw-  
22          ful under the Controlled Substances Act. Such  
23          term does not include the use of a drug taken  
24          under supervision by a licensed health care pro-  
25          fessional, or other uses authorized by the Con-

1           trolled Substances Act or other provisions of  
2           Federal law.

3           “(11) EMPLOYMENT OUTCOME.—The term ‘em-  
4           ployment outcome’ means, with respect to an indi-  
5           vidual—

6                   “(A) entering or retaining full-time or, if  
7                   appropriate, part-time competitive employment  
8                   in the integrated labor market;

9                   “(B) satisfying the vocational outcome of  
10                  supported employment; or

11                  “(C) satisfying any other vocational out-  
12                  come the Secretary may determine to be appro-  
13                  priate (including satisfying the vocational out-  
14                  come of self-employment or business owner-  
15                  ship),

16           in a manner consistent with this Act.

17           “(12) ESTABLISHMENT OF A COMMUNITY RE-  
18           HABILITATION PROGRAM.—The term ‘establishment  
19           of a community rehabilitation program’ includes the  
20           acquisition, expansion, remodeling, or alteration of  
21           existing buildings necessary to adapt them to com-  
22           munity rehabilitation program purposes or to in-  
23           crease their effectiveness for such purposes (subject,  
24           however, to such limitations as the Secretary may  
25           determine, in accordance with regulations the Sec-

retary shall prescribe, in order to prevent impairment of the objectives of, or duplication of, other Federal laws providing Federal assistance in the construction of facilities for community rehabilitation programs), and may include such additional equipment and staffing as the Commissioner considers appropriate.

“(13) EXTENDED SERVICES.—The term ‘extended services’ means ongoing support services and other appropriate services, needed to support and maintain an individual with a most significant disability in supported employment, that—

“(A) are provided singly or in combination and are organized and made available in such a way as to assist an eligible individual in maintaining supported employment;

“(B) are based on a determination of the needs of an eligible individual, as specified in an individualized rehabilitation employment plan; and

“(C) are provided by a State agency, a nonprofit private organization, employer, or any other appropriate resource, after an individual has made the transition from support provided by the designated State unit.



1 “(14) FEDERAL SHARE.—

2 “(A) IN GENERAL.—Subject to subpara-  
3 graph (B), the term ‘Federal share’ means 78.7  
4 percent.

5 “(B) RELATIONSHIP TO EXPENDITURES  
6 BY A POLITICAL SUBDIVISION.—For the pur-  
7 pose of determining the non-Federal share with  
8 respect to a State, expenditures by a political  
9 subdivision thereof or by a local agency shall be  
10 regarded as expenditures by such State, subject  
11 to such limitations and conditions as the Sec-  
12 retary shall by regulation prescribe.

13 “(15) GOVERNOR.—*The term ‘Governor’ means a*  
14 *chief executive officer of a State or another appro-*  
15 *priate officer of the State.*

16 “~~(15)~~ (16) IMPARTIAL HEARING OFFICER.—

17 “(A) IN GENERAL.—The term ‘impartial  
18 hearing officer’ means an individual—

19 “(i) who is not an employee of a pub-  
20 lic agency (other than an administrative  
21 law judge, hearing examiner, or employee  
22 of an institution of higher education);

23 “(ii) who is not a member of the State  
24 Rehabilitation Council described in section  
25 105;

1 “(iii) who has not been involved pre-  
 2 viously in the vocational rehabilitation of  
 3 the applicant or client;

4 “(iv) who has knowledge of the deliv-  
 5 ery of vocational rehabilitation services, the  
 6 State plan under section 101, and the Fed-  
 7 eral and State rules governing the provi-  
 8 sion of such services and training with re-  
 9 spect to the performance of official duties;  
 10 and

11 “(v) who has no personal or financial  
 12 interest that would be in conflict with the  
 13 objectivity of the individual.

14 “(B) CONSTRUCTION.—An individual shall  
 15 not be considered to be an employee of a public  
 16 agency for purposes of subparagraph (A)(i)  
 17 solely because the individual is paid by the  
 18 agency to serve as a hearing officer.

19 “~~(16)~~ (17) INDEPENDENT LIVING CORE SERV-  
 20 ICES.—The term ‘independent living core services’  
 21 means—

22 “(A) information and referral services;

23 “(B) independent living skills training;

24 “(C) peer counseling (including cross-dis-  
 25 ability peer counseling); and

1 “(D) individual and systems advocacy.

2 “~~(17)~~ (18) INDEPENDENT LIVING SERVICES.—

3 The term ‘independent living services’ includes—

4 “(A) independent living core services; and

5 “(B)(i) counseling services, including psy-  
6 chological, psychotherapeutic, and related serv-  
7 ices;

8 “(ii) services related to securing housing or  
9 shelter, including services related to community  
10 group living, and supportive of the purposes of  
11 this Act and of the titles of this Act, and adapt-  
12 ive housing services (including appropriate ac-  
13 commodations to and modifications of any  
14 space used to serve, or occupied by, individuals  
15 with disabilities);

16 “(iii) rehabilitation technology;

17 “(iv) mobility training;

18 “(v) services and training for individuals  
19 with cognitive and sensory disabilities, including  
20 life skills training, and interpreter and reader  
21 services;

22 “(vi) personal assistance services, including  
23 attendant care and the training of personnel  
24 providing such services;

1           “(vii) surveys, directories, and other activi-  
2           ties to identify appropriate housing, recreation  
3           opportunities, and accessible transportation,  
4           and other support services;

5           “(viii) consumer information programs on  
6           rehabilitation and independent living services  
7           available under this Act, especially for minori-  
8           ties and other individuals with disabilities who  
9           have traditionally been unserved or underserved  
10          by programs under this Act;

11          “(ix) education and training necessary for  
12          living in a community and participating in com-  
13          munity activities;

14          “(x) supported living;

15          “(xi) transportation, including referral and  
16          assistance for such transportation and training  
17          in the use of public transportation vehicles and  
18          systems;

19          “(xii) physical rehabilitation;

20          “(xiii) therapeutic treatment;

21          “(xiv) provision of needed prostheses and  
22          other appliances and devices;

23          “(xv) individual and group social and rec-  
24          reational services;

1           “(xvi) training to develop skills specifically  
 2           designed for youths who are individuals with  
 3           disabilities to promote self-awareness and es-  
 4           teem, develop advocacy and self-empowerment  
 5           skills, and explore career options;

6           “(xvii) services for children;

7           “(xviii) services under other Federal,  
 8           State, or local programs designed to provide re-  
 9           sources, training, counseling, or other assist-  
 10          ance, of substantial benefit in enhancing the  
 11          independence, productivity, and quality of life of  
 12          individuals with disabilities;

13          “(xix) appropriate preventive services to  
 14          decrease the need of individuals assisted under  
 15          this Act for similar services in the future;

16          “(xx) community awareness programs to  
 17          enhance the understanding and integration into  
 18          society of individuals with disabilities; and

19          “(xxi) such other services as may be nec-  
 20          essary and not inconsistent with the provisions  
 21          of this Act.

22          “~~(18)~~ (19) INDIAN; AMERICAN INDIAN; INDIAN  
 23          AMERICAN.—The terms ‘Indian’, ‘American Indian’,  
 24          AMERICAN; INDIAN TRIBE.—

1           “(A) *IN GENERAL*.—*The terms ‘Indian’,*  
 2           *‘American Indian’, and ‘Indian American’ mean*  
 3           *an individual who is a member of an Indian*  
 4           *tribe.*

5           ~~“(19) INDIAN TRIBE.—The term ‘Indian tribe’~~

6           “(B) *INDIAN TRIBE*.—*The term ‘Indian*  
 7           *tribe’ means any Federal or State Indian tribe,*  
 8           *band, rancheria, pueblo, colony, or community,*  
 9           *including any Alaskan native village or regional*  
 10           *village corporation (as defined in or established*  
 11           *pursuant to the Alaska Native Claims Settle-*  
 12           *ment Act).*

13           “(20) *INDIVIDUAL WITH A DISABILITY*.—

14           “(A) *IN GENERAL*.—*Except as otherwise*  
 15           *provided in subparagraph (B), the term ‘indi-*  
 16           *vidual with a disability’ means any individual*  
 17           *who—*

18                   “(i) *has a physical or mental impair-*  
 19                   *ment which for such individual constitutes*  
 20                   *or results in a substantial impediment to*  
 21                   *employment; and*

22                   “(ii) *can benefit in terms of an em-*  
 23                   *ployment outcome from vocational rehabili-*  
 24                   *tation services provided pursuant to title I,*  
 25                   *III, or VI.*

“(B) CERTAIN PROGRAMS; LIMITATIONS  
ON MAJOR LIFE ACTIVITIES.—Subject to sub-  
paragraphs (C), (D), (E), and (F), the term  
‘individual with a disability’ means, for pur-  
poses of sections 2, 14, and 15, and titles II,  
IV, V, and VII of this Act, any person who—

“(i) has a physical or mental impair-  
ment which substantially limits one or  
more of such person’s major life activities;

“(ii) has a record of such an impair-  
ment; or

“(iii) is regarded as having such an  
impairment.

“(C) RIGHTS AND ADVOCACY PROVI-  
SIONS.—

“(i) IN GENERAL; EXCLUSION OF IN-  
DIVIDUALS ENGAGING IN DRUG USE.—For  
purposes of title V, the term ‘individual  
with a disability’ does not include an indi-  
vidual who is currently engaging in the ille-  
gal use of drugs, when a covered entity  
acts on the basis of such use.

“(ii) EXCEPTION FOR INDIVIDUALS  
NO LONGER ENGAGING IN DRUG USE.—  
Nothing in clause (i) shall be construed to

1 exclude as an individual with a disability  
2 an individual who—

3 “(I) has successfully completed a  
4 supervised drug rehabilitation pro-  
5 gram and is no longer engaging in the  
6 illegal use of drugs, or has otherwise  
7 been rehabilitated successfully and is  
8 no longer engaging in such use;

9 “(II) is participating in a super-  
10 vised rehabilitation program and is no  
11 longer engaging in such use; or

12 “(III) is erroneously regarded as  
13 engaging in such use, but is not en-  
14 gaging in such use;

15 except that it shall not be a violation of  
16 this Act for a covered entity to adopt or  
17 administer reasonable policies or proce-  
18 dures, including but not limited to drug  
19 testing, designed to ensure that an individ-  
20 ual described in subclause (I) or (II) is no  
21 longer engaging in the illegal use of drugs.

22 “(iii) EXCLUSION FOR CERTAIN SERV-  
23 ICES.—Notwithstanding clause (i), for pur-  
24 poses of programs and activities providing  
25 health services and services provided under



1 titles I, II, and III, an individual shall not  
2 be excluded from the benefits of such pro-  
3 grams or activities on the basis of his or  
4 her current illegal use of drugs if he or she  
5 is otherwise entitled to such services.

6 “(iv) DISCIPLINARY ACTION.—For  
7 purposes of programs and activities provid-  
8 ing educational services, local educational  
9 agencies may take disciplinary action per-  
10 taining to the use or possession of illegal  
11 drugs or alcohol against any student who  
12 is an individual with a disability and who  
13 currently is engaging in the illegal use of  
14 drugs or in the use of alcohol to the same  
15 extent that such disciplinary action is  
16 taken against students who are not individ-  
17 uals with disabilities. Furthermore, the due  
18 process procedures at section 104.36 of  
19 title 34, Code of Federal Regulations (or  
20 any corresponding similar regulation or  
21 ruling) shall not apply to such disciplinary  
22 actions.

23 “(v) EMPLOYMENT; EXCLUSION OF  
24 ALCOHOLICS.—For purposes of sections  
25 503 and 504 as such sections relate to em-

1           employment, the term ‘individual with a dis-  
2           ability’ does not include any individual who  
3           is an alcoholic whose current use of alcohol  
4           prevents such individual from performing  
5           the duties of the job in question or whose  
6           employment, by reason of such current al-  
7           cohol abuse, would constitute a direct  
8           threat to property or the safety of others.

9           “(D) EMPLOYMENT; EXCLUSION OF INDIVIDUALS WITH CERTAIN DISEASES OR INFECTIONS.—For the purposes of sections 503 and  
10           504, as such sections relate to employment,  
11           such term does not include an individual who  
12           has a currently contagious disease or infection  
13           and who, by reason of such disease or infection,  
14           would constitute a direct threat to the health or  
15           safety of other individuals or who, by reason of  
16           the currently contagious disease or infection, is  
17           unable to perform the duties of the job.

18           “(E) RIGHTS PROVISIONS; EXCLUSION OF  
19           INDIVIDUALS ON BASIS OF HOMOSEXUALITY OR  
20           BISEXUALITY.—For the purposes of sections  
21           501, 503, and 504—

22           “(i) for purposes of the application of  
23           subparagraph (B) to such sections, the  
24

term ‘impairment’ does not include homosexuality or bisexuality; and

“(ii) therefore the term ‘individual with a disability’ does not include an individual on the basis of homosexuality or bisexuality.

“(F) RIGHTS PROVISIONS; EXCLUSION OF INDIVIDUALS ON BASIS OF CERTAIN DISORDERS.—For the purposes of sections 501, 503, and 504, the term ‘individual with a disability’ does not include an individual on the basis of—

“(i) transvestism, transsexualism, pedophilia, exhibitionism, voyeurism, gender identity disorders not resulting from physical impairments, or other sexual behavior disorders;

“(ii) compulsive gambling, kleptomania, or pyromania; or

“(iii) psychoactive substance use disorders resulting from current illegal use of drugs.

“(G) INDIVIDUALS WITH DISABILITIES.—The term ‘individuals with disabilities’ means more than one individual with a disability.

1           “(21) INDIVIDUAL WITH A SIGNIFICANT DIS-  
2           ABILITY.—

3           “(A) IN GENERAL.—Except as provided in  
4           subparagraph (B) or (C), the term ‘individual  
5           with a significant disability’ means an individ-  
6           ual with a disability—

7                   “(i) who has a severe physical or men-  
8                   tal impairment which seriously limits one  
9                   or more functional capacities (such as mo-  
10                  bility, communication, self-care, self-direc-  
11                  tion, interpersonal skills, work tolerance, or  
12                  work skills) in terms of an employment  
13                  outcome;

14                  “(ii) whose vocational rehabilitation  
15                  can be expected to require multiple voca-  
16                  tional rehabilitation services over an ex-  
17                  tended period of time; and

18                  “(iii) who has one or more physical or  
19                  mental disabilities resulting from amputa-  
20                  tion, arthritis, autism, blindness, burn in-  
21                  jury, cancer, cerebral palsy, cystic fibrosis,  
22                  deafness, head injury, heart disease, hemi-  
23                  plegia, hemophilia, respiratory or pul-  
24                  monary dysfunction, mental retardation,  
25                  mental illness, multiple sclerosis, muscular

dystrophy, musculo-skeletal disorders, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined on the basis of an assessment for determining eligibility and vocational rehabilitation needs described in subparagraphs (A) and (B) of paragraph (2) to cause comparable substantial functional limitation.

“(B) INDEPENDENT LIVING SERVICES AND CENTERS FOR INDEPENDENT LIVING.—For purposes of title VII, the term ‘individual with a significant disability’ means an individual with a severe physical or mental impairment whose ability to function independently in the family or community or whose ability to obtain, maintain, or advance in employment is substantially limited and for whom the delivery of independent living services will improve the ability to function, continue functioning, or move towards functioning independently in the family

1 or community or to continue in employment, re-  
 2 spectively.

3 “(C) RESEARCH AND TRAINING.—For pur-  
 4 poses of title II, the term ‘individual with a sig-  
 5 nificant disability’ includes an individual de-  
 6 scribed in subparagraph (A) or (B).

7 “(D) INDIVIDUALS WITH SIGNIFICANT DIS-  
 8 ABILITIES.—The term ‘individuals with signifi-  
 9 cant disabilities’ means more than one individ-  
 10 ual with a significant disability.

11 “(E) INDIVIDUAL WITH A MOST SIGNIFI-  
 12 CANT DISABILITY.—

13 “(i) IN GENERAL.—The term ‘individ-  
 14 ual with a most significant disability’, used  
 15 with respect to an individual in a State,  
 16 means an individual with a significant dis-  
 17 ability who meets criteria established by  
 18 the State under section 101(a)(5)(C).

19 “(ii) INDIVIDUALS WITH THE MOST  
 20 SIGNIFICANT DISABILITIES.—The term ‘in-  
 21 dividuals with the most significant disabil-  
 22 ities’ means more than one individual with  
 23 a most significant disability.

24 “(22) INDIVIDUAL’S REPRESENTATIVE; APPLI-  
 25 CANT’S REPRESENTATIVE.—

1                   “(A) INDIVIDUAL’S REPRESENTATIVE.—

2                   The term ‘individual’s representative’ used with  
3                   respect to an eligible individual or other individ-  
4                   ual with a disability, means—

5                   “(i) any representative chosen by the  
6                   eligible individual or other individual with  
7                   a disability, including a parent, guardian,  
8                   other family member, or advocate; or

9                   “(ii) if a representative or legal guard-  
10                  ian has been appointed by a court to rep-  
11                  resent the eligible individual or other indi-  
12                  vidual with a disability, the court-ap-  
13                  pointed representative or legal guardian.

14                  “(B) APPLICANT’S REPRESENTATIVE.—

15                  The term ‘applicant’s representative’ means—

16                  “(i) any representative described in  
17                  subparagraph (A)(i) chosen by the appli-  
18                  cant; or

19                  “(ii) if a representative or legal guard-  
20                  ian has been appointed by a court to rep-  
21                  resent the applicant, the court-appointed  
22                  representative or legal guardian.

23                  “(23) INSTITUTION OF HIGHER EDUCATION.—

24                  The term ‘institution of higher education’ has the

1 meaning given the term in section 1201(a) of the  
2 Higher Education Act of 1965 (20 U.S.C. 1141(a)).

3 “(24) LOCAL AGENCY.—The term ‘local agency’  
4 means an agency of a unit of general local govern-  
5 ment or of an Indian tribe (or combination of such  
6 units or tribes) which has an agreement with the  
7 designated State agency to conduct a vocational re-  
8 habilitation program under the supervision of such  
9 State agency in accordance with the State plan ap-  
10 proved under section 101. Nothing in the preceding  
11 sentence of this paragraph or in section 101 shall be  
12 construed to prevent the local agency from arrang-  
13 ing to utilize another local public or nonprofit agen-  
14 cy to provide vocational rehabilitation services if  
15 such an arrangement is made part of the agreement  
16 specified in this paragraph.

17 “(25) LOCAL WORKFORCE INVESTMENT PART-  
18 NERSHIP.—The term ‘local workforce investment  
19 partnership’ means a local workforce investment  
20 partnership established under section 308 of the  
21 Workforce Investment Partnership Act of 1998.

22 “(26) NONPROFIT.—The term ‘nonprofit’, when  
23 used with respect to a community rehabilitation pro-  
24 gram, means a community rehabilitation program  
25 carried out by a corporation or association, no part



1 of the net earnings of which inures, or may lawfully  
 2 inure, to the benefit of any private shareholder or in-  
 3 dividual and the income of which is exempt from  
 4 taxation under section 501(c)(3) of the Internal Rev-  
 5 enue Code of 1986.

6 “(27) ONGOING SUPPORT SERVICES.—The term  
 7 ‘ongoing support services’ means services—

8 “(A) provided to individuals with the most  
 9 significant disabilities;

10 “(B) provided, at a minimum, twice  
 11 monthly—

12 “(i) to make an assessment, regarding  
 13 the employment situation, at the worksite  
 14 of each such individual in supported em-  
 15 ployment, or, under special circumstances,  
 16 especially at the request of the client, off  
 17 site; and

18 “(ii) based on the assessment, to pro-  
 19 vide for the coordination or provision of  
 20 specific intensive services, at or away from  
 21 the worksite, that are needed to maintain  
 22 employment stability; and

23 “(C) consisting of—

1 “(i) a particularized assessment sup-  
2 plementary to the comprehensive assess-  
3 ment described in paragraph (2)(B);

4 “(ii) the provision of skilled job train-  
5 ers who accompany the individual for in-  
6 tensive job skill training at the work site;

7 “(iii) job development, job retention,  
8 and placement services;

9 “(iv) social skills training;

10 “(v) regular observation or super-  
11 vision of the individual;

12 “(vi) followup services such as regular  
13 contact with the employers, the individuals,  
14 the individuals’ representatives, and other  
15 appropriate individuals, in order to rein-  
16 force and stabilize the job placement;

17 “(vii) facilitation of natural supports  
18 at the worksite;

19 “(viii) any other service identified in  
20 section 103; or

21 “(ix) a service similar to another serv-  
22 ice described in this subparagraph.

23 “(28) PERSONAL ASSISTANCE SERVICES.—The  
24 term ‘personal assistance services’ means a range of  
25 services, provided by one or more persons, designed

1 to assist an individual with a disability to perform  
 2 daily living activities on or off the job that the indi-  
 3 vidual would typically perform if the individual did  
 4 not have a disability. Such services shall be designed  
 5 to increase the individual's control in life and ability  
 6 to perform everyday activities on or off the job.

7 “(29) PUBLIC OR NONPROFIT.—The term ‘pub-  
 8 lic or nonprofit’, used with respect to an agency or  
 9 organization, includes an Indian tribe.

10 “(30) REHABILITATION TECHNOLOGY.—The  
 11 term ‘rehabilitation technology’ means the system-  
 12 atic application of technologies, engineering meth-  
 13 odologies, or scientific principles to meet the needs  
 14 of and address the barriers confronted by individuals  
 15 with disabilities in areas which include education, re-  
 16 habilitation, employment, transportation, independ-  
 17 ent living, and recreation. The term includes reha-  
 18 bilitation engineering, assistive technology devices,  
 19 and assistive technology services.

20 “(31) REQUIRES VOCATIONAL REHABILITATION  
 21 SERVICES.—The term ‘requires vocational rehabilita-  
 22 tion services’, used with respect to an individual with  
 23 a disability as defined in paragraph (20)(A), means  
 24 that the individual is unable to prepare for, secure,  
 25 retain, or regain employment consistent with the

1 strengths, resources, priorities, concerns, abilities,  
 2 capabilities, interests, and informed choice of the in-  
 3 dividual without vocational rehabilitation services,  
 4 because the individual—

5 “(A) has never been employed;

6 “(B) has lost employment;

7 “(C) is underemployed;

8 “(D) is at immediate risk of losing employ-  
 9 ment; or

10 “(E) receives benefits on the basis of dis-  
 11 ability or blindness pursuant to title II or XVI  
 12 of the Social Security Act (42 U.S.C. 401 et  
 13 seq. or 1381 et seq.), in a case in which the in-  
 14 dividual intends to achieve an employment out-  
 15 come consistent with the unique strengths, re-  
 16 sources, priorities, concerns, abilities, capabili-  
 17 ties, interests, and informed choice of the indi-  
 18 vidual.

19 “(32) SECRETARY.—The term ‘Secretary’, ex-  
 20 cept when the context otherwise requires, means the  
 21 Secretary of Education.

22 “(33) STATE.—The term ‘State’ includes, in  
 23 addition to each of the several States of the United  
 24 States, the District of Columbia, the Commonwealth  
 25 of Puerto Rico, the United States Virgin Islands,

1       Guam, American Samoa, and the Commonwealth of  
2       the Northern Mariana Islands.

3           “(34) STATEWIDE WORKFORCE INVESTMENT  
4       PARTNERSHIP.—The term ‘statewide workforce in-  
5       vestment partnership’ means a partnership estab-  
6       lished under section 303 of the Workforce Invest-  
7       ment Partnership Act of 1998.

8           “(35) STATEWIDE WORKFORCE INVESTMENT  
9       SYSTEM.—The term ‘statewide workforce investment  
10      system’ means a system described in section 301 of  
11      the Workforce Investment Partnership Act of 1998.

12          “(36) SUPPORTED EMPLOYMENT.—

13               “(A) IN GENERAL.—The term ‘supported  
14      employment’ means competitive work in inte-  
15      grated work settings, or employment in inte-  
16      grated work settings in which individuals are  
17      working toward competitive work, consistent  
18      with the strengths, resources, priorities, con-  
19      cerns, abilities, capabilities, interests, and in-  
20      formed choice of the individuals, for individuals  
21      with the most significant disabilities—

22                       “(i)(I) for whom competitive employ-  
23                      ment has not traditionally occurred; or

1 “(II) for whom competitive employ-  
 2 ment has been interrupted or intermittent  
 3 as a result of a significant disability; and

4 “(ii) who, because of the nature and  
 5 severity of their disability, need intensive  
 6 supported employment services for the pe-  
 7 riod, and any extension, described in para-  
 8 graph (37)(C) and extended services after  
 9 the transition described in paragraph  
 10 (13)(C) in order to perform such work.

11 “(B) CERTAIN TRANSITIONAL EMPLOY-  
 12 MENT.—Such term includes transitional em-  
 13 ployment for persons who are individuals with  
 14 the most significant disabilities due to mental  
 15 illness.

16 “(37) SUPPORTED EMPLOYMENT SERVICES.—  
 17 The term ‘supported employment services’ means  
 18 ongoing support services and other appropriate serv-  
 19 ices needed to support and maintain an individual  
 20 with a most significant disability in supported em-  
 21 ployment, that—

22 “(A) are provided singly or in combination  
 23 and are organized and made available in such  
 24 a way as to assist an eligible individual to  
 25 achieve competitive employment;

1           “(B) are based on a determination of the  
2           needs of an eligible individual, as specified in an  
3           individualized rehabilitation employment plan;  
4           and

5           “(C) are provided by the designated State  
6           unit for a period of time not to extend beyond  
7           18 months, unless under special circumstances  
8           the eligible individual and the rehabilitation  
9           counselor or coordinator jointly agree to extend  
10          the time in order to achieve the rehabilitation  
11          objectives identified in the individualized reha-  
12          bilitation employment plan.

13          “(38) TRANSITION SERVICES.—The term ‘tran-  
14          sition services’ means a coordinated set of activities  
15          for a student, designed within an outcome-oriented  
16          process, that promotes movement from school to  
17          post school activities, including postsecondary edu-  
18          cation, vocational training, integrated employment  
19          (including supported employment), continuing and  
20          adult education, adult services, independent living,  
21          or community participation. The coordinated set of  
22          activities shall be based upon the individual stu-  
23          dent’s needs, taking into account the student’s pref-  
24          erences and interests, and shall include instruction,  
25          community experiences, the development of employ-

1       ment and other post school adult living objectives,  
 2       and, when appropriate, acquisition of daily living  
 3       skills and functional vocational evaluation.

4           “(39) UNDEREMPLOYED.—The term ‘under-  
 5       employed’, used with respect to an individual with a  
 6       disability, as defined in paragraph (20)(A), means a  
 7       situation in which the individual is employed in a job  
 8       that is not consistent with the strengths, resources,  
 9       priorities, concerns, abilities, capabilities, interests,  
 10      and informed choice of the individual.

11          “(40) VOCATIONAL REHABILITATION SERV-  
 12      ICES.—The term ‘vocational rehabilitation services’  
 13      means those services identified in section 103 which  
 14      are provided to individuals with disabilities under  
 15      this Act.

16          “(41) WORKFORCE INVESTMENT ACTIVITIES.—  
 17      The term ‘workforce investment activities’ has the  
 18      meaning given the term in section 2 of the Work-  
 19      force Investment Partnership Act of 1998 carried  
 20      out under that Act.

21           “ALLOTMENT PERCENTAGE

22          “SEC. 8. (a)(1) For purposes of section 110, the al-  
 23      lotment percentage for any State shall be 100 per centum  
 24      less that percentage which bears the same ratio to 50 per  
 25      centum as the per capita income of such State bears to  
 26      the per capita income of the United States, except that—



1           “(A) the allotment percentage shall in no case  
2           be more than 75 per centum or less than  $33\frac{1}{3}$  per  
3           centum; and

4           “(B) the allotment percentage for the District  
5           of Columbia, Puerto Rico, Guam, the Virgin Islands,  
6           American Samoa, and the Commonwealth of the  
7           Northern Mariana Islands shall be 75 per centum.

8           “(2) The allotment percentages shall be promulgated  
9           by the Secretary between October 1 and December 31 of  
10          each even-numbered year, on the basis of the average of  
11          the per capita incomes of the States and of the United  
12          States for the three most recent consecutive years for  
13          which satisfactory data are available from the Department  
14          of Commerce. Such promulgation shall be conclusive for  
15          each of the two fiscal years in the period beginning on  
16          the October 1 next succeeding such promulgation.

17          “(3) The term ‘United States’ means (but only for  
18          purposes of this subsection) the fifty States and the Dis-  
19          trict of Columbia.

20          “(b) The population of the several States and of the  
21          United States shall be determined on the basis of the most  
22          recent data available, to be furnished by the Department  
23          of Commerce by October 1 of the year preceding the fiscal  
24          year for which funds are appropriated pursuant to statu-  
25          tory authorizations.

## 1 “NONDUPLICATION

2 “SEC. 10. In determining the amount of any State’s  
3 Federal share of expenditures for planning, administra-  
4 tion, and services incurred by it under a State plan ap-  
5 proved in accordance with section 101, there shall be dis-  
6 regarded (1) any portion of such expenditures which are  
7 financed by Federal funds provided under any other provi-  
8 sion of law, and (2) the amount of any non-Federal funds  
9 required to be expended as a condition of receipt of such  
10 Federal funds. No payment may be made from funds pro-  
11 vided under one provision of this Act relating to any cost  
12 with respect to which any payment is made under any  
13 other provision of this Act, except that this section shall  
14 not be construed to limit or reduce fees for services ren-  
15 dered by community rehabilitation programs.

## 16 “APPLICATION OF OTHER LAWS

17 “SEC. 11. The provisions of the Act of December 5,  
18 1974 (Public Law 93–510) and of title V of the Act of  
19 October 15, 1977 (Public Law 95–134) shall not apply  
20 to the administration of the provisions of this Act or to  
21 the administration of any program or activity under this  
22 Act.

## 23 “ADMINISTRATION OF THE ACT

24 “SEC. 12. (a) In carrying out the purposes of this  
25 Act, the Commissioner may—

1           “(1) provide consultative services and technical  
2           assistance to public or nonprofit private agencies  
3           and organizations, including assistance to enable  
4           such agencies and organizations to facilitate mean-  
5           ingful and effective participation by individuals with  
6           disabilities in workforce investment activities;

7           “(2) provide short-term training and technical  
8           instruction, including training for the personnel of  
9           community rehabilitation programs, centers for inde-  
10          pendent living, and other providers of services (in-  
11          cluding job coaches);

12          “(3) conduct special projects and demonstra-  
13          tions;

14          “(4) collect, prepare, publish, and disseminate  
15          special educational or informational materials, in-  
16          cluding reports of the projects for which funds are  
17          provided under this Act; and

18          “(5) provide monitoring and conduct evalua-  
19          tions.

20          “(b)(1) In carrying out the duties under this Act, the  
21          Commissioner may utilize the services and facilities of any  
22          agency of the Federal Government and of any other public  
23          or nonprofit agency or organization, in accordance with  
24          agreements between the Commissioner and the head there-

1 of, and may pay therefor, in advance or by way of reim-  
2 bursement, as may be provided in the agreement.

3 “(2) In carrying out the provisions of this Act, the  
4 Commissioner shall appoint such task forces as may be  
5 necessary to collect and disseminate information in order  
6 to improve the ability of the Commissioner to carry out  
7 the provisions of this Act.

8 “(c) The Commissioner may promulgate such regula-  
9 tions as are considered appropriate to carry out the Com-  
10 missioner’s duties under this Act.

11 “(d) The Secretary shall promulgate regulations re-  
12 garding the requirements for the implementation of an  
13 order of selection for vocational rehabilitation services  
14 under section 101(a)(5)(A) if such services cannot be pro-  
15 vided to all eligible individuals with disabilities who apply  
16 for such services.

17 “(e) Not later than 180 days after the date of enact-  
18 ment of the Rehabilitation Act Amendments of 1998, the  
19 Secretary shall receive public comment and promulgate  
20 regulations to implement the amendments made by the  
21 Rehabilitation Act Amendments of 1998.

22 “(f) In promulgating regulations to carry out this  
23 Act, the Secretary shall promulgate only regulations that  
24 are necessary to administer and ensure compliance with  
25 the specific requirements of this Act.

1       “(g) There are authorized to be appropriated to carry  
2 out this section such sums as may be necessary.

3                               “REPORTS

4       “SEC. 13. (a) Not later than one hundred and eighty  
5 days after the close of each fiscal year, the Commissioner  
6 shall prepare and submit to the President and to the Con-  
7 gress a full and complete report on the activities carried  
8 out under this Act, including the activities and staffing  
9 of the information clearinghouse under section 15.

10       “(b) The Commissioner shall collect information to  
11 determine whether the purposes of this Act are being met  
12 and to assess the performance of programs carried out  
13 under this Act. The Commissioner shall take whatever ac-  
14 tion is necessary to assure that the identity of each indi-  
15 vidual for which information is supplied under this section  
16 is kept confidential, except as otherwise required by law  
17 (including regulation).

18       “(c) In preparing the report, the Commissioner shall  
19 annually collect and include in the report information  
20 based on the information submitted by States in accord-  
21 ance with section 101(a)(10). The Commissioner shall, to  
22 the maximum extent appropriate, include in the report all  
23 information that is required to be submitted in the reports  
24 described in section 321(d) of the Workforce Investment  
25 Partnership Act of 1998 and that pertains to the employ-  
26 ment of individuals with disabilities.

## 1 “EVALUATION

2 “SEC. 14. (a) For the purpose of improving program  
3 management and effectiveness, the Secretary, in consulta-  
4 tion with the Commissioner, shall evaluate all the pro-  
5 grams authorized by this Act, their general effectiveness  
6 in relation to their cost, their impact on related programs,  
7 and their structure and mechanisms for delivery of serv-  
8 ices, using appropriate methodology and evaluative re-  
9 search designs. The Secretary shall establish and use  
10 standards for the evaluations required by this subsection.  
11 Such an evaluation shall be conducted by a person not  
12 immediately involved in the administration of the program  
13 evaluated.

14 “(b) In carrying out evaluations under this section,  
15 the Secretary shall obtain the opinions of program and  
16 project participants about the strengths and weaknesses  
17 of the programs and projects.

18 “(c) The Secretary shall take the necessary action to  
19 assure that all studies, evaluations, proposals, and data  
20 produced or developed with Federal funds under this Act  
21 shall become the property of the United States.

22 “(d) Such information as the Secretary may deter-  
23 mine to be necessary for purposes of the evaluations con-  
24 ducted under this section shall be made available upon re-

1 quest of the Secretary, by the departments and agencies  
2 of the executive branch.

3 “(e)(1) To assess the linkages between vocational re-  
4 habilitation services and economic and noneconomic out-  
5 comes, the Secretary shall continue to conduct a longitu-  
6 dinal study of a national sample of applicants for the serv-  
7 ices.

8 “(2) The study shall address factors related to attri-  
9 tion and completion of the program through which the  
10 services are provided and factors within and outside the  
11 program affecting results. Appropriate comparisons shall  
12 be used to contrast the experiences of similar persons who  
13 do not obtain the services.

14 “(3) The study shall be planned to cover the period  
15 beginning on the application of individuals with disabilities  
16 for the services, through the eligibility determination and  
17 provision of services for the individuals, and a further pe-  
18 riod of not less than 2 years after the termination of serv-  
19 ices.

20 “(f)(1) The Commissioner shall identify and dissemi-  
21 nate information on exemplary practices concerning voca-  
22 tional rehabilitation.

23 “(2) To facilitate compliance with paragraph (1), the  
24 Commissioner shall conduct studies and analyses that  
25 identify exemplary practices concerning vocational reha-

1 bilitation, including studies in areas relating to providing  
 2 informed choice in the rehabilitation process, promoting  
 3 consumer satisfaction, promoting job placement and reten-  
 4 tion, providing supported employment, providing services  
 5 to particular disability populations, financing personal as-  
 6 sistance services, providing assistive technology devices  
 7 and assistive technology services, entering into cooperative  
 8 agreements, establishing standards and certification for  
 9 community rehabilitation programs, converting from non-  
 10 integrated to integrated employment, and providing case-  
 11 load management.

12 “(g) There are authorized to be appropriated to carry  
 13 out this section such sums as may be necessary.

14 “INFORMATION CLEARINGHOUSE

15 “SEC. 15. (a) The Secretary shall establish a central  
 16 clearinghouse for information and resource availability for  
 17 individuals with disabilities which shall provide informa-  
 18 tion and data regarding—

19 “(1) the location, provision, and availability of  
 20 services and programs for individuals with disabil-  
 21 ities, including such information and data provided  
 22 by statewide partnerships established under section  
 23 303 of the Workforce Investment Partnership Act of  
 24 1998 regarding such services and programs author-  
 25 ized under such Act;



1           “(2) research and recent medical and scientific  
2       developments bearing on disabilities (and their pre-  
3       vention, amelioration, causes, and cures); and

4           “(3) the current numbers of individuals with  
5       disabilities and their needs.

6       The clearinghouse shall also provide any other relevant in-  
7       formation and data which the Secretary considers appro-  
8       priate.

9           “(b) The Commissioner may assist the Secretary to  
10      develop within the Department of Education a coordinated  
11      system of information and data retrieval, which will have  
12      the capacity and responsibility to provide information re-  
13      garding the information and data referred to in subsection  
14      (a) of this section to the Congress, public and private  
15      agencies and organizations, individuals with disabilities  
16      and their families, professionals in fields serving such indi-  
17      viduals, and the general public.

18          “(c) The office established to carry out the provisions  
19      of this section shall be known as the ‘Office of Information  
20      and Resources for Individuals with Disabilities’.

21          “(d) There are authorized to be appropriated to carry  
22      out this section such sums as may be necessary.

23                               “TRANSFER OF FUNDS

24          “SEC. 16. (a) Except as provided in subsection (b)  
25      of this section, no funds appropriated under this Act for  
26      any research program or activity may be used for any pur-

1 pose other than that for which the funds were specifically  
2 authorized.

3 “(b) No more than 1 percent of funds appropriated  
4 for discretionary grants, contracts, or cooperative agree-  
5 ments authorized by this Act may be used for the purpose  
6 of providing non-Federal panels of experts to review appli-  
7 cations for such grants, contracts, or cooperative agree-  
8 ments.

9 “STATE ADMINISTRATION

10 “SEC. 17. The application of any State rule or policy  
11 relating to the administration or operation of programs  
12 funded by this Act (including any rule or policy based on  
13 State interpretation of any Federal law, regulation, or  
14 guideline) shall be identified as a State imposed require-  
15 ment.

16 “REVIEW OF APPLICATIONS

17 “SEC. 18. Applications for grants in excess of  
18 \$100,000 in the aggregate authorized to be funded under  
19 this Act, other than grants primarily for the purpose of  
20 conducting dissemination or conferences, shall be reviewed  
21 by panels of experts which shall include a majority of non-  
22 Federal members. Non-Federal members may be provided  
23 travel, per diem, and consultant fees not to exceed the  
24 daily equivalent of the rate of pay for level 4 of the Senior  
25 Executive Service Schedule under section 5382 of title 5,  
26 United States Code.

1 **“SEC. 19. CARRYOVER.**

2 “(a) IN GENERAL.—Except as provided in subsection  
3 (b), and notwithstanding any other provision of law—

4 “(1) any funds appropriated for a fiscal year to  
5 carry out any grant program under part B of title  
6 I, section 509 (except as provided in section 509(b)),  
7 part C of title VI, part B or C of chapter 1 of title  
8 VII, or chapter 2 of title VII (except as provided in  
9 section 752(b)), including any funds reallocated under  
10 any such grant program, that are not obligated and  
11 expended by recipients prior to the beginning of the  
12 succeeding fiscal year; or

13 “(2) any amounts of program income, including  
14 reimbursement payments under the Social Security  
15 Act (42 U.S.C. 301 et seq.), received by recipients  
16 under any grant program specified in paragraph (1)  
17 that are not obligated and expended by recipients  
18 prior to the beginning of the fiscal year succeeding  
19 the fiscal year in which such amounts were received,  
20 shall remain available for obligation and expenditure by  
21 such recipients during such succeeding fiscal year.

22 “(b) NON-FEDERAL SHARE.—Such funds shall re-  
23 main available for obligation and expenditure by a recipi-  
24 ent as provided in subsection (a) only to the extent that  
25 the recipient complied with any Federal share require-

1 ments applicable to the program for the fiscal year for  
2 which the funds were appropriated.

3 **“SEC. 20. CLIENT ASSISTANCE INFORMATION.**

4 “All programs, including community rehabilitation  
5 programs, and projects, that provide services to individ-  
6 uals with disabilities under this Act shall advise such indi-  
7 viduals who are applicants for or recipients of the services,  
8 or the applicants’ representatives or individuals’ represent-  
9 atives, of the availability and purposes of the client assist-  
10 ance program under section 112, including information on  
11 means of seeking assistance under such program.

12 **“SEC. 21. TRADITIONALLY UNDERSERVED POPULATIONS.**

13 “(a) FINDINGS.—With respect to the programs au-  
14 thorized in titles II through VII, the Congress finds as  
15 follows:

16 “(1) RACIAL PROFILE.—The racial profile of  
17 America is rapidly changing. While the rate of in-  
18 crease for white Americans is 3.2 percent, the rate  
19 of increase for racial and ethnic minorities is much  
20 higher: 38.6 percent for Latinos, 14.6 percent for  
21 African-Americans, and 40.1 percent for Asian-  
22 Americans and other ethnic groups. By the year  
23 2000, the Nation will have 260,000,000 people, one  
24 of every three of whom will be either African-Amer-  
25 ican, Latino, or Asian-American.

1           “(2) RATE OF DISABILITY.—Ethnic and racial  
2 minorities tend to have disabling conditions at a dis-  
3 proportionately high rate. The rate of work-related  
4 disability for American Indians is about one and  
5 one-half times that of the general population. Afri-  
6 can-Americans are also one and one-half times more  
7 likely to be disabled than whites and twice as likely  
8 to be significantly disabled.

9           “(3) INEQUITABLE TREATMENT.—Patterns of  
10 inequitable treatment of minorities have been docu-  
11 mented in all major junctures of the vocational reha-  
12 bilitation process. As compared to white Americans,  
13 a larger percentage of African-American applicants  
14 to the vocational rehabilitation system is denied ac-  
15 ceptance. Of applicants accepted for service, a larger  
16 percentage of African-American cases is closed with-  
17 out being rehabilitated. Minorities are provided less  
18 training than their white counterparts. Consistently,  
19 less money is spent on minorities than on their white  
20 counterparts.

21           “(4) RECRUITMENT.—Recruitment efforts with-  
22 in vocational rehabilitation at the level of ~~pre-service~~  
23 *preservice* training, continuing education, and in-  
24 service training must focus on bringing larger num-  
25 bers of minorities into the profession in order to pro-

1       vide appropriate practitioner knowledge, role models,  
2       and sufficient manpower to address the clearly  
3       changing demography of vocational rehabilitation.

4       “(b) OUTREACH TO MINORITIES.—

5               “(1) IN GENERAL.—For each fiscal year, the  
6       Commissioner and the Director of the National In-  
7       stitute on Disability and Rehabilitation Research  
8       (referred to in this subsection as the ‘Director’) shall  
9       reserve 1 percent of the funds appropriated for the  
10      fiscal year for programs authorized under titles II,  
11      III, VI, and VII to carry out this subsection. The  
12      Commissioner and the Director shall use the re-  
13      served funds to carry out 1 or more of the activities  
14      described in paragraph (2) through a grant, con-  
15      tract, or cooperative agreement.

16             “(2) ACTIVITIES.—The activities carried out by  
17      the Commissioner and the Director shall include 1  
18      or more of the following:

19               “(A) Making awards to minority entities  
20              and Indian tribes to carry out activities under  
21              the programs authorized under titles II, III, VI,  
22              and VII.

23               “(B) Making awards to minority entities  
24              and Indian tribes to conduct research, training,  
25              technical assistance, or a related activity, to im-

1           prove services provided under this Act, espe-  
2           cially services provided to individuals from mi-  
3           nority backgrounds.

4           “(C) Making awards to entities described  
5           in paragraph (3) to provide outreach and tech-  
6           nical assistance to minority entities and Indian  
7           tribes to promote their participation in activities  
8           funded under this Act, including assistance to  
9           enhance their capacity to carry out such activi-  
10          ties.

11          “(3) ELIGIBILITY.—To be eligible to receive a  
12          *an* award under paragraph (2)(C), an entity shall be  
13          a State or a public or private nonprofit agency or or-  
14          ganization, such as an institution of higher edu-  
15          cation or an Indian tribe.

16          “(4) REPORT.—In each fiscal year, the Com-  
17          missioner and the Director shall prepare and submit  
18          to Congress a report that describes the activities  
19          funded under this subsection for the preceding fiscal  
20          year.

21          “(5) DEFINITIONS.—In this subsection:

22                  “(A) HISTORICALLY BLACK COLLEGE OR  
23                  UNIVERSITY.—The term “historically Black  
24                  college or university” means a part B institu-

1           tion, as defined in section 322(2) of the Higher  
2           Education Act of 1965 (20 U.S.C. 1061(2)).

3           “(B) MINORITY ENTITY.—The term “‘mi-  
4           nority entity’ means an entity that is a ~~Histori-~~  
5           ~~eally Black College or University~~ *historically*  
6           *Black college or university*, a Hispanic-serving  
7           institution of higher education, an American In-  
8           dian ~~Tribal College or University~~ *tribal college*  
9           *or university*, or another institution of higher  
10          education whose minority student enrollment is  
11          at least 50 percent.

12          “(c) DEMONSTRATION.—In awarding grants, or en-  
13       tering into contracts or cooperative agreements under ti-  
14       tles I, II, III, VI, and VII, and section 509, the Commis-  
15       sioner and the Director, in appropriate cases, shall require  
16       applicants to demonstrate how the applicants will address,  
17       in whole or in part, the needs of individuals with disabil-  
18       ities from minority backgrounds.”.

19       **SEC. 4. VOCATIONAL REHABILITATION SERVICES.**

20          Title I of the Rehabilitation Act of 1973 (29 U.S.C.  
21       720 et seq.) is amended to read as follows:



**“TITLE I—VOCATIONAL  
REHABILITATION SERVICES**

**“PART A—GENERAL PROVISIONS**

**“SEC. 100. DECLARATION OF POLICY; AUTHORIZATION OF  
APPROPRIATIONS.**

“(a) FINDINGS; PURPOSE; POLICY.—

“(1) FINDINGS.—Congress finds that—

“(A) work—

“(i) is a valued activity, both for individuals and society; and

“(ii) fulfills the need of an individual to be productive, promotes independence, enhances self-esteem, and allows for participation in the mainstream of life in the United States;

“(B) as a group, individuals with disabilities experience staggering levels of unemployment and poverty;

“(C) individuals with disabilities, including individuals with the most significant disabilities, have demonstrated their ability to achieve gainful employment in integrated settings if appropriate services and supports are provided;

“(D) reasons for significant numbers of individuals with disabilities not working, or work-

1 ing at levels not commensurate with their abili-  
2 ties and capabilities, include—

3 “(i) discrimination;

4 “(ii) lack of accessible and available  
5 transportation;

6 “(iii) fear of losing health coverage  
7 under the medicare and medicaid programs  
8 carried out under titles XVIII and XIX of  
9 the Social Security Act (42 U.S.C. 1395 et  
10 seq. and 1396 et seq.) or fear of losing pri-  
11 vate health insurance; and

12 “(iv) lack of education, training, and  
13 supports to meet job qualification stand-  
14 ards necessary to secure, retain, regain, or  
15 advance in employment;

16 “(E) enforcement of title V and of the  
17 Americans with Disabilities Act of 1990 (42  
18 U.S.C. 12101 et seq.) holds the promise of end-  
19 ing discrimination for individuals with disabil-  
20 ities;

21 “(F) the provision of workforce investment  
22 activities and vocational rehabilitation services  
23 can enable individuals with disabilities, includ-  
24 ing individuals with the most significant disabil-  
25 ities, to pursue meaningful careers by securing

1           gainful employment commensurate with their  
2           abilities and capabilities; and

3           “(G) linkages between the vocational reha-  
4           bilitation programs established under this title  
5           and other components of the statewide work-  
6           force investment system are critical to ensure  
7           effective and meaningful participation by indi-  
8           viduals with disabilities in workforce investment  
9           activities.

10          “(2) PURPOSE.—The purpose of this title is to  
11          assist States in operating statewide comprehensive,  
12          coordinated, effective, efficient, and accountable pro-  
13          grams of vocational rehabilitation, each of which  
14          is—

15               “(A) an integral part of a statewide work-  
16               force investment system; and

17               “(B) designed to assess, plan, develop, and  
18               provide vocational rehabilitation services for in-  
19               dividuals with disabilities, consistent with their  
20               strengths, resources, priorities, concerns, abili-  
21               ties, capabilities, interests, and informed choice,  
22               so that such individuals may prepare for and  
23               engage in gainful employment.

1           “(3) POLICY.—It is the policy of the United  
2 States that such a program shall be carried out in  
3 a manner consistent with the following principles:

4           “(A) Individuals with disabilities, including  
5 individuals with the most significant disabilities,  
6 are generally presumed to be capable of engag-  
7 ing in gainful employment and the provision of  
8 individualized vocational rehabilitation services  
9 can improve their ability to become gainfully  
10 employed.

11           “(B) Individuals with disabilities must be  
12 provided the opportunities to obtain gainful em-  
13 ployment in integrated settings.

14           “(C) Individuals who are applicants for  
15 such programs or eligible to participate in such  
16 programs must be active and full partners, in  
17 collaboration with qualified vocational rehabili-  
18 tation professionals, in the vocational rehabilita-  
19 tion process, making meaningful and informed  
20 choices—

21           “(i) during assessments for determin-  
22 ing eligibility and vocational rehabilitation  
23 needs; and

24           “(ii) in the selection of employment  
25 outcomes for the individuals, services need-

1           ed to achieve the outcomes, entities provid-  
2           ing such services, and the methods used to  
3           secure such services.

4           “(D) Families and other natural supports  
5           can play important roles in the success of a vo-  
6           cational rehabilitation program, if the individual  
7           with a disability involved requests, desires, or  
8           needs such supports.

9           “(E) Vocational rehabilitation counselors  
10          that are trained and prepared in accordance  
11          with State policies and procedures as described  
12          in section 101(a)(7)(A)(iii) (referred to individ-  
13          ually in this title as a ‘qualified vocational reha-  
14          bilitation counselor’), other qualified rehabilita-  
15          tion personnel, and other qualified personnel fa-  
16          cilitate the accomplishment of the employment  
17          outcomes and objectives of an individual.

18          “(F) Individuals with disabilities and the  
19          individuals’ representatives are full partners in  
20          a vocational rehabilitation program and must be  
21          involved on a regular basis and in a meaningful  
22          manner with respect to policy development and  
23          implementation.

24          “(G) Accountability measures must facili-  
25          tate the accomplishment of the goals and objec-

1           tives of the program, including providing voca-  
2           tional rehabilitation services to, among others,  
3           individuals with the most significant disabilities.

4           “(b) AUTHORIZATION OF APPROPRIATIONS.—

5           “(1) IN GENERAL.—For the purpose of making  
6           grants to States under part B to assist States in  
7           meeting the costs of vocational rehabilitation services  
8           provided in accordance with State plans under sec-  
9           tion 101, there are authorized to be appropriated  
10          such sums as may be necessary for fiscal years 1998  
11          through 2004, except that the amount to be appro-  
12          priated for a fiscal year shall not be less than the  
13          amount of the appropriation under this paragraph  
14          for the immediately preceding fiscal year, increased  
15          by the percentage change in the Consumer Price  
16          Index determined under subsection (c) for the imme-  
17          diately preceding fiscal year.

18          “(2) REFERENCE.—The reference in paragraph  
19          (1) to grants to States under part B shall not be  
20          considered to refer to grants under section 112.

21          “(c) CONSUMER PRICE INDEX.—

22          “(1) PERCENTAGE CHANGE.—No later than  
23          November 15 of each fiscal year (beginning with fis-  
24          cal year 1979), the Secretary of Labor shall publish  
25          in the Federal Register the percentage change in the

1 Consumer Price Index published for October of the  
2 preceding fiscal year and October of the fiscal year  
3 in which such publication is made.

4 “(2) APPLICATION.—

5 “(A) INCREASE.—If in any fiscal year the  
6 percentage change published under paragraph  
7 (1) indicates an increase in the Consumer Price  
8 Index, then the amount to be appropriated  
9 under subsection (b)(1) for the subsequent fis-  
10 cal year shall be at least the amount appro-  
11 priated under subsection (b)(1) for the fiscal  
12 year in which the publication is made under  
13 paragraph (1) increased by such percentage  
14 change.

15 “(B) NO INCREASE OR DECREASE.—If in  
16 any fiscal year the percentage change published  
17 under paragraph (1) does not indicate an in-  
18 crease in the Consumer Price Index, then the  
19 amount to be appropriated under subsection  
20 (b)(1) for the subsequent fiscal year shall be at  
21 least the amount appropriated under subsection  
22 (b)(1) for the fiscal year in which the publica-  
23 tion is made under paragraph (1).

24 “(3) DEFINITION.—For purposes of this sec-  
25 tion, the term ‘Consumer Price Index’ means the

1 Consumer Price Index for All Urban Consumers,  
2 published monthly by the Bureau of Labor Statis-  
3 tics.

4 “(d) EXTENSION.—

5 “(1) IN GENERAL.—

6 “(A) AUTHORIZATION OR DURATION OF  
7 PROGRAM.—Unless the Congress in the regular  
8 session which ends prior to the beginning of the  
9 terminal fiscal year—

10 “(i) of the authorization of appropria-  
11 tions for the program authorized by the  
12 State grant program under part B of this  
13 title; or

14 “(ii) of the duration of the program  
15 authorized by the State grant program  
16 under part B of this title;

17 has passed legislation which would have the ef-  
18 fect of extending the authorization or duration  
19 (as the case may be) of such program, such au-  
20 thorization or duration is automatically ex-  
21 tended for 1 additional year for the program  
22 authorized by this title.

23 “(B) CALCULATION.—The amount author-  
24 ized to be appropriated for the additional fiscal  
25 year described in subparagraph (A) shall be an



1 amount equal to the amount appropriated for  
2 such program for fiscal year 2004, increased by  
3 the percentage change in the Consumer Price  
4 Index determined under subsection (c) for the  
5 immediately preceding fiscal year, if the per-  
6 centage change indicates an increase.

7 “(2) CONSTRUCTION.—

8 “(A) PASSAGE OF LEGISLATION.—For the  
9 purposes of paragraph (1)(A), Congress shall  
10 not be deemed to have passed legislation unless  
11 such legislation becomes law.

12 “(B) ACTS OR DETERMINATIONS OF COM-  
13 MISSIONER.—In any case where the Commis-  
14 sioner is required under an applicable statute to  
15 carry out certain acts or make certain deter-  
16 minations which are necessary for the continu-  
17 ation of the program authorized by this title, if  
18 such acts or determinations are required during  
19 the terminal year of such program, such acts  
20 and determinations shall be required during any  
21 fiscal year in which the extension described in  
22 that part of paragraph (1) that follows clause  
23 (ii) of paragraph (1)(A) is in effect.

24 **“SEC. 101. STATE PLANS.**

25 “(a) PLAN REQUIREMENTS.—

1 “(1) IN GENERAL.—

2 “(A) SUBMISSION.—To be eligible to par-  
3 ticipate in programs under this title, a State  
4 shall submit to the Commissioner a State plan  
5 for vocational rehabilitation services that meets  
6 the requirements of this section, on the same  
7 date that the State submits a State plan under  
8 section 304 of the Workforce Investment Part-  
9 nership Act of 1998.

10 “(B) NONDUPLICATION.—The State shall  
11 not be required to submit, in the State plan for  
12 vocational rehabilitation services, policies, pro-  
13 cedures, or descriptions required under this title  
14 that have been previously submitted to the  
15 Commissioner and that demonstrate that such  
16 State meets the requirements of this title, in-  
17 cluding any policies, procedures, or descriptions  
18 submitted under this title as in effect on the  
19 day before the effective date of the Rehabilita-  
20 tion Act Amendments of 1998.

21 “(C) DURATION.—The State plan shall re-  
22 main in effect subject to the submission of such  
23 modifications as the State determines to be nec-  
24 essary or as the Commissioner may require  
25 based on a change in State policy, a change in

1 Federal law (including regulations), an inter-  
2 pretation of this Act by a Federal court or the  
3 highest court of the State, or a finding by the  
4 Commissioner of State noncompliance with the  
5 requirements of this Act, until the State sub-  
6 mits and receives approval of a new State plan.

7 “(2) DESIGNATED STATE AGENCY; DESIGNATED  
8 STATE UNIT.—

9 “(A) DESIGNATED STATE AGENCY.—The  
10 State plan shall designate a State agency as the  
11 sole State agency to administer the plan, or to  
12 supervise the administration of the plan by a  
13 local agency, except that—

14 “(i) where, under State law, the State  
15 agency for individuals who are blind or an-  
16 other agency that provides assistance or  
17 services to adults who are blind is author-  
18 ized to provide vocational rehabilitation  
19 services to individuals who are blind, that  
20 agency may be designated as the sole State  
21 agency to administer the part of the plan  
22 under which vocational rehabilitation serv-  
23 ices are provided for individuals who are  
24 blind (or to supervise the administration of  
25 such part by a local agency) and a sepa-

1           rate State agency may be designated as  
 2           the sole State agency to administer or su-  
 3           pervise the administration of the rest of  
 4           the State plan;

5           “(ii) the Commissioner, on the request  
 6           of a State, may authorize the designated  
 7           State agency to share funding and admin-  
 8           istrative responsibility with another agency  
 9           of the State or with a local agency in order  
 10          to permit the agencies to carry out a joint  
 11          program to provide services to individuals  
 12          with disabilities, and may waive compli-  
 13          ance, with respect to vocational rehabilita-  
 14          tion services furnished under the joint pro-  
 15          gram, with the requirement of paragraph  
 16          (4) that the plan be in effect in all political  
 17          subdivisions of the State; and

18          “(iii) in the case of American Samoa,  
 19          the appropriate State agency shall be the  
 20          Governor of American Samoa.

21          “(B) DESIGNATED STATE UNIT.—The  
 22          State agency designated under subparagraph  
 23          (A) shall be—

24               “(i) a State agency primarily con-  
 25               cerned with vocational rehabilitation, or vo-

1 cational and other rehabilitation, of indi-  
2 viduals with disabilities; or

3 “(ii) if not such an agency, the State  
4 agency (or each State agency if 2 are so  
5 designated) shall include a vocational reha-  
6 bilitation bureau, division, or other organi-  
7 zational unit that—

8 “(I) is primarily concerned with  
9 vocational rehabilitation, or vocational  
10 and other rehabilitation, of individuals  
11 with disabilities, and is responsible for  
12 the vocational rehabilitation program  
13 of the designated State agency;

14 “(II) has a full-time director;

15 “(III) has a staff employed on  
16 the rehabilitation work of the organi-  
17 zational unit all or substantially all of  
18 whom are employed full time on such  
19 work; and

20 “(IV) is located at an organiza-  
21 tional level and has an organizational  
22 status within the designated State  
23 agency comparable to that of other  
24 major organizational units of the des-  
25 ignated State agency.

1                   “(C) RESPONSIBILITY FOR SERVICES FOR  
2                   THE BLIND.—If the State has designated only  
3                   1 State agency pursuant to subparagraph (A),  
4                   the State may assign responsibility for the part  
5                   of the plan under which vocational rehabilita-  
6                   tion services are provided for individuals who  
7                   are blind to an organizational unit of the des-  
8                   ignated State agency and assign responsibility  
9                   for the rest of the plan to another organiza-  
10                  tional unit of the designated State agency, with  
11                  the provisions of subparagraph (B) applying  
12                  separately to each of the designated State units.

13               “(3) NON-FEDERAL SHARE.—The State plan  
14               shall provide for financial participation by the State,  
15               or if the State so elects, by the State and local agen-  
16               cies, to provide the amount of the non-Federal share  
17               of the cost of carrying out part B.

18               “(4) STATEWIDENESS.—The State plan shall  
19               provide that the plan shall be in effect in all political  
20               subdivisions of the State, except that in the case of  
21               any activity that, in the judgment of the Commis-  
22               sioner, is likely to assist in promoting the vocational  
23               rehabilitation of substantially larger numbers of in-  
24               dividuals with disabilities or groups of individuals  
25               with disabilities, the Commissioner may waive com-

1       pliance with the requirement that the plan be in ef-  
 2       fect in all political subdivisions of the State to the  
 3       extent and for such period as may be provided in ac-  
 4       cordance with regulations prescribed by the Commis-  
 5       sioner. The Commissioner may waive compliance  
 6       with the requirement only if the non-Federal share  
 7       of the cost of the vocational rehabilitation services is  
 8       provided from funds made available by a local agen-  
 9       cy (including, to the extent permitted by such regu-  
 10      lations, funds contributed to such agency by a pri-  
 11      vate agency, organization, or individual).

12           “(5) ORDER OF SELECTION FOR VOCATIONAL  
 13      REHABILITATION SERVICES.—In the event that voca-  
 14      tional rehabilitation services cannot be provided to  
 15      all eligible individuals with disabilities in the State  
 16      who apply for the services, the State plan shall—

17           “(A) show the order to be followed in se-  
 18      lecting eligible individuals to be provided voca-  
 19      tional rehabilitation services;

20           “(B) provide the justification for the order  
 21      of selection;

22           “(C) include an assurance that, in accord-  
 23      ance with criteria established by the State for  
 24      the order of selection, individuals with the most  
 25      significant disabilities will be selected first for

1 the provision of vocational rehabilitation serv-  
2 ices; and

3 “(D) provide that eligible individuals, who  
4 do not meet the order of selection criteria, shall  
5 have access to services provided through the in-  
6 formation and referral system implemented  
7 under paragraph (20).

8 “(6) METHODS FOR ADMINISTRATION.—

9 “(A) IN GENERAL.—The State plan shall  
10 provide for such methods of administration as  
11 are found by the Commissioner to be necessary  
12 for the proper and efficient administration of  
13 the plan.

14 “(B) EMPLOYMENT OF INDIVIDUALS WITH  
15 DISABILITIES.—The State plan shall provide  
16 that the designated State agency, and entities  
17 carrying out community rehabilitation programs  
18 in the State, who are in receipt of assistance  
19 under this title shall take affirmative action to  
20 employ and advance in employment qualified in-  
21 dividuals with disabilities covered under, and on  
22 the same terms and conditions as set forth in,  
23 section 503.

24 “(C) PERSONNEL AND PROGRAM STAND-  
25 ARDS FOR COMMUNITY REHABILITATION PRO-



1 GRAMS.—The State plan shall provide that the  
2 designated State unit shall establish, maintain,  
3 and implement minimum standards for commu-  
4 nity rehabilitation programs providing services  
5 to individuals under this title, including—

6 “(i) standards—

7 “(I) governing community reha-  
8 bilitation programs and qualified per-  
9 sonnel utilized for the provision of  
10 vocational rehabilitation services  
11 through such programs; and

12 “(II) providing, to the extent  
13 that providers of vocational rehabilita-  
14 tion services utilize personnel who do  
15 not meet the highest requirements in  
16 the State applicable to a particular  
17 profession or discipline, that the pro-  
18 viders shall take steps to ensure the  
19 retraining or hiring of personnel so  
20 that such personnel meet appropriate  
21 professional standards in the State;  
22 and

23 “(ii) minimum standards to ensure  
24 the availability of personnel, to the maxi-  
25 mum extent feasible, trained to commu-

1           nicate in the native language or mode of  
 2           communication of an individual receiving  
 3           services through such programs.

4           “(D) FACILITIES.—The State plan shall  
 5           provide that facilities used in connection with  
 6           the delivery of services assisted under the State  
 7           plan shall comply with the Act entitled ‘An Act  
 8           to insure that certain buildings financed with  
 9           Federal funds are so designed and constructed  
 10          as to be accessible to the physically handi-  
 11          capped’, approved on August 12, 1968 (com-  
 12          monly known as the ‘Architectural Barriers Act  
 13          of 1968’), with section 504, and with the Amer-  
 14          icans with Disabilities Act of 1990.

15          “(7) COMPREHENSIVE SYSTEM OF PERSONNEL  
 16          DEVELOPMENT.—The State plan shall include—

17               “(A) a description, consistent with the pur-  
 18               poses of this Act, of a comprehensive system of  
 19               personnel development for personnel *employed*  
 20               *by the designated State unit and* involved in car-  
 21               rying out this title, which, at a minimum, shall  
 22               consist of—

23                   “(i) a description of the procedures  
 24                   and activities the designated State agency  
 25                   will implement and undertake to address

1 the current and projected needs for person-  
2 nel, and training needs of such personnel,  
3 in the designated State unit to ensure that  
4 the personnel are adequately trained and  
5 prepared;

6 “(ii) a plan to coordinate and facili-  
7 tate efforts between the designated State  
8 unit and institutions of higher education  
9 and professional associations to recruit,  
10 prepare, and retain qualified personnel, in-  
11 cluding personnel from culturally or lin-  
12 guistically diverse backgrounds, and per-  
13 sonnel that include individuals with disabil-  
14 ities;

15 “(iii) a description of policies and pro-  
16 cedures on the establishment and mainte-  
17 nance of reasonable standards to ensure  
18 that personnel, including professionals and  
19 paraprofessionals, are adequately trained  
20 and prepared, including—

21 “(I) standards that are consist-  
22 ent with any national or State ap-  
23 proved or recognized certification, li-  
24 censing, registration, or other com-  
25 parable requirements that apply to the

1 area in which such personnel are pro-  
2 viding vocational rehabilitation serv-  
3 ices; and

4 “(II) to the extent that such  
5 standards are not based on the high-  
6 est requirements in the State applica-  
7 ble to a particular profession or dis-  
8 cipline, the steps the State will take to  
9 ensure the retraining or hiring of per-  
10 sonnel within the designated State  
11 unit so that such personnel meet ap-  
12 propriate professional standards in  
13 the State;

14 “(iv) a description of a system for  
15 evaluating the performance of vocational  
16 rehabilitation counselors, coordinators, and  
17 other personnel used in the State, includ-  
18 ing a description of how the system facili-  
19 tates the accomplishment of the purpose  
20 and policy of this title, including the policy  
21 of serving individuals with the most signifi-  
22 cant disabilities;

23 “(v) a description of standards to en-  
24 sure the availability of personnel within the  
25 designated State unit who are, to the max-

1           imum extent feasible, trained to commu-  
2           nicate in the native language or mode of  
3           communication of an applicant or eligible  
4           individual; and

5           “(vi) a detailed description, including  
6           a budget, of how the funds reserved under  
7           subparagraph (B) will be expended to  
8           carry out the comprehensive system for  
9           personnel development, including the provi-  
10          sion of in-service training for personnel of  
11          the designated State unit;

12          “(B) assurances that—

13               “(i) at a minimum, the State will re-  
14               serve from the allotment made to the State  
15               under section 110 an amount to carry out  
16               the comprehensive system of personnel de-  
17               velopment, including the provision of in-  
18               service training for personnel of the des-  
19               ignated State unit;

20               “(ii) for fiscal year 1999, the amount  
21               reserved will be equal to the amount of the  
22               funds the State received for fiscal year  
23               1998 to provide in-service training under  
24               section 302, or for any State that did not  
25               receive those funds for fiscal year 1998, an

1 amount determined by the Commissioner;  
2 and

3 “(iii) for each subsequent year, the  
4 amount reserved under this subparagraph  
5 will be equal to the amount reserved under  
6 this subparagraph for the previous fiscal  
7 year, increased by the percentage change  
8 in the Consumer Price Index published  
9 under section 100(c) in such previous fiscal  
10 year, if the percentage change indicates an  
11 increase; and

12 “(C) an assurance that the standards  
13 adopted by a State in accordance with subpara-  
14 graph (A)(iii) shall not permit discrimination on  
15 the basis of disability with regard to training  
16 and hiring.

17 “(8) COMPARABLE SERVICES AND BENEFITS.—

18 “(A) DETERMINATION OF AVAILABILITY.—

19 “(i) IN GENERAL.—The State plan  
20 shall include an assurance that, prior to  
21 providing any vocational rehabilitation  
22 service to an eligible individual, except  
23 those services specified in paragraph  
24 (5)(D) and in paragraphs (1) through (4)  
25 and (14) of section 103(a), the designated

1 State unit will determine whether com-  
 2 parable services and benefits are available  
 3 under any other program (other than a  
 4 program carried out under this title) un-  
 5 less such a determination would interrupt  
 6 or delay—

7 “(I) the progress of the individ-  
 8 ual toward achieving the employment  
 9 outcome identified in the individual-  
 10 ized rehabilitation employment plan of  
 11 the individual in accordance with sec-  
 12 tion 102(b); or

13 “(II) the provision of such service  
 14 to any individual at extreme medical  
 15 risk.

16 “(ii) AWARDS AND SCHOLARSHIPS.—  
 17 For purposes of clause (i), comparable  
 18 benefits do not include awards and scholar-  
 19 ships based on merit.

20 “(B) INTERAGENCY AGREEMENT.—The  
 21 State plan shall include an assurance that the  
 22 ~~Chief Executive Officer of the State or the des-~~  
 23 ~~ignee of such officer~~ *Governor of the State or the*  
 24 *designee of the Governor* will ensure that an  
 25 interagency agreement or other mechanism for

1 interagency coordination takes effect between  
2 any appropriate public entity, including a com-  
3 ponent of the statewide workforce investment  
4 system, and the designated State unit, in order  
5 to ensure the provision of vocational rehabilita-  
6 tion services described in subparagraph (A)  
7 (other than those services specified in para-  
8 graph (5)(D), and in paragraphs (1) through  
9 (4) and (14) of section 103(a)), that are in-  
10 cluded in the individualized rehabilitation em-  
11 ployment plan of an eligible individual, includ-  
12 ing the provision of such vocational rehabilita-  
13 tion services during the pendency of any dispute  
14 described in clause (iii). Such agreement or  
15 mechanism shall include the following:

16 “(i) AGENCY FINANCIAL RESPON-  
17 SIBILITY.—An identification of, or a de-  
18 scription of a method for defining, the fi-  
19 nancial responsibility of such public entity  
20 for providing such services, and a provision  
21 stating that the financial responsibility of  
22 such public entity for providing such serv-  
23 ices, including the financial responsibility  
24 of the State agency responsible for admin-  
25 istering the medicaid program under title



1 XIX of the Social Security Act (42 U.S.C.  
2 1396 et seq.), other public agencies, and  
3 public institutions of higher education,  
4 shall precede the financial responsibility of  
5 the designated State unit especially with  
6 regard to the provision of auxiliary aids  
7 and services to the maximum extent al-  
8 lowed by law.

9 “(ii) CONDITIONS, TERMS, AND PRO-  
10 CEDURES OF REIMBURSEMENT.—Informa-  
11 tion specifying the conditions, terms, and  
12 procedures under which a designated State  
13 unit shall pursue and obtain reimburse-  
14 ment by other public agencies for providing  
15 such services.

16 “(iii) INTERAGENCY DISPUTES.—In-  
17 formation specifying procedures for resolv-  
18 ing interagency disputes under the agree-  
19 ment or other mechanism (including proce-  
20 dures under which the designated State  
21 unit may initiate proceedings to secure re-  
22 imbursement from other agencies or other-  
23 wise implement the provisions of the agree-  
24 ment or mechanism).

1                   “(iv) COORDINATION OF SERVICES  
 2                   PROCEDURES.—Information specifying  
 3                   policies and procedures for agencies to de-  
 4                   termine and identify the interagency co-  
 5                   ordination responsibilities of each agency  
 6                   to promote the coordination and timely de-  
 7                   livery of vocational rehabilitation services  
 8                   (except those services specified in para-  
 9                   graph (5)(D) and in paragraphs (1)  
 10                  through (4) and (14) of section 103(a)).

11                  “(C) RESPONSIBILITIES OF OTHER AGEN-  
 12                  CIES.—

13                   “(i) RESPONSIBILITIES UNDER OTHER  
 14                   LAW.—Notwithstanding subparagraph (B),  
 15                   if any public agency other than a des-  
 16                   ignated State unit is obligated under Fed-  
 17                   eral or State law, or assigned responsibility  
 18                   under State policy or under this para-  
 19                   graph, to provide or pay for any services  
 20                   that are also considered to be vocational  
 21                   rehabilitation services (other than those  
 22                   specified in paragraph (5)(D) and in para-  
 23                   graphs (1) through (4) and (14) of section  
 24                   103(a)), such public agency shall fulfill

1 that obligation or responsibility, either di-  
 2 rectly or by contract or other arrangement.

3 “(ii) REIMBURSEMENT.—In a case in  
 4 which a public agency other than the des-  
 5 ignated State unit fails to fulfill the finan-  
 6 cial responsibility of the agency described  
 7 in this paragraph to provide services de-  
 8 scribed in clause (i), the designated State  
 9 unit may claim reimbursement from such  
 10 public agency for such services. Such pub-  
 11 lic agency shall reimburse the designated  
 12 State unit pursuant to the terms of the  
 13 interagency agreement or other mechanism  
 14 in effect under this paragraph according to  
 15 the procedures established pursuant to  
 16 subparagraph (B)(ii).

17 “(D) METHODS.—The ~~Chief Executive Of-~~  
 18 ~~ficer~~ *Governor* of a State may meet the require-  
 19 ments of subparagraph (B) through—

20 “(i) a State statute or regulation;

21 “(ii) a signed agreement between the  
 22 respective agency officials that clearly iden-  
 23 tifies the responsibilities of each agency re-  
 24 lating to the provision of services; or

1 “(iii) another appropriate method, as  
 2 determined by the designated State unit.

3 “(9) INDIVIDUALIZED REHABILITATION EM-  
 4 PLOYMENT PLAN.—

5 “(A) DEVELOPMENT AND IMPLEMENTA-  
 6 TION.—The State plan shall include an assur-  
 7 ance that an individualized rehabilitation em-  
 8 ployment plan meeting the requirements of sec-  
 9 tion 102(b) will be developed and implemented  
 10 in a timely manner for an individual subsequent  
 11 to the determination of the eligibility of the in-  
 12 dividual for services under this title, except that  
 13 in a State operating under an order of selection  
 14 described in paragraph (5), the plan will be de-  
 15 veloped and implemented only for individuals  
 16 meeting the order of selection criteria of the  
 17 State.

18 “(B) PROVISION OF SERVICES.—The State  
 19 plan shall include an assurance that such serv-  
 20 ices will be provided in accordance with the pro-  
 21 visions of the individualized rehabilitation em-  
 22 ployment plan.

23 “(10) REPORTING REQUIREMENTS.—

24 “(A) IN GENERAL.—The State plan shall  
 25 include an assurance that the designated State

1 agency will submit reports in the form and level  
2 of detail and at the time required by the Com-  
3 missioner regarding applicants for, and eligible  
4 individuals receiving, services under this title.

5 “(B) ANNUAL REPORTING.—In specifying  
6 the information to be submitted in the reports,  
7 the Commissioner shall require annual report-  
8 ing on the eligible individuals receiving the serv-  
9 ices, on those specific data elements described  
10 in section 321(d)(2) of the Workforce Invest-  
11 ment Partnership Act of 1998 that are deter-  
12 mined by the Secretary to be relevant in assess-  
13 ing the performance of designated State units  
14 in carrying out the vocational rehabilitation  
15 program established under this title.

16 “(C) ADDITIONAL DATA.—In specifying  
17 the information required to be submitted in the  
18 reports, the Commissioner shall require addi-  
19 tional data with regard to applicants and eligi-  
20 ble individuals related to—

21 “(i) the number of applicants and the  
22 number of individuals determined to be eli-  
23 gible or ineligible for the program carried  
24 out under this title, including—

1           “(I) the number of individuals  
2           determined to be ineligible because  
3           they did not require vocational reha-  
4           bilitation services, as provided in sec-  
5           tion 102(a); and

6           “(II) the number of individuals  
7           determined, on the basis of clear and  
8           convincing evidence, to be too severely  
9           disabled to benefit in terms of an em-  
10          ployment outcome from vocational re-  
11          habilitation services;

12          “(ii) the number of individuals who  
13          received vocational rehabilitation services  
14          through the program, including—

15               “(I) the number who received  
16               services under paragraph (5)(D), but  
17               not assistance under an individualized  
18               rehabilitation employment plan; and

19               “(II) the number who received  
20               assistance under an individualized re-  
21               habilitation employment plan consist-  
22               ent with section 102(b);

23          “(iii) the number of individuals receiv-  
24          ing public assistance and the amount of  
25          the public assistance on the date of appli-

1 cation and on the last date of participation  
2 in the program carried out under this title;

3 “(iv) the number of individuals with  
4 disabilities who ended their participation in  
5 the program and the number who achieved  
6 employment outcomes after receiving voca-  
7 tional rehabilitation services; and

8 “(v) the number of individuals who  
9 ended their participation in the program  
10 and who were employed 6 months and 12  
11 months after securing or regaining employ-  
12 ment, or, in the case of individuals whose  
13 employment outcome was to retain or ad-  
14 vance in employment, who were employed  
15 6 months and 12 months after achieving  
16 their employment outcome, including—

17 “(I) the number of such individ-  
18 uals who earned the minimum wage  
19 rate specified in section 6(a)(1) of the  
20 Fair Labor Standards Act of 1938  
21 (29 U.S.C. 206(a)(1)) or another  
22 wage level set by the Commissioner,  
23 during such employment;

24 “(II) the number of such individ-  
25 uals who received employment benefits

1 from an employer during such employ-  
2 ment; and

3 “(III) the number of such indi-  
4 viduals whose public assistance was  
5 terminated or reduced after such par-  
6 ticipation.

7 “(D) COSTS AND RESULTS.—The Commis-  
8 sioner shall also require that the designated  
9 State agency include in the reports information  
10 on—

11 “(i) the costs under this title of con-  
12 ducting administration, providing assess-  
13 ment services, counseling and guidance,  
14 and other direct services provided by des-  
15 ignated State agency staff, providing serv-  
16 ices purchased under individualized reha-  
17 bilitation employment plans, supporting  
18 small business enterprises, establishing, de-  
19 veloping, and improving community reha-  
20 bilitation programs, and providing other  
21 services to groups; and

22 “(ii) the results of annual evaluation  
23 by the State of program effectiveness  
24 under paragraph (15)(E).



1           “(E) ADDITIONAL INFORMATION.—The  
2 Commissioner shall require that each des-  
3 ignated State unit include in the reports addi-  
4 tional information related to the applicants and  
5 eligible individuals, obtained either through a  
6 complete count or sampling, including—

7           “(i) information on—

8           “(I) age, gender, race, ethnicity,  
9 education, type of impairment, sever-  
10 ity of disability, and whether the indi-  
11 viduals are students described in  
12 clause (i) or (ii)(II) of paragraph  
13 (11)(D);

14           “(II) dates of application, deter-  
15 mination of eligibility or ineligibility,  
16 initiation of the individualized reha-  
17 bilitation employment plan, and termi-  
18 nation of participation in the pro-  
19 gram;

20           “(III) earnings at the time of ap-  
21 plication for the program and termi-  
22 nation of participation in the pro-  
23 gram;

24           “(IV) work status and occupa-  
25 tion;

1 “(V) types of services, including  
2 assistive technology services and as-  
3 sistive technology devices, provided  
4 under the program;

5 “(VI) types of public or private  
6 programs or agencies that furnished  
7 services under the program; and

8 “(VII) the reasons for individuals  
9 terminating participation in the pro-  
10 gram without achieving an employ-  
11 ment outcome; and

12 “(ii) information necessary to deter-  
13 mine the success of the State in meeting—

14 “(I) the State performance meas-  
15 ures established under section 321(b)  
16 of the Workforce Investment Partner-  
17 ship Act of 1998 to the extent the  
18 measures are applicable to individuals  
19 with disabilities; and

20 “(II) the standards and indica-  
21 tors established pursuant to section  
22 106.

23 “(F) COMPLETENESS AND CONFIDENTIAL-  
24 ITY.—The State plan shall include an assurance  
25 that the information submitted in the reports

1 will include a complete count, except as pro-  
 2 vided in subparagraph (E), of the applicants  
 3 and eligible individuals, in a manner permitting  
 4 the greatest possible cross-classification of data  
 5 and that the identity of each individual for  
 6 which information is supplied under this para-  
 7 graph will be kept confidential.

8 “(11) COOPERATION, COLLABORATION, AND CO-  
 9 ORDINATION.—

10 “(A) COOPERATIVE AGREEMENTS WITH  
 11 OTHER COMPONENTS OF STATEWIDE WORK-  
 12 FORCE INVESTMENT SYSTEMS.—The State plan  
 13 shall provide that the designated State unit or  
 14 designated State agency shall enter into a coop-  
 15 erative agreement with other entities that are  
 16 components of the statewide workforce invest-  
 17 ment system of the State, regarding the system,  
 18 which agreement may provide for—

19 “(i) provision of intercomponent staff  
 20 training and technical assistance with re-  
 21 gard to—

22 “(I) the availability and benefits  
 23 of, and eligibility standards for, voca-  
 24 tional rehabilitation services; and

1                   “(II) the promotion of equal, ef-  
2                   fective, and meaningful participation  
3                   by individuals with disabilities in  
4                   workforce investment activities in the  
5                   State through the promotion of pro-  
6                   gram accessibility, the use of non-  
7                   discriminatory policies and proce-  
8                   dures, and the provision of reasonable  
9                   accommodations, auxiliary aids and  
10                  services, and rehabilitation technology,  
11                  for individuals with disabilities;

12                 “(ii) use of information and financial  
13                 management systems that link all compo-  
14                 nents of the statewide workforce invest-  
15                 ment system, that link the components to  
16                 other electronic networks, including non-  
17                 visual electronic networks, and that relate  
18                 to such subjects as labor market informa-  
19                 tion, and information on job vacancies, ca-  
20                 reer planning, and workforce investment  
21                 activities;

22                 “(iii) use of customer service features  
23                 such as common intake and referral proce-  
24                 dures, customer databases, resource infor-  
25                 mation, and human services hotlines;

1 “(iv) establishment of cooperative ef-  
 2 forts with employers to—

3 “(I) facilitate job placement; and

4 “(II) carry out any other activi-  
 5 ties that the designated State unit  
 6 and the employers determine to be ap-  
 7 propriate;

8 “(v) identification of staff roles, re-  
 9 sponsibilities, and available resources, and  
 10 specification of the financial responsibility  
 11 of each component of the statewide work-  
 12 force investment system with regard to  
 13 paying for necessary services (consistent  
 14 with State law and Federal requirements);  
 15 and

16 “(vi) specification of procedures for  
 17 resolving disputes among such components.

18 “(B) REPLICATION OF COOPERATIVE  
 19 AGREEMENTS.—The State plan shall provide  
 20 for the replication of such cooperative agree-  
 21 ments at the local level between individual of-  
 22 fices of the designated State unit and local enti-  
 23 ties carrying out activities through the state-  
 24 wide workforce investment system.

1           “(C) INTERAGENCY COOPERATION WITH  
2           OTHER AGENCIES.—The State plan shall in-  
3           clude descriptions of interagency cooperation  
4           with, and utilization of the services and facili-  
5           ties of, the Federal, State, and local agencies  
6           and programs that are not carrying out activi-  
7           ties through the statewide workforce investment  
8           system.

9           “(D) COORDINATION WITH EDUCATION OF-  
10          FICIALS.—The State plan shall contain plans,  
11          policies, and procedures for coordination be-  
12          tween the designated State agency and edu-  
13          cation officials that are designed to facilitate  
14          the transition of students who are individuals  
15          with disabilities described in section 7(20)(B)  
16          from the receipt of educational services in  
17          school to the receipt of vocational rehabilitation  
18          services under this title, including information  
19          on a formal interagency agreement with the  
20          State educational agency that, at a minimum,  
21          provides for—

22               “(i) consultation and technical assist-  
23               ance to assist educational agencies in plan-  
24               ning for the transition of students who are  
25               individuals with disabilities described in

1 section 7(20)(B) from school to post-school  
2 activities, including vocational rehabilita-  
3 tion services;

4 “(ii)(I) transition planning by person-  
5 nel of the designated State agency and  
6 educational agency personnel for students  
7 with disabilities described in clause (i) that  
8 facilitates the development and completion  
9 of their individualized education programs  
10 under section 614(d) of the Individuals  
11 with Disabilities Education Act (as added  
12 by section 101 of Public Law 105–17); and

13 “(II) transition planning and services  
14 for students who are eligible to receive  
15 services under this title and who will be  
16 exiting school in the school year in which  
17 the planning and services are provided;

18 “(iii) the roles and responsibilities, in-  
19 cluding financial responsibilities, of each  
20 agency, including provisions for determin-  
21 ing State lead agencies and qualified per-  
22 sonnel responsible for the transition serv-  
23 ices described in clause (ii)(II); and

24 “(iv) procedures for outreach to and  
25 identification of students with disabilities

described in clause (ii)(II) who need the transition services.

“(E) COORDINATION WITH STATEWIDE INDEPENDENT LIVING COUNCILS AND INDEPENDENT LIVING CENTERS.—The State plan shall include an assurance that the designated State unit, the Statewide Independent Living Council established under section 705, and the independent living centers described in part C of title VII within the State have developed working relationships and coordinate their activities.

“(F) COOPERATIVE AGREEMENT WITH RECIPIENTS OF GRANTS FOR SERVICES TO AMERICAN INDIANS.—In applicable cases, the State plan shall include an assurance that the State has entered 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 who are individuals with disabilities, including—

“(i) strategies for interagency referral and information sharing that will assist in



1 eligibility determinations and the develop-  
2 ment of individualized rehabilitation em-  
3 ployment plans;

4 “(ii) procedures for ensuring that  
5 American Indians who are individuals with  
6 disabilities and are living near a reserva-  
7 tion or tribal service area are provided vo-  
8 cational rehabilitation services; and

9 “(iii) provisions for sharing resources  
10 in cooperative studies and assessments,  
11 joint training activities, and other collabo-  
12 rative activities designed to improve the  
13 provision of services to American Indians  
14 who are individuals with disabilities.

15 “(12) RESIDENCY.—The State plan shall in-  
16 clude an assurance that the State will not impose a  
17 residence requirement that excludes from services  
18 provided under the plan any individual who is  
19 present in the State.

20 “(13) SERVICES TO AMERICAN INDIANS.—The  
21 State plan shall include an assurance that, except as  
22 otherwise provided in part C, the designated State  
23 agency will provide vocational rehabilitation services  
24 to American Indians who are individuals with dis-  
25 abilities residing in the State to the same extent as

1 the designated State agency provides such services  
 2 to other significant populations of individuals with  
 3 disabilities residing in the State.

4 “(14) ANNUAL REVIEW OF INDIVIDUALS IN EX-  
 5 TENDED EMPLOYMENT OR OTHER EMPLOYMENT  
 6 UNDER SPECIAL CERTIFICATE PROVISIONS OF THE  
 7 FAIR LABOR STANDARDS ACT OF 1938.—The State  
 8 plan shall provide for—

9 “(A) an annual review and reevaluation of  
 10 the status of each individual with a disability  
 11 served under this title who has achieved an em-  
 12 ployment outcome either in an extended em-  
 13 ployment setting in a community rehabilitation  
 14 program or any other employment under sec-  
 15 tion 14(c) of the Fair Labor Standards Act (29  
 16 U.S.C. 214(c)) for 2 years after the achieve-  
 17 ment of the outcome (and annually thereafter if  
 18 requested by the individual or, if appropriate,  
 19 the individual’s representative), to determine  
 20 the interests, priorities, and needs of the indi-  
 21 vidual with respect to competitive employment  
 22 or training for competitive employment;

23 “(B) input into the review and reevalua-  
 24 tion, and a signed ~~acknowledgement~~ *acknowl-*  
 25 *edgment* that such review and reevaluation have

1           been conducted, by the individual with a disabil-  
 2           ity, or, if appropriate, the individual's rep-  
 3           resentative; and

4           “(C) maximum efforts, including the iden-  
 5           tification and provision of vocational rehabilita-  
 6           tion services, reasonable accommodations, and  
 7           other necessary support services, to assist the  
 8           individuals described in subparagraph (A) in  
 9           engaging in competitive employment.

10          “(15) ANNUAL STATE GOALS AND REPORTS OF  
 11          PROGRESS.—

12           “(A) ASSESSMENTS AND ESTIMATES.—The  
 13          State plan shall—

14           “(i) include the results of a com-  
 15           prehensive, statewide assessment, jointly  
 16           conducted by the designated State unit and  
 17           the State Rehabilitation Council (if the  
 18           State has such a Council) every 3 years,  
 19           describing the rehabilitation needs of indi-  
 20           viduals with disabilities residing within the  
 21           State, particularly the vocational rehabili-  
 22           tation services needs of—

23           “(I) individuals with the most  
 24           significant disabilities, including their

1 need for supported employment serv-  
2 ices;

3 “(II) individuals with disabilities  
4 who are minorities and individuals  
5 with disabilities who have been  
6 unserved or underserved by the voca-  
7 tional rehabilitation program carried  
8 out under this title; and

9 “(III) individuals with disabilities  
10 served through other components of  
11 the statewide workforce investment  
12 system (other than the vocational re-  
13 habilitation program), as identified by  
14 such individuals and personnel assist-  
15 ing such individuals through the com-  
16 ponents;

17 “(ii) include an assessment of the  
18 need to establish, develop, or improve com-  
19 munity rehabilitation programs within the  
20 State; and

21 “(iii) provide that the State shall sub-  
22 mit to the Commissioner a report contain-  
23 ing information regarding updates to the  
24 assessments, for any year in which the  
25 State updates the assessments.

1           “(B) ANNUAL ESTIMATES.—The State  
2           plan shall include, and shall provide that the  
3           State shall annually submit a report to the  
4           Commissioner that includes, State estimates  
5           of—

6                   “(i) the number of individuals in the  
7           State who are eligible for services under  
8           this title;

9                   “(ii) the number of such individuals  
10          who will receive services provided with  
11          funds provided under part B and under  
12          part C of title VI, including, if the des-  
13          ignated State agency uses an order of se-  
14          lection in accordance with paragraph (5),  
15          estimates of the number of individuals to  
16          be served under each priority category  
17          within the order; and

18                   “(iii) the costs of the services de-  
19          scribed in clause (i), including, if the des-  
20          ignated State agency uses an order of se-  
21          lection in accordance with paragraph (5),  
22          the service costs for each priority category  
23          within the order.

24           “(C) GOALS AND PRIORITIES.—

1           “(i) IN GENERAL.—The State plan  
2           shall identify the goals and priorities of the  
3           State in carrying out the program. The  
4           goals and priorities shall be jointly devel-  
5           oped, agreed to, and reviewed annually by  
6           the designated State unit and the State  
7           Rehabilitation Council, if the State has  
8           such a Council. Any revisions to the goals  
9           and priorities shall be jointly agreed to by  
10          the designated State unit and the State  
11          Rehabilitation Council, if the State has  
12          such a Council. The State plan shall pro-  
13          vide that the State shall submit to the  
14          Commissioner a report containing informa-  
15          tion regarding revisions in the goals and  
16          priorities, for any year in which the State  
17          revises the goals and priorities.

18          “(ii) BASIS.—The State goals and pri-  
19          orities shall be based on an analysis of—

20                 “(I) the comprehensive assess-  
21                 ment described in subparagraph (A),  
22                 including any updates to the assess-  
23                 ment;

1 “(II) the performance of the  
2 State on the standards and indicators  
3 established under section 106; and

4 “(III) other available information  
5 on the operation and the effectiveness  
6 of the vocational rehabilitation pro-  
7 gram carried out in the State, includ-  
8 ing any reports received from the  
9 State Rehabilitation Council, under  
10 section 105(c) and the findings and  
11 recommendations from monitoring ac-  
12 tivities conducted under section 107.

13 “(iii) SERVICE AND OUTCOME GOALS  
14 FOR CATEGORIES IN ORDER OF SELEC-  
15 TION.—If the designated State agency uses  
16 an order of selection in accordance with  
17 paragraph (5), the State shall also identify  
18 in the State plan service and outcome  
19 goals and the time within which these  
20 goals may be achieved for individuals in  
21 each priority category within the order.

22 “(D) STRATEGIES.—The State plan shall  
23 contain a description of the strategies the State  
24 will use to address the needs identified in the  
25 assessment conducted under subparagraph (A)

1 and achieve the goals and priorities identified in  
2 subparagraph (C), including—

3 “(i) the methods to be used to expand  
4 and improve services to individuals with  
5 disabilities, including how a broad range of  
6 assistive technology services and assistive  
7 technology devices will be provided to such  
8 individuals at each stage of the rehabilita-  
9 tion process and how such services and de-  
10 vices will be provided to such individuals  
11 on a statewide basis;

12 “(ii) outreach procedures to identify  
13 and serve individuals with disabilities who  
14 are minorities and individuals with disabil-  
15 ities who have been unserved or under-  
16 served by the vocational rehabilitation pro-  
17 gram;

18 “(iii) where necessary, the plan of the  
19 State for establishing, developing, or im-  
20 proving community rehabilitation pro-  
21 grams;

22 “(iv) strategies to improve the per-  
23 formance of the State with respect to the  
24 evaluation standards and performance indi-



1 cators established pursuant to section 106;  
2 and

3 “(v) strategies for assisting entities  
4 carrying out other components of the  
5 statewide workforce investment system  
6 (other than the vocational rehabilitation  
7 program) in assisting individuals with dis-  
8 abilities.

9 “(E) EVALUATION AND REPORTS OF  
10 PROGRESS.—The State plan shall—

11 “(i) include the results of an evalua-  
12 tion of the effectiveness of the vocational  
13 rehabilitation program, and a joint report  
14 by the designated State unit and the State  
15 Rehabilitation Council, if the State has  
16 such a Council, to the Commissioner on  
17 the progress made in improving the effec-  
18 tiveness from the previous year, which  
19 evaluation and report shall include—

20 “(I) an evaluation of the extent  
21 to which the goals identified in sub-  
22 paragraph (C) were achieved;

23 “(II) a description of strategies  
24 that contributed to achieving the  
25 goals;

1 “(III) to the extent to which the  
2 goals were not achieved, a description  
3 of the factors that impeded that  
4 achievement; and

5 “(IV) an assessment of the per-  
6 formance of the State on the stand-  
7 ards and indicators established pursu-  
8 ant to section 106; and

9 “(ii) provide that the designated State  
10 unit and the State Rehabilitation Council,  
11 if the State has such a Council, shall joint-  
12 ly submit to the Commissioner an annual  
13 report that contains the information de-  
14 scribed in clause (i).

15 “(16) PUBLIC COMMENT.—The State plan  
16 shall—

17 “(A) provide that the designated State  
18 agency, prior to the adoption of any policies or  
19 procedures governing the provision of vocational  
20 rehabilitation services under the State plan (in-  
21 cluding making any amendment to such policies  
22 and procedures), shall conduct public meetings  
23 throughout the State, after providing adequate  
24 notice of the meetings, to provide the public, in-  
25 cluding individuals with disabilities, an oppor-

1           tunity to comment on the policies or proce-  
2           dures, and actively consult with the Director of  
3           the client assistance program carried out under  
4           section 112, and, as appropriate, Indian tribes,  
5           tribal organizations, and Native Hawaiian orga-  
6           nizations on the policies or procedures; and

7           “(B) provide that the designated State  
8           agency (or each designated State agency if 2  
9           agencies are designated) and any sole agency  
10          administering the plan in a political subdivision  
11          of the State, shall take into account, in connec-  
12          tion with matters of general policy arising in  
13          the administration of the plan, the views of—

14               “(i) individuals and groups of individ-  
15               uals who are recipients of vocational reha-  
16               bilitation services, or in appropriate cases,  
17               the individuals’ representatives;

18               “(ii) personnel working in programs  
19               that provide vocational rehabilitation serv-  
20               ices to individuals with disabilities;

21               “(iii) providers of vocational rehabili-  
22               tation services to individuals with disabil-  
23               ities;

24               “(iv) the director of the client assist-  
25               ance program; and

1 “(v) the State Rehabilitation Council,  
2 if the State has such a Council.

3 “(17) PROHIBITION ON USE OF FUNDS FOR  
4 CONSTRUCTION OF FACILITIES.—The State plan  
5 shall contain an assurance that the State will not  
6 use any funds made available under this title for the  
7 construction of facilities.

8 “(18) INNOVATION AND EXPANSION ACTIVI-  
9 TIES.—The State plan shall—

10 “(A) include an assurance that the State  
11 will reserve and use a portion of the funds allot-  
12 ted to the State under section 110—

13 “(i) for the development and imple-  
14 mentation of innovative approaches to ex-  
15 pand and improve the provision of voca-  
16 tional rehabilitation services to individuals  
17 with disabilities under this title, particu-  
18 larly individuals with the most significant  
19 disabilities, consistent with the findings of  
20 the statewide assessment and goals and  
21 priorities of the State as described in para-  
22 graph (15); and

23 “(ii) to support the funding of—

24 “(I) the State Rehabilitation  
25 Council, if the State has such a Coun-

1 cil, consistent with the plan prepared  
2 under section 105(d)(1); and

3 “(II) the Statewide Independent  
4 Living Council, consistent with the  
5 plan prepared under section  
6 705(e)(1);

7 “(B) include a description of how the re-  
8 served funds will be utilized; and

9 “(C) provide that the State shall submit to  
10 the Commissioner an annual report containing  
11 a description of how the reserved funds will be  
12 utilized.

13 “(19) CHOICE.—The State plan shall include  
14 an assurance that applicants and eligible individuals  
15 or, as appropriate, the applicants’ representatives or  
16 individuals’ representatives, will be provided infor-  
17 mation and support services to assist the applicants  
18 and individuals in exercising informed choice  
19 throughout the rehabilitation process, consistent  
20 with the provisions of section 102(d).

21 “(20) INFORMATION AND REFERRAL SERV-  
22 ICES.—

23 “(A) IN GENERAL.—The State plan shall  
24 include an assurance that the designated State  
25 agency will implement an information and re-

1           ferral system adequate to ensure that individ-  
2           uals with disabilities will be provided accurate  
3           vocational rehabilitation information, using ap-  
4           propriate modes of communication, to assist  
5           such individuals in preparing for, securing, re-  
6           taining, or regaining employment, and will be  
7           appropriately referred to Federal and State pro-  
8           grams (other than the vocational rehabilitation  
9           program carried out under this title), including  
10          other components of the statewide workforce in-  
11          vestment system in the State.

12                 “(B) SERVICES.—In providing activities  
13           through the system established under subpara-  
14           graph (A), the State may include services con-  
15           sisting of the provision of individualized coun-  
16           seling and guidance, individualized vocational  
17           exploration, supervised job placement referrals,  
18           and assistance in securing reasonable accom-  
19           modations for eligible individuals who do not  
20           meet the order of selection criteria used by the  
21           State, to the extent that such services are not  
22           purchased by the designated State unit.

23                 “(21) STATE INDEPENDENT CONSUMER-CON-  
24           TROLLED COMMISSION; STATE REHABILITATION  
25           COUNCIL.—

1                   “(A) COMMISSION OR COUNCIL.—The  
2                   State plan shall provide that either—

3                   “(i) the designated State agency is an  
4                   independent commission that—

5                   “(I) is responsible under State  
6                   law for operating, or overseeing the  
7                   operation of, the vocational rehabilita-  
8                   tion program in the State;

9                   “(II) is consumer-controlled by  
10                  persons who—

11                  “(aa) are individuals with  
12                  physical or mental impairments  
13                  that substantially limit major life  
14                  activities; and

15                  “(bb) represent individuals  
16                  with a broad range of disabilities,  
17                  unless the designated State unit  
18                  under the direction of the com-  
19                  mission is the State agency for  
20                  individuals who are blind;

21                  “(III) includes family members,  
22                  advocates, or other representatives, of  
23                  individuals with mental impairments;  
24                  and

1 “(IV) undertakes the functions  
2 set forth in section 105(c)(4); or

3 “(ii) the State has established a State  
4 Rehabilitation Council that meets the cri-  
5 teria set forth in section 105 and the des-  
6 ignated State unit—

7 “(I) in accordance with para-  
8 graph (15), jointly develops, agrees to,  
9 and reviews annually State goals and  
10 priorities, and jointly submits annual  
11 reports of progress with the Council;

12 “(II) regularly consults with the  
13 Council regarding the development,  
14 implementation, and revision of State  
15 policies and procedures of general ap-  
16 plicability pertaining to the provision  
17 of vocational rehabilitation services;

18 “(III) includes in the State plan  
19 and in any revision to the State plan,  
20 a summary of input provided by the  
21 Council, including recommendations  
22 from the annual report of the Council  
23 described in section 105(c)(5), the re-  
24 view and analysis of consumer satis-  
25 faction described in section 105(c)(4),



1 and other reports prepared by the  
2 Council, and the response of the des-  
3 ignated State unit to such input and  
4 recommendations, including expla-  
5 nations for rejecting any input or rec-  
6 ommendation; and

7 “(IV) transmits to the Council—

8 “(aa) all plans, reports, and  
9 other information required under  
10 this title to be submitted to the  
11 Secretary;

12 “(bb) all policies, and infor-  
13 mation on all practices and pro-  
14 cedures, of general applicability  
15 provided to or used by rehabilita-  
16 tion personnel in carrying out  
17 this title; and

18 “(cc) copies of due process  
19 hearing decisions issued under  
20 this title, which shall be trans-  
21 mitted in such a manner as to  
22 ensure that the identity of the  
23 participants in the hearings is  
24 kept confidential.

1           “(B) MORE THAN 1 DESIGNATED STATE  
2           AGENCY.—In the case of a State that, under  
3           section 101(a)(2), designates a State agency to  
4           administer the part of the State plan under  
5           which vocational rehabilitation services are pro-  
6           vided for individuals who are blind (or to super-  
7           vise the administration of such part by a local  
8           agency) and designates a separate State agency  
9           to administer the rest of the State plan, the  
10          State shall either establish a State Rehabilita-  
11          tion Council for each of the 2 agencies that  
12          does not meet the requirements in subpara-  
13          graph (A)(i), or establish 1 State Rehabilitation  
14          Council for both agencies if neither agency  
15          meets the requirements of subparagraph (A)(i).

16          “(22) SUPPORTED EMPLOYMENT STATE PLAN  
17          SUPPLEMENT.—The State plan shall include an as-  
18          surance that the State has an acceptable plan for  
19          carrying out part C of title VI, including the use of  
20          funds under that part to supplement funds made  
21          available under part B of this title to pay for the  
22          cost of services leading to supported employment.

23          “(23) ELECTRONIC AND INFORMATION TECH-  
24          NOLOGY REGULATIONS.—The State plan shall in-  
25          clude an assurance that the State, and any recipient

1 or subrecipient of funds made available to the State  
2 under this title—

3 “(A) will comply with the requirements of  
4 section 508, including the regulations estab-  
5 lished under that section; and

6 “(B) will designate an employee to coordi-  
7 nate efforts to comply with section 508 and will  
8 adopt grievance procedures that incorporate due  
9 process standards and provide for the prompt  
10 and equitable resolution of complaints concern-  
11 ing such requirements.

12 “(24) ANNUAL UPDATES.—The plan shall in-  
13 clude an assurance that the State will submit to the  
14 Commissioner reports containing annual updates of  
15 the information required under paragraph (7) (relat-  
16 ing to a comprehensive system of personnel develop-  
17 ment) and any other updates of the information re-  
18 quired under this section that are requested by the  
19 Commissioner, and annual reports as provided in  
20 paragraphs (15) (relating to assessments, estimates,  
21 goals and priorities, and reports of progress) and  
22 (18) (relating to innovation and expansion), at such  
23 time and in such manner as the Secretary may de-  
24 termine to be appropriate.

1       “(b) APPROVAL; DISAPPROVAL OF THE STATE  
2 PLAN.—

3               “(1) APPROVAL.—The Commissioner shall ap-  
4 prove any plan that the Commissioner finds fulfills  
5 the conditions specified in this section, and shall dis-  
6 approve any plan that does not fulfill such condi-  
7 tions.

8               “(2) DISAPPROVAL.—Prior to disapproval of  
9 the State plan, the Commissioner shall notify the  
10 State of the intention to disapprove the plan and  
11 shall afford the State reasonable notice and oppor-  
12 tunity for a hearing.

13 **“SEC. 102. ELIGIBILITY AND INDIVIDUALIZED REHABILITA-**  
14 **TION EMPLOYMENT PLAN.**

15       “(a) ELIGIBILITY.—

16               “(1) CRITERION FOR ELIGIBILITY.—An individ-  
17 ual is eligible for assistance under this title if the in-  
18 dividual—

19                       “(A) is an individual with a disability  
20 under section 7(20)(A); and

21                       “(B) requires vocational rehabilitation  
22 services to prepare for, secure, retain, or regain  
23 employment.

24       “(2) PRESUMPTION OF BENEFIT.—

1           “(A) DEMONSTRATION.—For purposes of  
2           this section, an individual shall be presumed to  
3           be an individual that can benefit in terms of an  
4           employment outcome from vocational rehabilita-  
5           tion services under section 7(20)(A), unless the  
6           designated State unit involved can demonstrate  
7           by clear and convincing evidence that such indi-  
8           vidual is incapable of benefiting in terms of an  
9           employment outcome from vocational rehabilita-  
10          tion services due to the severity of the disability  
11          of the individual.

12          “(B) METHODS.—In making the dem-  
13          onstration required under subparagraph (A),  
14          the designated State unit shall explore the indi-  
15          vidual’s abilities, capabilities, and capacity to  
16          perform in work situations, through the use of  
17          trial work experiences, as described in section  
18          7(2)(D), with appropriate supports provided  
19          through the designated State unit, except under  
20          limited circumstances when an individual can  
21          not take advantage of such experiences. Such  
22          experiences shall be of sufficient variety and  
23          over a sufficient period of time to determine the  
24          eligibility of the individual or to determine the  
25          existence of clear and convincing evidence that

1 the individual is incapable of benefiting in  
2 terms of an employment outcome from voca-  
3 tional rehabilitation services due to the severity  
4 of the disability of the individual.

5 “(3) PRESUMPTION OF ELIGIBILITY.—For pur-  
6 poses of this section, an individual who has a disabil-  
7 ity or is blind as determined pursuant to title II or  
8 title XVI of the Social Security Act (42 U.S.C. 401  
9 et seq. and 1381 et seq.) shall be—

10 “(A) considered to be an individual with a  
11 significant disability under section 7(21)(A);  
12 and

13 “(B) presumed to be eligible for vocational  
14 rehabilitation services under this title (provided  
15 that the individual intends to achieve an em-  
16 ployment outcome consistent with the unique  
17 strengths, resources, priorities, concerns, abili-  
18 ties, capabilities, interests, and informed choice  
19 of the individual) unless the designated State  
20 unit involved can demonstrate by clear and con-  
21 vincing evidence that such individual is incapa-  
22 ble of benefiting in terms of an employment  
23 outcome from vocational rehabilitation services  
24 due to the severity of the disability of the indi-  
25 vidual in accordance with paragraph (2).

1 “(4) USE OF EXISTING INFORMATION.—

2 “(A) IN GENERAL.—To the maximum ex-  
3 tent appropriate and consistent with the re-  
4 quirements of this part, for purposes of deter-  
5 mining the eligibility of an individual for voca-  
6 tional rehabilitation services under this title and  
7 developing the individualized rehabilitation em-  
8 ployment plan described in subsection (b) for  
9 the individual, the designated State unit shall  
10 use information that is existing and current (as  
11 of the date of the determination of eligibility or  
12 of the development of the individualized reha-  
13 bilitation employment plan), including informa-  
14 tion available from other programs and provid-  
15 ers, particularly information used by education  
16 officials and the Social Security Administration,  
17 information provided by the individual and the  
18 family of the individual, and information ob-  
19 tained under the assessment for determining  
20 eligibility and vocational rehabilitation needs.

21 “(B) DETERMINATIONS BY OFFICIALS OF  
22 OTHER AGENCIES.—Determinations made by  
23 officials of other agencies, particularly edu-  
24 cation officials described in section  
25 101(a)(11)(D), regarding whether an individual

1 satisfies 1 or more factors relating to whether  
2 an individual is an individual with a disability  
3 under section 7(20)(A) or an individual with a  
4 significant disability under section 7(21)(A)  
5 shall be used, to the extent appropriate and  
6 consistent with the requirements of this part,  
7 in assisting the designated State unit in making  
8 such determinations.

9 “(C) BASIS.—The determination of eligi-  
10 bility for vocational rehabilitation services shall  
11 be based on—

12 “(i) the review of existing data de-  
13 scribed in section 7(2)(A)(i); and

14 “(ii) to the extent that such data is  
15 unavailable or insufficient for determining  
16 eligibility, the provision of assessment ac-  
17 tivities described in section 7(2)(A)(ii).

18 “(5) DETERMINATION OF INELIGIBILITY.—If  
19 an individual who applies for services under this title  
20 is determined, based on the review of existing data  
21 and, to the extent necessary, the assessment activi-  
22 ties described in section 7(2)(A)(ii), not to be eligible  
23 for the services, or if an eligible individual receiving  
24 services under an individualized rehabilitation em-



1       employment plan is determined to be no longer eligible  
2       for the services—

3               “(A) the ineligibility determination in-  
4       volved shall be made only after providing an op-  
5       portunity for full consultation with the individ-  
6       ual or, as appropriate, the individual’s rep-  
7       resentative;

8               “(B) the individual or, as appropriate, the  
9       individual’s representative, shall be informed in  
10      writing (supplemented as necessary by other ap-  
11      propriate modes of communication consistent  
12      with the informed choice of the individual) of  
13      the ineligibility determination, including—

14              “(i) the reasons for the determination;

15              and

16              “(ii) a description of the means by  
17      which the individual may express, and seek  
18      a remedy for, any dissatisfaction with the  
19      determination, including the procedures for  
20      review by an impartial hearing officer  
21      under subsection (c);

22              “(C) the individual shall be provided with  
23      a description of services available from the cli-  
24      ent assistance program under section 112 and

1 information on how to contact that program;  
 2 and

3 “(D) any ineligibility determination that is  
 4 based on a finding that the individual is incapa-  
 5 ble of benefiting in terms of an employment  
 6 outcome shall be reviewed—

7 “(i) within 12 months; and

8 “(ii) annually thereafter, if such a re-  
 9 view is requested by the individual or, if  
 10 appropriate, by the individual’s representa-  
 11 tive.

12 “(6) TIMEFRAME FOR MAKING AN ELIGIBILITY  
 13 DETERMINATION.—The designated State unit shall  
 14 determine whether an individual is eligible for voca-  
 15 tional rehabilitation services under this title within a  
 16 reasonable period of time, not to exceed 60 days,  
 17 after the individual has submitted an application for  
 18 the services unless—

19 “(A) exceptional and unforeseen cir-  
 20 cumstances beyond the control of the des-  
 21 ignated State unit preclude making an eligi-  
 22 bility determination within 60 days and the des-  
 23 ignated State unit and the individual agree to  
 24 a specific extension of time; or

1           “(B) the designated State unit is exploring  
2           an individual’s abilities, capabilities, and capac-  
3           ity to perform in work situations under para-  
4           graph (2)(B).

5           “(b) DEVELOPMENT OF AN INDIVIDUALIZED REHA-  
6   BILITATION EMPLOYMENT PLAN.—

7           “(1) OPTIONS FOR DEVELOPING AN INDIVID-  
8   UALIZED REHABILITATION EMPLOYMENT PLAN.—If  
9   an individual is determined to be eligible for voca-  
10   tional rehabilitation services as described in sub-  
11   section (a), the designated State unit shall complete  
12   the assessment for determining eligibility and voca-  
13   tional rehabilitation needs, as appropriate, and shall  
14   provide the eligible individual or the individual’s rep-  
15   resentative, in writing and in an appropriate mode  
16   of communication, with information on the individ-  
17   ual’s options for developing an individualized reha-  
18   bilitation employment plan, including—

19           “(A) information on the availability of as-  
20   sistance, to the extent determined to be appro-  
21   priate by the eligible individual, from a quali-  
22   fied vocational rehabilitation counselor in devel-  
23   oping all or part of the individualized rehabilita-  
24   tion employment plan for the individual, and  
25   the availability of technical assistance in devel-

1           oping all or part of the individualized rehabilita-  
2           tion employment plan for the individual;

3                 “(B) a description of the full range of com-  
4           ponents that shall be included in an individual-  
5           ized rehabilitation employment plan;

6                 “(C) as appropriate—

7                         “(i) an explanation of agency guide-  
8           lines and criteria associated with financial  
9           commitments concerning an individualized  
10          rehabilitation employment plan;

11                        “(ii) additional information the eligi-  
12          ble individual requests or the designated  
13          State unit determines to be necessary; and

14                        “(iii) information on the availability of  
15          assistance in completing designated State  
16          agency forms required in developing an in-  
17          dividualized rehabilitation employment  
18          plan; and

19                 “(D)(i) a description of the rights and  
20          remedies available to such an individual includ-  
21          ing, if appropriate, recourse to the processes set  
22          forth in subsection (c); and

23                        “(ii) a description of the availability of a  
24          client assistance program established pursuant

1 to section 112 and information about how to  
2 contact the client assistance program.

3 “(2) MANDATORY PROCEDURES.—

4 “(A) WRITTEN DOCUMENT.—An individ-  
5 ualized rehabilitation employment plan shall be  
6 a written document prepared on forms provided  
7 by the designated State unit.

8 “(B) INFORMED CHOICE.—An individual-  
9 ized rehabilitation employment plan shall be de-  
10 veloped and implemented in a manner that af-  
11 fords eligible individuals the opportunity to ex-  
12 ercise informed choice in selecting an employ-  
13 ment outcome, the specific vocational rehabilita-  
14 tion services to be provided under the plan, the  
15 entity that will provide the vocational rehabilita-  
16 tion services, and the methods used to procure  
17 the services, consistent with subsection (d).

18 “(C) SIGNATORIES.—An individualized re-  
19 habilitation employment plan shall be—

20 “(i) agreed to, and signed by, such eli-  
21 gible individual or, as appropriate, the in-  
22 dividual’s representative; and

23 “(ii) approved and signed by a quali-  
24 fied vocational rehabilitation counselor em-  
25 ployed by the designated State unit.

1           “(D) COPY.—A copy of the individualized  
2           rehabilitation employment plan for an eligible  
3           individual shall be provided to the individual or,  
4           as appropriate, to the individual’s representa-  
5           tive, in writing and, if appropriate, in the native  
6           language or mode of communication of the indi-  
7           vidual or, as appropriate, of the individual’s  
8           representative.

9           “(E) REVIEW AND AMENDMENT.—The in-  
10          dividualized rehabilitation employment plan  
11          shall be—

12               “(i) reviewed at least annually by—

13                       “(I) a qualified vocational reha-  
14                       bilitation counselor; and

15                       “(II) the eligible individual or, as  
16                       appropriate, the individual’s rep-  
17                       resentative; and

18               “(ii) amended, as necessary, by the in-  
19          dividual or, as appropriate, the individual’s  
20          representative, in collaboration with a rep-  
21          resentative of the designated State agency  
22          or a qualified vocational rehabilitation  
23          counselor, if there are substantive changes  
24          in the employment outcome, the vocational  
25          rehabilitation services to be provided, or

1           the service providers of the services (which  
 2           amendments shall not take effect until  
 3           agreed to and signed by the eligible indi-  
 4           vidual or, as appropriate, the individual’s  
 5           representative, and by a qualified voca-  
 6           tional rehabilitation counselor).

7           “(3) MANDATORY COMPONENTS OF AN INDIVID-  
 8           UALIZED REHABILITATION EMPLOYMENT PLAN.—  
 9           Regardless of the approach selected by an eligible in-  
 10          dividual to develop an individualized rehabilitation  
 11          employment plan, an individualized rehabilitation  
 12          employment plan shall, at a minimum, contain man-  
 13          datory components consisting of—

14               “(A) a description of the specific employ-  
 15              ment outcome that is chosen by the eligible in-  
 16              dividual, consistent with the unique strengths,  
 17              resources, priorities, concerns, abilities, capa-  
 18              bilities, interests, and informed choice of the eli-  
 19              gible individual, and, to the maximum extent  
 20              appropriate, results in employment in an inte-  
 21              grated setting;

22               “(B)(i) a description of the specific voca-  
 23              tional rehabilitation services that are—

24                   “(I) needed to achieve the employ-  
 25                  ment outcome, including, as appropriate,

1 the provision of assistive technology devices  
2 and assistive technology services, and per-  
3 sonal assistance services, including training  
4 in the management of such services; and

5 “(II) provided in the most integrated  
6 setting that is appropriate for the service  
7 involved and is consistent with the in-  
8 formed choice of the eligible individual;  
9 and

10 “(ii) timelines for the achievement of the  
11 employment outcome and for the initiation of  
12 the services;

13 “(C) a description of the entity chosen by  
14 the eligible individual or, as appropriate, the in-  
15 dividual’s representative, that will provide the  
16 vocational rehabilitation services, and the meth-  
17 ods used to procure such services;

18 “(D) a description of criteria to evaluate  
19 progress toward achievement of the employment  
20 outcome;

21 “(E) the terms and conditions of the indi-  
22 vidualized rehabilitation employment plan, in-  
23 cluding, as appropriate, information describ-  
24 ing—



1 “(i) the responsibilities of the des-  
2 ignated State unit;

3 “(ii) the responsibilities of the eligible  
4 individual, including—

5 “(I) the responsibilities the eligi-  
6 ble individual will assume in relation  
7 to the employment outcome of the in-  
8 dividual;

9 “(II) if applicable, the participa-  
10 tion of the eligible individual in paying  
11 for the costs of the plan; and

12 “(III) the responsibility of the el-  
13 igible individual with regard to apply-  
14 ing for and securing comparable bene-  
15 fits as described in section 101(a)(8);  
16 *and*

17 “(iii) the responsibilities of other enti-  
18 ties as the result of arrangements made  
19 pursuant to comparable services or benefits  
20 requirements as described in section  
21 101(a)(8);

22 “(F) for an eligible individual with the  
23 most significant disabilities for whom an em-  
24 ployment outcome in a supported employment

1           setting has been determined to be appropriate,  
2           information identifying—

3                   “(i) the extended services needed by  
4                   the eligible individual; and

5                   “(ii) the source of extended services  
6                   or, to the extent that the source of the ex-  
7                   tended services cannot be identified at the  
8                   time of the development of the individual-  
9                   ized rehabilitation employment plan, a de-  
10                  scription of the basis for concluding that  
11                  there is a reasonable expectation that such  
12                  source will become available; and

13                  “(G) as determined to be necessary, a  
14                  statement of projected need for post-employ-  
15                  ment services.

16       “(c) PROCEDURES.—

17               “(1) IN GENERAL.—Each State shall establish  
18               procedures for mediation of, and procedures for re-  
19               view through an impartial due process hearing of,  
20               determinations made by personnel of the designated  
21               State unit that affect the provision of vocational re-  
22               habilitation services to applicants or eligible individ-  
23               uals.

24               “(2) NOTIFICATION.—

1           “(A) RIGHTS AND ASSISTANCE.—The pro-  
2           cedures shall provide that an applicant or an el-  
3           igible individual or, as appropriate, the appli-  
4           cant’s representative or individual’s representa-  
5           tive shall be notified of—

6                   “(i) the right to obtain review of de-  
7                   terminations described in paragraph (1) in  
8                   an impartial due process hearing under  
9                   paragraph (5);

10                   “(ii) the right to pursue mediation  
11                   with respect to the determinations under  
12                   paragraph (4); and

13                   “(iii) the availability of assistance  
14                   from the client assistance program under  
15                   section 112.

16           “(B) TIMING.—Such notification shall be  
17           provided in writing—

18                   “(i) at the time an individual applies  
19                   for vocational rehabilitation services pro-  
20                   vided under this title;

21                   “(ii) at the time the individualized re-  
22                   habilitation employment plan for the indi-  
23                   vidual is developed; and

1                   “(iii) upon reduction, suspension, or  
2                   cessation of vocational rehabilitation serv-  
3                   ices for the individual.

4                   “(3) EVIDENCE AND REPRESENTATION.—The  
5                   procedures required under this subsection shall, at a  
6                   minimum—

7                   “(A) provide an opportunity for an appli-  
8                   cant or an eligible individual, or, as appro-  
9                   priate, the applicant’s representative or individ-  
10                  ual’s representative, to submit at the mediation  
11                  session or hearing evidence and information to  
12                  support the position of the applicant or eligible  
13                  individual; and

14                  “(B) include provisions to allow an appli-  
15                  cant or an eligible individual to be represented  
16                  in the mediation session or hearing by a person  
17                  selected by the applicant or eligible individual.

18                  “(4) MEDIATION.—

19                  “(A) PROCEDURES.—Each State shall en-  
20                  sure that procedures are established and imple-  
21                  mented under this subsection to allow parties  
22                  described in paragraph (1) to disputes involving  
23                  any determination described in paragraph (1)  
24                  to resolve such disputes through a mediation  
25                  process that, at a minimum, shall be available

1 whenever a hearing is requested under this sub-  
2 section.

3 “(B) REQUIREMENTS.—Such procedures  
4 shall ensure that the mediation process—

5 “(i) is voluntary on the part of the  
6 parties;

7 “(ii) is not used to deny or delay the  
8 right of an individual to a hearing under  
9 this subsection, or to deny any other right  
10 afforded under this title; and

11 “(iii) is conducted by a qualified and  
12 impartial mediator who is trained in effec-  
13 tive mediation techniques.

14 “(C) LIST OF MEDIATORS.—The State  
15 shall maintain a list of individuals who are  
16 qualified mediators and knowledgeable in laws  
17 (including regulations) relating to the provision  
18 of vocational rehabilitation services under this  
19 title, from which the mediators described in  
20 subparagraph (B) shall be selected.

21 “(D) COST.—The State shall bear the cost  
22 of the mediation process.

23 “(E) SCHEDULING.—Each session in the  
24 mediation process shall be scheduled in a timely

1 manner and shall be held in a location that is  
2 convenient to the parties to the dispute.

3 “(F) AGREEMENT.—An agreement reached  
4 by the parties to the dispute in the mediation  
5 process shall be set forth in a written mediation  
6 agreement.

7 “(G) CONFIDENTIALITY.—Discussions that  
8 occur during the mediation process shall be con-  
9 fidential and may not be used as evidence in  
10 any subsequent due process hearing or civil pro-  
11 ceeding. The parties to the mediation process  
12 may be required to sign a confidentiality pledge  
13 prior to the commencement of such process.

14 “(H) CONSTRUCTION.—Nothing in this  
15 subsection shall be construed to preclude the  
16 parties to such a dispute from informally resolv-  
17 ing the dispute prior to proceedings under this  
18 paragraph or paragraph (5), if the informal  
19 process used is not used to deny or delay the  
20 right of the applicant or eligible individual to a  
21 hearing under this subsection or to deny any  
22 other right afforded under this title.

23 “(5) HEARINGS.—

24 “(A) OFFICER.—A due process hearing de-  
25 scribed in paragraph (2) shall be conducted by

1 an impartial hearing officer who shall issue a  
2 decision based on the provisions of the approved  
3 State plan, this Act (including regulations im-  
4 plementing this Act), and State regulations and  
5 policies that are consistent with the Federal re-  
6 quirements specified in this title. The officer  
7 shall provide the decision in writing to the ap-  
8 plicant or eligible individual, or, as appropriate,  
9 the applicant's representative or individual's  
10 representative, and to the designated State  
11 unit.

12 “(B) LIST.—The designated State unit  
13 shall maintain a list of qualified impartial hear-  
14 ing officers who are knowledgeable in laws (in-  
15 cluding regulations) relating to the provision of  
16 vocational rehabilitation services under this title  
17 from which the officer described in subpara-  
18 graph (A) shall be selected. For the purposes of  
19 maintaining such list, impartial hearing officers  
20 shall be identified jointly by—

21 “(i) the designated State unit; and

22 “(ii) members of the Council or com-  
23 mission, as appropriate, described in sec-  
24 tion 101(a)(21).

1           “(C) SELECTION.—Such an impartial  
2           hearing officer shall be selected to hear a par-  
3           ticular case relating to a determination—

4                   “(i) on a random basis; or

5                   “(ii) by agreement between—

6                           “(I) the Director of the des-  
7                           ignated State unit and the individual  
8                           with a disability; or

9                           “(II) in appropriate cases, the  
10                          Director and the individual’s rep-  
11                          resentative.

12           “(D) PROCEDURES FOR SEEKING RE-  
13           VIEW.—A State may establish procedures to en-  
14           able a party involved in a hearing under this  
15           paragraph to seek an impartial review of the  
16           decision of the hearing officer under subpara-  
17           graph (A) by—

18                          “(i) the chief official of the designated  
19                          State agency if the State has established  
20                          both a designated State agency and a des-  
21                          ignated State unit under section 101(a)(2);  
22                          or

23                          “(ii) an official from the office of the  
24                          Governor or the chief official of another



1 State office or agency that has supervisory  
2 authority over the designated State agency.

3 “(E) REVIEW REQUEST.—If the State es-  
4 tablishes impartial review procedures under  
5 subparagraph (D), either party may request the  
6 review of the decision of the hearing officer  
7 within 20 days after the decision.

8 “(F) REVIEWING OFFICIAL.—The review-  
9 ing official described in subparagraph (D)  
10 shall—

11 “(i) in conducting the review, provide  
12 an opportunity for the submission of addi-  
13 tional evidence and information relevant to  
14 a final decision concerning the matter  
15 under review;

16 “(ii) not overturn or modify the deci-  
17 sion of the hearing officer, or part of the  
18 decision, that supports the position of the  
19 applicant or eligible individual unless the  
20 reviewing official concludes, based on clear  
21 and convincing evidence, that the decision  
22 of the impartial hearing officer is clearly  
23 erroneous on the basis of being contrary to  
24 the approved State plan, this Act (includ-  
25 ing regulations implementing this Act) or

1 any State regulation or policy that is con-  
2 sistent with the Federal requirements spec-  
3 ified in this title; and

4 “(iii) make a final decision with re-  
5 spect to the matter in a timely manner and  
6 provide such decision in writing to the ap-  
7 plicant or eligible individual, or, as appro-  
8 priate, the applicant’s representative or in-  
9 dividual’s representative, and to the des-  
10 ignated State unit, including a full report  
11 of the findings and the grounds for such  
12 decision.

13 “(G) FINALITY OF HEARING DECISION.—A  
14 decision made after a hearing under subpara-  
15 graph (A) shall be final, except that a party  
16 may request an impartial review if the State  
17 has established procedures for such review  
18 under subparagraph (D) and a party involved  
19 in a hearing may bring a civil action under sub-  
20 paragraph (J).

21 “(H) FINALITY OF REVIEW.—A decision  
22 made under subparagraph (F) shall be final un-  
23 less such a party brings a civil action under  
24 subparagraph (J).

1           “(I) IMPLEMENTATION.—If a party brings  
 2           a civil action under subparagraph (J) to chal-  
 3           lenge a final decision of a hearing officer under  
 4           subparagraph (A) or to challenge a final deci-  
 5           sion of a State reviewing official under subpara-  
 6           graph (F), the final decision involved shall be  
 7           implemented pending review by the court.

8           “(J) CIVIL ACTION.—

9           “(i) IN GENERAL.—Any party ag-  
 10          grieved by a final decision described in  
 11          subparagraph (I), may bring a civil action  
 12          for review of such decision. The action may  
 13          be brought in any State court of competent  
 14          jurisdiction or in a district court of the  
 15          United States of competent jurisdiction  
 16          without regard to the amount in con-  
 17          troversy.

18          “(ii) PROCEDURE.—In any action  
 19          brought under this subparagraph, the  
 20          court—

21                 “(I) shall receive the records re-  
 22                 lating to the hearing under subpara-  
 23                 graph (A) and the records relating to  
 24                 the State review under subparagraphs  
 25                 (D) through (F), if applicable;

1 “(II) shall hear additional evi-  
2 dence at the request of a party to the  
3 action; and

4 “(III) basing the decision of the  
5 court on the preponderance of the evi-  
6 dence, shall grant such relief as the  
7 court determines to be appropriate.

8 “(6) HEARING BOARD.—

9 “(A) IN GENERAL.—A fair hearing board,  
10 established by a State before January 1, 1985,  
11 and authorized under State law to review deter-  
12 minations or decisions under this Act, is au-  
13 thorized to carry out the responsibilities of the  
14 impartial hearing officer under this subsection.

15 “(B) APPLICATION.—The provisions of  
16 paragraphs (1), (2), and (3) that relate to due  
17 process hearings do not apply, and paragraph  
18 (5) (other than subparagraph (J)) does not  
19 apply, to any State to which subparagraph (A)  
20 applies.

21 “(7) IMPACT ON PROVISION OF SERVICES.—Un-  
22 less the individual with a disability so requests, or,  
23 in an appropriate case, the individual’s representa-  
24 tive, so requests, pending a decision by a mediator,  
25 hearing officer, or reviewing officer under this sub-

1 section, the designated State unit shall not institute  
2 a suspension, reduction, or termination of services  
3 being provided for the individual, including evalua-  
4 tion and assessment services and plan development,  
5 unless such services have been obtained through mis-  
6 representation, fraud, collusion, or criminal conduct  
7 on the part of the individual, or the individual's rep-  
8 resentative.

9 “(8) INFORMATION COLLECTION AND RE-  
10 PORT.—

11 “(A) IN GENERAL.—The Director of the  
12 designated State unit shall collect information  
13 described in subparagraph (B) and prepare and  
14 submit to the Commissioner a report containing  
15 such information. The Commissioner shall pre-  
16 pare a summary of the information furnished  
17 under this paragraph and include the summary  
18 in the annual report submitted under section  
19 13. The Commissioner shall also collect copies  
20 of the final decisions of impartial hearing offi-  
21 cers conducting hearings under this subsection  
22 and State officials conducting reviews under  
23 this subsection.

1           “(B) INFORMATION.—The information re-  
2           quired to be collected under this subsection in-  
3           cludes—

4                   “(i) a copy of the standards used by  
5           State reviewing officials for reviewing deci-  
6           sions made by impartial hearing officers  
7           under this subsection;

8                   “(ii) information on the number of  
9           hearings and reviews sought from the im-  
10          partial hearing officers and the State re-  
11          viewing officials, including the type of com-  
12          plaints and the issues involved;

13                  “(iii) information on the number of  
14          hearing decisions made under this sub-  
15          section that were not reviewed by the State  
16          reviewing officials; and

17                  “(iv) information on the number of  
18          the hearing decisions that were reviewed by  
19          the State reviewing officials, and, based on  
20          such reviews, the number of hearing deci-  
21          sions that were—

22                          “(I) sustained in favor of an ap-  
23                          plicant or eligible individual;

24                          “(II) sustained in favor of the  
25                          designated State unit;

1                   “(III) reversed in whole or in  
2                   part in favor of the applicant or eligi-  
3                   ble individual; and

4                   “(IV) reversed in whole or in  
5                   part in favor of the designated State  
6                   unit.

7                   “(C) CONFIDENTIALITY.—The confiden-  
8                   tiality of records of applicants and eligible indi-  
9                   viduals maintained by the designated State unit  
10                  shall not preclude the access of the Commis-  
11                  sioner to those records for the purposes de-  
12                  scribed in subparagraph (A).

13               “(d) POLICIES AND PROCEDURES.—Each designated  
14               State agency, in consultation with the State Rehabilitation  
15               Council, if the State has such a council, shall, consistent  
16               with section 100(a)(3)(C), develop and implement written  
17               policies and procedures that enable each individual who  
18               is an applicant for or eligible to receive vocational rehabili-  
19               tation services under this title to exercise informed choice  
20               throughout the vocational rehabilitation process carried  
21               out under this title, including policies and procedures that  
22               require the designated State agency—

23               “(1) to inform each such applicant and eligible  
24               individual (including students with disabilities de-  
25               scribed in section 101(a)(11)(D)(ii)(II) who are

1 making the transition from programs under the re-  
2 sponsibility of an educational agency to programs  
3 under the responsibility of the designated State  
4 unit), through appropriate modes of communication,  
5 about the availability of, and opportunities to exer-  
6 cise, informed choice, including the availability of  
7 support services for individuals with cognitive or  
8 other disabilities who require assistance in exercising  
9 informed choice, throughout the vocational rehabili-  
10 tation process;

11 “(2) to assist applicants and eligible individuals  
12 in exercising informed choice in decisions related to  
13 the provision of assessment services under this title;

14 “(3) to develop and implement flexible procure-  
15 ment policies and methods that facilitate the provi-  
16 sion of services, and that afford eligible individuals  
17 meaningful choices among the methods used to pro-  
18 cure services, under this title;

19 “(4) to provide or assist eligible individuals in  
20 acquiring information that enables those individuals  
21 to exercise informed choice under this title in the se-  
22 lection of—

23 “(A) the employment outcome;



1           “(B) the specific vocational rehabilitation  
2           services needed to achieve the employment out-  
3           come;

4           “(C) the entity that will provide the serv-  
5           ices;

6           “(D) the employment setting and the set-  
7           tings in which the services will be provided; and

8           “(E) the methods available for procuring  
9           the services; and

10          “(5) to ensure that the availability and scope of  
11          informed choice provided under this section is con-  
12          sistent with the obligations of the designated State  
13          agency under this title.

14   **“SEC. 103. VOCATIONAL REHABILITATION SERVICES.**

15          “(a) VOCATIONAL REHABILITATION SERVICES FOR  
16   INDIVIDUALS.—Vocational rehabilitation services provided  
17   under this title are any services described in an individual-  
18   ized rehabilitation employment plan necessary to assist an  
19   individual with a disability in preparing for, securing, re-  
20   taining, or regaining an employment outcome that is con-  
21   sistent with the strengths, resources, priorities, concerns,  
22   abilities, capabilities, interests, and informed choice of the  
23   individual, including—

24          “(1) an assessment for determining eligibility  
25          and vocational rehabilitation needs by qualified per-

1       sonnel, including, if appropriate, an assessment by  
2       personnel skilled in rehabilitation technology;

3               “(2) counseling and guidance, including infor-  
4       mation and support services to assist an individual  
5       in exercising informed choice consistent with the  
6       provisions of section 102(d);

7               “(3) referral and other services to secure need-  
8       ed services from other agencies through agreements  
9       developed under section 101(b)(11), if such services  
10      are not available under this title;

11              “(4) job-related services, including job search  
12      and placement assistance, job retention services, fol-  
13      lowup services, and follow-along services;

14              “(5) vocational and other training services, in-  
15      cluding the provision of personal and vocational ad-  
16      justment services, books, tools, and other training  
17      materials, except that no training services provided  
18      at an institution of higher education shall be paid  
19      for with funds under this title unless maximum ef-  
20      forts have been made by the designated State unit  
21      and the individual to secure grant assistance, in  
22      whole or in part, from other sources to pay for such  
23      training;

24              “(6) to the extent that financial support is not  
25      readily available from a source (such as through

1 health insurance of the individual or through com-  
2 parable services and benefits consistent with section  
3 101(a)(8)(A)), other than the designated State unit,  
4 diagnosis and treatment of physical and mental im-  
5 pairments, including—

6 “(A) corrective surgery or therapeutic  
7 treatment necessary to correct or substantially  
8 modify a physical or mental condition that con-  
9 stitutes a substantial impediment to employ-  
10 ment, but is of such a nature that such correc-  
11 tion or modification may reasonably be expected  
12 to eliminate or reduce such impediment to em-  
13 ployment within a reasonable length of time;

14 “(B) necessary hospitalization in connec-  
15 tion with surgery or treatment;

16 “(C) prosthetic and orthotic devices;

17 “(D) eyeglasses and visual services as pre-  
18 scribed by qualified personnel who meet State  
19 licensure laws and who are selected by the indi-  
20 vidual;

21 “(E) special services (including transplan-  
22 tation and dialysis), artificial kidneys, and sup-  
23 plies necessary for the treatment of individuals  
24 with end-stage renal disease; and

1           “(F) diagnosis and treatment for mental  
2           and emotional disorders by qualified personnel  
3           who meet State licensure laws;

4           “(7) maintenance for additional costs incurred  
5           while participating in an assessment for determining  
6           eligibility and vocational rehabilitation needs or  
7           while receiving services under an individualized reha-  
8           bilitation employment plan;

9           “(8) transportation, including adequate training  
10          in the use of public transportation vehicles and sys-  
11          tems, that is provided in connection with the provi-  
12          sion of any other service described in this section  
13          and needed by the individual to achieve an employ-  
14          ment outcome;

15          “(9) on-the-job or other related personal assist-  
16          ance services provided while an individual is receiv-  
17          ing other services described in this section;

18          “(10) interpreter services provided by qualified  
19          personnel for individuals who are deaf or hard of  
20          hearing, and reader services for individuals who are  
21          determined to be blind, after an examination by  
22          qualified personnel who meet State licensure laws;

23          “(11) rehabilitation teaching services, and ori-  
24          entation and mobility services, for individuals who  
25          are blind;

1           “(12) occupational licenses, tools, equipment,  
2           and initial stocks and supplies;

3           “(13) technical assistance and other consulta-  
4           tion services to conduct market analyses, develop  
5           business plans, and otherwise provide resources, to  
6           the extent such resources are authorized to be pro-  
7           vided under the statewide workforce investment sys-  
8           tem, to eligible individuals who are pursuing self-em-  
9           ployment or establishing a small business operation  
10          as an employment outcome;

11          “(14) rehabilitation technology, including tele-  
12          communications, sensory, and other technological  
13          aids and devices;

14          “(15) transition services for students with dis-  
15          abilities described in section 101(a)(11)(D)(ii)(II),  
16          that facilitate the achievement of the employment  
17          outcome identified in the individualized rehabilita-  
18          tion employment plan;

19          “(16) supported employment services;

20          “(17) services to the family of an individual  
21          with a disability necessary to assist the individual to  
22          achieve an employment outcome; and

23          “(18) specific post-employment services nec-  
24          essary to assist an individual with a disability to, re-  
25          tain, regain, or advance in employment.

1       “(b) VOCATIONAL REHABILITATION SERVICES FOR  
2 GROUPS OF INDIVIDUALS.—Vocational rehabilitation serv-  
3 ices provided for the benefit of groups of individuals with  
4 disabilities may also include the following:

5           “(1) In the case of any type of small business  
6 operated by individuals with significant disabilities  
7 the operation of which can be improved by manage-  
8 ment services and supervision provided by the des-  
9 ignated State agency, the provision of such services  
10 and supervision, along or together with the acquisi-  
11 tion by the designated State agency of vending facili-  
12 ties or other equipment and initial stocks and sup-  
13 plies.

14           “(2) The establishment, development, or im-  
15 provement of community rehabilitation programs,  
16 that promise to contribute substantially to the reha-  
17 bilitation of a group of individuals but that are not  
18 related directly to the individualized rehabilitation  
19 employment plan of any 1 individual with a disabil-  
20 ity. Such programs shall be used to provide services  
21 that promote integration and competitive employ-  
22 ment.

23           “(3) The use of telecommunications systems  
24 (including telephone, television, satellite, radio, and  
25 other similar systems) that have the potential for

1 substantially improving delivery methods of activities  
2 described in this section and developing appropriate  
3 programming to meet the particular needs of indi-  
4 viduals with disabilities.

5 “(4)(A) Special services to provide nonvisual ac-  
6 cess to information for individuals who are blind, in-  
7 cluding the use of telecommunications, Braille,  
8 sound recordings, or other appropriate media.

9 “(B) Captioned television, films, or video cas-  
10 settes for individuals who are deaf or hard of hear-  
11 ing.

12 “(C) Tactile materials for individuals who are  
13 deaf-blind.

14 “(D) Other special services that provide infor-  
15 mation through tactile, vibratory, auditory, and vis-  
16 ual media.

17 “(5) Technical assistance and support services  
18 to businesses that are not subject to title I of the  
19 Americans with Disabilities Act of 1990 (42 U.S.C.  
20 12111 et seq.) and that are seeking to employ indi-  
21 viduals with disabilities.

22 “(6) Consultative and technical assistance serv-  
23 ices to assist educational agencies in planning for  
24 the transition of students with disabilities described

1 in section 101(a)(11)(D)(i) from school to post-  
2 school activities, including employment.

3 **“SEC. 104. NON-FEDERAL SHARE FOR ESTABLISHMENT OF**  
4 **PROGRAM.**

5 “For the purpose of determining the amount of pay-  
6 ments to States for carrying out part B of this title (or  
7 to an Indian tribe under part C), the non-Federal share,  
8 subject to such limitations and conditions as may be pre-  
9 scribed in regulations by the Commissioner, shall include  
10 contributions of funds made by any private agency, orga-  
11 nization, or individual to a State or local agency to assist  
12 in meeting the costs of establishment of a community re-  
13 habilitation program, which would be regarded as State  
14 or local funds except for the condition, imposed by the con-  
15 tributor, limiting use of such funds to establishment of  
16 such a program.”

17 **“SEC. 105. STATE REHABILITATION COUNCIL.**

18 “(a) ESTABLISHMENT.—

19 “(1) IN GENERAL.—Except as provided in sec-  
20 tion 101(a)(21)(A)(i), to be eligible to receive finan-  
21 cial assistance under this title a State shall establish  
22 a State Rehabilitation Council (referred to in this  
23 section as the ‘Council’) in accordance with this sec-  
24 tion.



1           “(2) SEPARATE AGENCY FOR INDIVIDUALS WHO  
2           ARE BLIND.—A State that designates a State agency  
3           to administer the part of the State plan under which  
4           vocational rehabilitation services are provided for in-  
5           dividuals who are blind under section  
6           101(a)(2)(A)(i) may establish a separate Council in  
7           accordance with this section to perform the duties of  
8           such a Council with respect to such State agency.

9           “(b) COMPOSITION AND APPOINTMENT.—

10           “(1) COMPOSITION.—

11           “(A) IN GENERAL.—Except in the case of  
12           a separate Council established under subsection  
13           (a)(2), the Council shall be composed of—

14           “(i) at least one representative of the  
15           Statewide Independent Living Council es-  
16           tablished under section 705, which rep-  
17           resentative may be the chairperson or  
18           other designee of the Council;

19           “(ii) at least one representative of a  
20           parent training and information center es-  
21           tablished pursuant to section 682(a) of the  
22           Individuals with Disabilities Education Act  
23           (as added by section 101 of the Individuals  
24           with Disabilities Education Act Amend-  
25           ments of 1997; Public Law 105–17);

1 “(iii) at least one representative of the  
2 client assistance program established under  
3 section 112;

4 “(iv) at least one vocational rehabili-  
5 tation counselor, with knowledge of and ex-  
6 perience with vocational rehabilitation pro-  
7 grams, who shall serve as an ex officio,  
8 nonvoting member of the Council if the  
9 counselor is an employee of the designated  
10 State agency;

11 “(v) at least one representative of  
12 community rehabilitation program service  
13 providers;

14 “(vi) four representatives of business,  
15 industry, and labor;

16 “(vii) representatives of disability ad-  
17 vocacy groups representing a cross section  
18 of—

19 “(I) individuals with physical,  
20 cognitive, sensory, and mental disabil-  
21 ities; and

22 “(II) individuals’ representatives  
23 of individuals with disabilities who  
24 have difficulty in representing them-

1                   selves or are unable due to their dis-  
2                   abilities to represent themselves;

3                   “(viii) current or former applicants  
4                   for, or recipients of, vocational rehabilita-  
5                   tion services;

6                   “(ix) in a State in which one or more  
7                   projects are carried out under section 121,  
8                   at least one representative of the directors  
9                   of the projects;

10                  “(x) at least one representative of the  
11                  State educational agency responsible for  
12                  the public education of students with dis-  
13                  abilities who are eligible to receive services  
14                  under this title and part B of the Individ-  
15                  uals with Disabilities Education Act; and

16                  “(xi) at least one representative of the  
17                  statewide workforce investment partner-  
18                  ship.

19                  “(B) SEPARATE COUNCIL.—In the case of  
20                  a separate Council established under subsection  
21                  (a)(2), the Council shall be composed of—

22                       “(i) at least one representative de-  
23                       scribed in subparagraph (A)(i);

24                       “(ii) at least one representative de-  
25                       scribed in subparagraph (A)(ii);

1 “(iii) at least one representative de-  
2 scribed in subparagraph (A)(iii);

3 “(iv) at least one vocational rehabili-  
4 tation counselor described in subparagraph  
5 (A)(iv), who shall serve as described in  
6 such subparagraph;

7 “(v) at least one representative de-  
8 scribed in subparagraph (A)(v);

9 “(vi) four representatives described in  
10 subparagraph (A)(vi);

11 “(vii) at least one representative of a  
12 disability advocacy group representing indi-  
13 viduals who are blind;

14 “(viii) at least one individual’s rep-  
15 resentative, of an individual who—

16 “(I) is an individual who is blind  
17 and has multiple disabilities; and

18 “(II) has difficulty in represent-  
19 ing himself or herself or is unable due  
20 to disabilities to represent himself or  
21 herself;

22 “(ix) applicants or recipients de-  
23 scribed in subparagraph (A)(viii);

1 “(x) in a State described in subpara-  
 2 graph (A)(ix), at least one representative  
 3 described in such subparagraph;

4 “(xi) at least one representative de-  
 5 scribed in subparagraph (A)(x); and

6 “(xii) at least one representative de-  
 7 scribed in subparagraph (A)(xi).

8 “(C) EXCEPTION.—In the case of a sepa-  
 9 rate Council established under subsection  
 10 (a)(2), any Council that is required by State  
 11 law, as in effect on the date of enactment of the  
 12 Rehabilitation Act Amendments of 1992, to  
 13 have fewer than 15 members shall be deemed to  
 14 be in compliance with subparagraph (B) if the  
 15 Council—

16 “(i) meets the requirements of sub-  
 17 paragraph (B), other than the require-  
 18 ments of clauses (vi) and (ix) of such sub-  
 19 paragraph; and

20 “(ii) includes at least—

21 “(I) one representative described  
 22 in subparagraph (B)(vi); and

23 “(II) one applicant or recipient  
 24 described in subparagraph (B)(ix).

1           “(2) EX OFFICIO MEMBER.—The Director of  
2           the designated State unit shall be an ex officio, non-  
3           voting member of the Council.

4           “(3) APPOINTMENT.—Members of the Council  
5           shall be appointed by the Governor. In the case of  
6           a State that, under State law, vests appointment au-  
7           thority in an entity in lieu of, or in conjunction with,  
8           the Governor, such as one or more houses of the  
9           State legislature, or an independent board that has  
10          general appointment authority, that entity shall  
11          make the appointments. The appointing authority  
12          shall select members after soliciting recommenda-  
13          tions from representatives of organizations rep-  
14          resenting a broad range of individuals with disabil-  
15          ities and organizations interested in individuals with  
16          disabilities. In selecting members, the appointing au-  
17          thority shall consider, to the greatest extent prac-  
18          ticable, the extent to which minority populations are  
19          represented on the Council.

20          “(4) QUALIFICATIONS.—A majority of Council  
21          members shall be persons who are—

22                  “(A) individuals with disabilities described  
23                  in section 7(20)(A); and

24                  “(B) not employed by the designated State  
25          unit.

1 “(5) CHAIRPERSON.—

2 “(A) IN GENERAL.—Except as provided in  
3 subparagraph (B), the Council shall select a  
4 chairperson from among the membership of the  
5 Council.

6 “(B) DESIGNATION BY GOVERNOR.—In  
7 States in which the Governor does not have veto  
8 power pursuant to State law, the Governor shall  
9 designate a member of the Council to serve as  
10 the chairperson of the Council or shall require  
11 the Council to so designate such a member.

12 “(6) TERMS OF APPOINTMENT.—

13 “(A) LENGTH OF TERM.—Each member of  
14 the Council shall serve for a term of not more  
15 than 3 years, except that—

16 “(i) a member appointed to fill a va-  
17 cancy occurring prior to the expiration of  
18 the term for which a predecessor was ap-  
19 pointed, shall be appointed for the remain-  
20 der of such term; and

21 “(ii) the terms of service of the mem-  
22 bers initially appointed shall be (as speci-  
23 fied by the appointing authority) for such  
24 fewer number of years as will provide for

1           the expiration of terms on a staggered  
2           basis.

3           “(B) NUMBER OF TERMS.—No member of  
4           the Council, other than a representative de-  
5           scribed in clause (iii) or (ix) of paragraph  
6           (1)(A), or clause (iii) or (x) of paragraph  
7           (1)(B), may serve more than two consecutive  
8           full terms.

9           “(7) VACANCIES.—

10           “(A) IN GENERAL.—Except as provided in  
11           subparagraph (B), any vacancy occurring in the  
12           membership of the Council shall be filled in the  
13           same manner as the original appointment. The  
14           vacancy shall not affect the power of the re-  
15           maining members to execute the duties of the  
16           Council.

17           “(B) DELEGATION.—The Governor (in-  
18           cluding an entity described in paragraph (3))  
19           may delegate the authority to fill such a va-  
20           cancy to the remaining members of the Council  
21           after making the original appointment.

22           “(c) FUNCTIONS OF COUNCIL.—The Council shall,  
23           after consulting with the statewide workforce investment  
24           partnership—



1           “(1) review, analyze, and advise the designated  
2       State unit regarding the performance of the respon-  
3       sibilities of the unit under this title, particularly re-  
4       sponsibilities relating to—

5           “(A) eligibility (including order of selec-  
6       tion);

7           “(B) the extent, scope, and effectiveness of  
8       services provided; and

9           “(C) functions performed by State agen-  
10      cies that affect or that potentially affect the  
11      ability of individuals with disabilities in achiev-  
12      ing employment outcomes under this title;

13          “(2) in partnership with the designated State  
14      unit—

15          “(A) develop, agree to, and review State  
16      goals and priorities in accordance with section  
17      101(a)(15)(C); and

18          “(B) evaluate the effectiveness of the voca-  
19      tional rehabilitation program and submit re-  
20      ports of progress to the Commissioner in ac-  
21      cordance with section 101(a)(15)(E);

22          “(3) advise the designated State agency and the  
23      designated State unit regarding activities authorized  
24      to be carried out under this title, and assist in the  
25      preparation of the State plan and amendments to

1 the plan, applications, reports, needs assessments,  
2 and evaluations required by this title;

3 “(4) to the extent feasible, conduct a review  
4 and analysis of the effectiveness of, and consumer  
5 satisfaction with—

6 “(A) the functions performed by the des-  
7 ignated State agency;

8 “(B) vocational rehabilitation services pro-  
9 vided by State agencies and other public and  
10 private entities responsible for providing voca-  
11 tional rehabilitation services to individuals with  
12 disabilities under this Act; and

13 “(C) employment outcomes achieved by eli-  
14 gible individuals receiving services under this  
15 title, including the availability of health and  
16 other employment benefits in connection with  
17 such employment outcomes;

18 “(5) prepare and submit an annual report to  
19 the Governor or appropriate State entity and the  
20 Commissioner on the status of vocational rehabilita-  
21 tion programs operated within the State, and make  
22 the report available to the public;

23 “(6) to avoid duplication of efforts and enhance  
24 the number of individuals served, coordinate activi-  
25 ties with the activities of other councils within the

1 State, including the Statewide Independent Living  
2 Council established under section 705, the advisory  
3 panel established under section 612(a)(21) of the In-  
4 dividual with Disabilities Education Act (as amend-  
5 ed by section 101 of the Individuals with Disabilities  
6 Education Act Amendments of 1997; Public Law  
7 105–17), the State Developmental Disabilities Coun-  
8 cil described in section 124 of the Developmental  
9 Disabilities Assistance and Bill of Rights Act (42  
10 U.S.C. 6024), the State mental health planning  
11 council established under section 1914(a) of the  
12 Public Health Service Act (42 U.S.C. 300x–4(a)),  
13 and the statewide workforce investment partnership;  
14 “(7) provide for coordination and the establish-  
15 ment of working relationships between the des-  
16 ignated State agency and the Statewide Independent  
17 Living Council and centers for independent living  
18 within the State; and  
19 “(8) perform such other functions, consistent  
20 with the purpose of this title, as the State Rehabili-  
21 tation Council determines to be appropriate, that are  
22 comparable to the other functions performed by the  
23 Council.  
24 “(d) RESOURCES.—

1           “(1) PLAN.—The Council shall prepare, in con-  
2           junction with the designated State unit, a plan for  
3           the provision of such resources, including such staff  
4           and other personnel, as may be necessary and suffi-  
5           cient to carry out the functions of the Council under  
6           this section. The resource plan shall, to the maxi-  
7           mum extent possible, rely on the use of resources in  
8           existence during the period of implementation of the  
9           plan.

10           “(2) RESOLUTION OF DISAGREEMENTS.—To  
11           the extent that there is a disagreement between the  
12           Council and the designated State unit in regard to  
13           the resources necessary to carry out the functions of  
14           the Council as set forth in this section, the disagree-  
15           ment shall be resolved by the Governor or appointing  
16           agency consistent with paragraph (1).

17           “(3) SUPERVISION AND EVALUATION.—Each  
18           Council shall, consistent with State law, supervise  
19           and evaluate such staff and other personnel as may  
20           be necessary to carry out its functions under this  
21           section.

22           “(4) PERSONNEL CONFLICT OF INTEREST.—  
23           While assisting the Council in carrying out its du-  
24           ties, staff and other personnel shall not be assigned  
25           duties by the designated State unit or any other

1       agency or office of the State, that would create a  
2       conflict of interest.

3       “(e) CONFLICT OF INTEREST.—No member of the  
4       Council shall cast a vote on any matter that would provide  
5       direct financial benefit to the member or otherwise give  
6       the appearance of a conflict of interest under State law.

7       “(f) MEETINGS.—The Council shall convene at least  
8       4 meetings a year in such places as it determines to be  
9       necessary to conduct Council business and conduct such  
10      forums or hearings as the Council considers appropriate.  
11      The meetings, hearings, and forums shall be publicly an-  
12      nounced. The meetings shall be open and accessible to the  
13      general public unless there is a valid reason for an execu-  
14      tive session.

15      “(g) COMPENSATION AND EXPENSES.—The Council  
16      may use funds allocated to the Council by the designated  
17      State unit under this title (except for funds appropriated  
18      to carry out the client assistance program under section  
19      112 and funds reserved pursuant to section 110(c) to  
20      carry out part C) to reimburse members of the Council  
21      for reasonable and necessary expenses of attending Coun-  
22      cil meetings and performing Council duties (including  
23      child care and personal assistance services), and to pay  
24      compensation to a member of the Council, if such member  
25      is not employed or must forfeit wages from other employ-

1 ment, for each day the member is engaged in performing  
2 the duties of the Council.

3 “(h) HEARINGS AND FORUMS.—The Council is au-  
4 thorized to hold such hearings and forums as the Council  
5 may determine to be necessary to carry out the duties of  
6 the Council.

7 **“SEC. 106. EVALUATION STANDARDS AND PERFORMANCE**  
8 **INDICATORS.**

9 “(a) ESTABLISHMENT.—

10 “(1) IN GENERAL.—

11 “(A) ESTABLISHMENT OF STANDARDS AND  
12 INDICATORS.—The Commissioner shall, not  
13 later than September 30, 1998, establish and  
14 publish evaluation standards and performance  
15 indicators for the vocational rehabilitation pro-  
16 gram carried out under this title.

17 “(B) REVIEW AND REVISION.—Effective  
18 September 30, 1998, the Commissioner shall  
19 review and, if necessary, revise the evaluation  
20 standards and performance indicators every 3  
21 years. Any revisions of the standards and indi-  
22 cators shall be developed with input from State  
23 vocational rehabilitation agencies, related pro-  
24 fessional and consumer organizations, recipients  
25 of vocational rehabilitation services, and other

1 interested parties. Any revisions of the stand-  
2 ards and indicators shall be subject to the pub-  
3 lication, review, and comment provisions of  
4 paragraph (3).

5 “(C) BASES.—Effective July 1, 1999, to  
6 the maximum extent practicable, the standards  
7 and indicators shall be consistent with the core  
8 indicators of performance established under sec-  
9 tion 321(b) of the Workforce Investment Part-  
10 nership Act of 1998.

11 “(2) MEASURES.—The standards and indica-  
12 tors shall include outcome and related measures of  
13 program performance that facilitate the accomplish-  
14 ment of the purpose and policy of this title.

15 “(3) COMMENT.—The standards and indicators  
16 shall be developed with input from State vocational  
17 rehabilitation agencies, related professional and con-  
18 sumer organizations, recipients of vocational reha-  
19 bilitation services, and other interested parties. The  
20 Commissioner shall publish in the Federal Register  
21 a notice of intent to regulate regarding the develop-  
22 ment of proposed standards and indicators. Pro-  
23 posed standards and indicators shall be published in  
24 the Federal Register for review and comment. Final

1 standards and indicators shall be published in the  
2 Federal Register.

3 “(b) COMPLIANCE.—

4 “(1) STATE REPORTS.—In accordance with reg-  
5 ulations established by the Secretary, each State  
6 shall report to the Commissioner after the end of  
7 each fiscal year the extent to which the State is in  
8 compliance with the standards and indicators.

9 “(2) PROGRAM IMPROVEMENT.—

10 “(A) PLAN.—If the Commissioner deter-  
11 mines that the performance of any State is  
12 below established standards, the Commissioner  
13 shall provide technical assistance to the State,  
14 and the State and the Commissioner shall joint-  
15 ly develop a program improvement plan outlin-  
16 ing the specific actions to be taken by the State  
17 to improve program performance.

18 “(B) REVIEW.—The Commissioner shall—

19 “(i) review the program improvement  
20 efforts of the State on a biannual basis  
21 and, if necessary, request the State to  
22 make further revisions to the plan to im-  
23 prove performance; and

24 “(ii) continue to conduct such reviews  
25 and request such revisions until the State



1                   sustains satisfactory performance over a  
2                   period of more than 1 year.

3           “(c) WITHHOLDING.—If the Commissioner deter-  
4 mines that a State whose performance falls below the es-  
5 tablished standards has failed to enter into a program im-  
6 provement plan, or is not complying substantially with the  
7 terms and conditions of such a program improvement  
8 plan, the Commissioner shall, consistent with subsections  
9 (c) and (d) of section 107, reduce or make no further pay-  
10 ments to the State under this program, until the State  
11 has entered into an approved program improvement plan,  
12 or satisfies the Commissioner that the State is complying  
13 substantially with the terms and conditions of such a pro-  
14 gram improvement plan, as appropriate.

15           “(d) REPORT TO CONGRESS.—Beginning in fiscal  
16 year 1999, the Commissioner shall include in each annual  
17 report to the Congress under section 13 an analysis of  
18 program performance, including relative State perform-  
19 ance, based on the standards and indicators.

20   **“SEC. 107. MONITORING AND REVIEW.**

21           “(a) IN GENERAL.—

22                   “(1) DUTIES.—In carrying out the duties of the  
23 Commissioner under this title, the Commissioner  
24 shall—

1           “(A) provide for the annual review and  
2           periodic onsite monitoring of programs under  
3           this title; and

4           “(B) determine whether, in the administra-  
5           tion of the State plan, a State is complying sub-  
6           stantially with the provisions of such plan and  
7           with evaluation standards and performance in-  
8           dicators established under section 106.

9           “(2) PROCEDURES FOR REVIEWS.—In conduct-  
10          ing reviews under this section the Commissioner  
11          shall consider, at a minimum—

12           “(A) State policies and procedures;

13           “(B) guidance materials;

14           “(C) decisions resulting from hearings con-  
15          ducted in accordance with due process;

16           “(D) State goals established under section  
17          101(a)(15) and the extent to which the State  
18          has achieved such goals;

19           “(E) plans and reports prepared under  
20          section 106(b);

21           “(F) consumer satisfaction reviews and  
22          analyses described in section 105(c)(4);

23           “(G) information provided by the State  
24          Rehabilitation Council established under section  
25          105, if the State has such a Council, or by the

1 commission described in section  
2 101(a)(21)(A)(i), if the State has such a com-  
3 mission;

4 “(H) reports; and

5 “(I) budget and financial management  
6 data.

7 “(3) PROCEDURES FOR MONITORING.—In con-  
8 ducting monitoring under this section the Commis-  
9 sioner shall conduct—

10 “(A) onsite visits, including onsite reviews  
11 of records to verify that the State is following  
12 requirements regarding the order of selection  
13 set forth in section 101(a)(5)(A);

14 “(B) public hearings and other strategies  
15 for collecting information from the public;

16 “(C) meetings with the State Rehabilita-  
17 tion Council, if the State has such a Council or  
18 with the commission described in section  
19 101(a)(21)(A)(i), if the State has such a com-  
20 mission;

21 “(D) reviews of individual case files, in-  
22 cluding individualized rehabilitation employment  
23 plans and ineligibility determinations; and

24 “(E) meetings with rehabilitation coun-  
25 selors and other personnel.

1           “(4) AREAS OF INQUIRY.—In conducting the  
2       review and monitoring, the Commissioner shall ex-  
3       amine—

4           “(A) the eligibility process;

5           “(B) the provision of services, including, if  
6       applicable, the order of selection;

7           “(C) whether the personnel evaluation sys-  
8       tem described in section 101(a)(7)(A)(iv) facili-  
9       tates the accomplishments of the program;

10          “(D) such other areas as may be identified  
11       by the public or through meetings with the  
12       State Rehabilitation Council, if the State has  
13       such a Council or with the commission de-  
14       scribed in section 101(a)(21)(A)(i), if the State  
15       has such a commission; and

16          “(E) such other areas of inquiry as the  
17       Commissioner may consider appropriate.

18          “(5) REPORTS.—If the Commissioner issues a  
19       report detailing the findings of an annual review or  
20       onsite monitoring conducted under this section, the  
21       report shall be made available to the State Rehabili-  
22       tation Council, if the State has such a Council.

23          “(b) TECHNICAL ASSISTANCE.—The Commissioner  
24       shall—

1           “(1) provide technical assistance to programs  
2           under this title regarding improving the quality of  
3           vocational rehabilitation services provided; and

4           “(2) provide technical assistance and establish  
5           a corrective action plan for a program under this  
6           title if the Commissioner finds that the program  
7           fails to comply substantially with the provisions of  
8           the State plan, or with evaluation standards or per-  
9           formance indicators established under section 106,  
10          in order to ensure that such failure is corrected as  
11          soon as practicable.

12          “(c) FAILURE TO COMPLY WITH PLAN.—

13                 “(1) WITHHOLDING PAYMENTS.—Whenever the  
14                 Commissioner, after providing reasonable notice and  
15                 an opportunity for a hearing to the State agency ad-  
16                 ministering or supervising the administration of the  
17                 State plan approved under section 101, finds that—

18                         “(A) the plan has been so changed that it  
19                         no longer complies with the requirements of  
20                         section 101(a); or

21                         “(B) in the administration of the plan  
22                         there is a failure to comply substantially with  
23                         any provision of such plan or with an evaluation  
24                         standard or performance indicator established  
25                         under section 106,

1 the Commissioner shall notify such State agency  
2 that no further payments will be made to the State  
3 under this title (or, in the discretion of the Commis-  
4 sioner, that such further payments will be reduced,  
5 in accordance with regulations the Commissioner  
6 shall prescribe, or that further payments will not be  
7 made to the State only for the projects under the  
8 parts of the State plan affected by such failure),  
9 until the Commissioner is satisfied there is no longer  
10 any such failure.

11 “(2) PERIOD.—Until the Commissioner is so  
12 satisfied, the Commissioner shall make no further  
13 payments to such State under this title (or shall re-  
14 duce payments or limit payments to projects under  
15 those parts of the State plan in which there is no  
16 such failure).

17 “(3) DISBURSAL OF WITHHELD FUNDS.—The  
18 Commissioner may, in accordance with regulations  
19 the Secretary shall prescribe, disburse any funds  
20 withheld from a State under paragraph (1) to any  
21 public or nonprofit private organization or agency  
22 within such State or to any political subdivision of  
23 such State submitting a plan meeting the require-  
24 ments of section 101(a). The Commissioner may not  
25 make any payment under this paragraph unless the

1       entity to which such payment is made has provided  
2       assurances to the Commissioner that such entity will  
3       contribute, for purposes of carrying out such plan,  
4       the same amount as the State would have been obli-  
5       gated to contribute if the State received such pay-  
6       ment.

7       “(d) REVIEW.—

8               “(1) PETITION.—Any State that is dissatisfied  
9       with a final determination of the Commissioner  
10      under section 101(b) or subsection (c) may file a pe-  
11      tition for judicial review of such determination in the  
12      United States Court of Appeals for the circuit in  
13      which the State is located. Such a petition may be  
14      filed only within the 30-day period beginning on the  
15      date that notice of such final determination was re-  
16      ceived by the State. The clerk of the court shall  
17      transmit a copy of the petition to the Commissioner  
18      or to any officer designated by the Commissioner for  
19      that purpose. In accordance with section 2112 of  
20      title 28, United States Code, the Commissioner shall  
21      file with the court a record of the proceeding on  
22      which the Commissioner based the determination  
23      being appealed by the State. Until a record is so  
24      filed, the Commissioner may modify or set aside any  
25      determination made under such proceedings.

1           “(2) SUBMISSIONS AND DETERMINATIONS.—If,  
2           in an action under this subsection to review a final  
3           determination of the Commissioner under section  
4           101(b) or subsection (c), the petitioner or the Com-  
5           missioner applies to the court for leave to have addi-  
6           tional oral submissions or written presentations  
7           made respecting such determination, the court may,  
8           for good cause shown, order the Commissioner to  
9           provide within 30 days an additional opportunity to  
10          make such submissions and presentations. Within  
11          such period, the Commissioner may revise any find-  
12          ings of fact, modify or set aside the determination  
13          being reviewed, or make a new determination by rea-  
14          son of the additional submissions and presentations,  
15          and shall file such modified or new determination,  
16          and any revised findings of fact, with the return of  
17          such submissions and presentations. The court shall  
18          thereafter review such new or modified determina-  
19          tion.

20           “(3) STANDARDS OF REVIEW.—

21           “(A) IN GENERAL.—Upon the filing of a  
22          petition under paragraph (1) for judicial review  
23          of a determination, the court shall have juris-  
24          diction—



1 “(i) to grant appropriate relief as pro-  
2 vided in chapter 7 of title 5, United States  
3 Code, except for interim relief with respect  
4 to a determination under subsection (c);  
5 and

6 “(ii) except as otherwise provided in  
7 subparagraph (B), to review such deter-  
8 mination in accordance with chapter 7 of  
9 title 5, United States Code.

10 “(B) SUBSTANTIAL EVIDENCE.—Section  
11 706 of title 5, United States Code, shall apply  
12 to the review of any determination under this  
13 subsection, except that the standard for review  
14 prescribed by paragraph (2)(E) of such section  
15 706 shall not apply and the court shall hold un-  
16 lawful and set aside such determination if the  
17 court finds that the determination is not sup-  
18 ported by substantial evidence in the record of  
19 the proceeding submitted pursuant to para-  
20 graph (1), as supplemented by any additional  
21 submissions and presentations filed under para-  
22 graph (2).

23 **“SEC. 108. EXPENDITURE OF CERTAIN AMOUNTS.**

24 “(a) EXPENDITURE.—Amounts described in sub-  
25 section (b) may not be expended by a State for any pur-

1 pose other than carrying out programs for which the State  
 2 receives financial assistance under this title, under part  
 3 C of title VI, or under title VII.

4 “(b) AMOUNTS.—The amounts referred to in sub-  
 5 section (a) are amounts provided to a State under the So-  
 6 cial Security Act (42 U.S.C. 301 et seq.) as reimburse-  
 7 ment for the expenditure of payments received by the  
 8 State from allotments under section 110 of this Act.

9 **“SEC. 109. TRAINING OF EMPLOYERS WITH RESPECT TO**  
 10 **AMERICANS WITH DISABILITIES ACT OF 1990.**

11 “A State may expend payments received under sec-  
 12 tion 111—

13 “(1) to carry out a program to train employers  
 14 with respect to compliance with the requirements of  
 15 title I of the Americans with Disabilities Act of 1990  
 16 (42 U.S.C. 12111 et seq.); and

17 “(2) to inform employers of the existence of the  
 18 program and the availability of the services of the  
 19 program.

20 **“PART B—BASIC VOCATIONAL REHABILITATION**  
 21 **SERVICES**

22 **“STATE ALLOTMENTS**

23 **“SEC. 110. (a)(1)** Subject to the provisions of sub-  
 24 section (c), for each fiscal year beginning before October  
 25 1, 1978, each State shall be entitled to an allotment of

1 an amount bearing the same ratio to the amount author-  
2 ized to be appropriated under section 100(b)(1) for allot-  
3 ment under this section as the product of—

4           “(A) the population of the State; and

5           “(B) the square of its allotment percentage,

6 bears to the sum of the corresponding products for all the  
7 States.

8           “(2)(A) For each fiscal year beginning on or after  
9 October 1, 1978, each State shall be entitled to an allot-  
10 ment in an amount equal to the amount such State re-  
11 ceived under paragraph (1) for the fiscal year ending Sep-  
12 tember 30, 1978, and an additional amount determined  
13 pursuant to subparagraph (B) of this paragraph.

14           “(B) For each fiscal year beginning on or after Octo-  
15 ber 1, 1978, each State shall be entitled to an allotment,  
16 from any amount authorized to be appropriated for such  
17 fiscal year under section 100(b)(1) for allotment under  
18 this section in excess of the amount appropriated under  
19 section 100(b)(1)(A) for the fiscal year ending September  
20 30, 1978, in an amount equal to the sum of—

21           “(i) an amount bearing the same ratio to 50  
22 percent of such excess amount as the product of the  
23 population of the State and the square of its allot-  
24 ment percentage bears to the sum of the correspond-  
25 ing products for all the States; and

1           “(ii) an amount bearing the same ratio to 50  
2           percent of such excess amount as the product of the  
3           population of the State and its allotment percentage  
4           bears to the sum of the corresponding products for  
5           all the States.

6           “(3) The sum of the payment to any State (other  
7           than Guam, American Samoa, the Virgin Islands, and the  
8           Commonwealth of the Northern Mariana Islands) under  
9           this subsection for any fiscal year which is less than one-  
10          third of 1 percent of the amount appropriated under sec-  
11          tion 100(b)(1), or \$3,000,000, whichever is greater, shall  
12          be increased to that amount, the total of the increases  
13          thereby required being derived by proportionately reducing  
14          the allotment to each of the remaining such States under  
15          this subsection, but with such adjustments as may be nec-  
16          essary to prevent the sum of the allotments made under  
17          this subsection to any such remaining State from being  
18          thereby reduced to less than that amount.

19          “(b)(1) Not later than forty-five days prior to the end  
20          of the fiscal year, the Commissioner shall determine, after  
21          reasonable opportunity for the submission to the Commis-  
22          sioner of comments by the State agency administering or  
23          supervising the program established under this title, that  
24          any payment of an allotment to a State under section

1 111(a) for any fiscal year will not be utilized by such State  
2 in carrying out the purposes of this title.

3 “(2) As soon as practicable but not later than the  
4 end of the fiscal year, the Commissioner shall make such  
5 amount available for carrying out the purposes of this title  
6 to one or more other States to the extent the Commis-  
7 sioner determines such other State will be able to use such  
8 additional amount during that fiscal year or the subse-  
9 quent fiscal year for carrying out such purposes. The  
10 Commissioner shall make such amount available only if  
11 such other State will be able to make sufficient payments  
12 from non-Federal sources to pay for the non-Federal share  
13 of the cost of vocational rehabilitation services under the  
14 State plan for the fiscal year for which the amount was  
15 appropriated.

16 “(3) For the purposes of this part, any amount made  
17 available to a State for any fiscal year pursuant to this  
18 subsection shall be regarded as an increase of such State’s  
19 allotment (as determined under the preceding provisions  
20 of this section) for such year.

21 “(c)(1) For fiscal year 1987 and for each subsequent  
22 fiscal year, the Commissioner shall reserve from the  
23 amount appropriated under section 100(b)(1) for allot-  
24 ment under this section a sum, determined under para-  
25 graph (2), to carry out the purposes of part C.

1       “(2) The sum referred to in paragraph (1) shall be,  
2 as determined by the Secretary—

3               “(A) not less than three-quarters of 1 percent  
4 and not more than 1.5 percent of the amount re-  
5 ferred to in paragraph (1), for fiscal year 1998; and

6               “(B) not less than 1 percent and not more than  
7 1.5 percent of the amount referred to in paragraph  
8 (1), for each of fiscal years 1999 through 2004.

9                       “PAYMENTS TO STATES

10       “SEC. 111. (a)(1) Except as provided in paragraph  
11 (2), from each State’s allotment under this part for any  
12 fiscal year, the Commissioner shall pay to a State an  
13 amount equal to the Federal share of the cost of vocational  
14 rehabilitation services under the plan for that State ap-  
15 proved under section 101, including expenditures for the  
16 administration of the State plan.

17       “(2)(A) The total of payments under paragraph (1)  
18 to a State for a fiscal year may not exceed its allotment  
19 under subsection (a) of section 110 for such year.

20       “(B) For fiscal year 1994 and each fiscal year there-  
21 after, the amount otherwise payable to a State for a fiscal  
22 year under this section shall be reduced by the amount  
23 by which expenditures from non-Federal sources under the  
24 State plan under this title for the previous fiscal year are  
25 less than the total of such expenditures for the second fis-  
26 cal year preceding the previous fiscal year.

1       “(C) The Commissioner may waive or modify any re-  
2       quirement or limitation under paragraphs (A) and (B) if  
3       the Commissioner determines that a waiver or modifica-  
4       tion is an equitable response to exceptional or uncontrol-  
5       lable circumstances affecting the State.

6       “(b) The method of computing and paying amounts  
7       pursuant to subsection (a) shall be as follows:

8               “(1) The Commissioner shall, prior to the be-  
9       ginning of each calendar quarter or other period pre-  
10       scribed by the Commissioner, estimate the amount  
11       to be paid to each State under the provisions of such  
12       subsection for such period, such estimate to be based  
13       on such records of the State and information fur-  
14       nished by it, and such other investigation as the  
15       Commissioner may find necessary.

16              “(2) The Commissioner shall pay, from the al-  
17       lotment available therefor, the amount so estimated  
18       by the Commissioner for such period, reduced or in-  
19       creased, as the case may be, by any sum (not pre-  
20       viously adjusted under this paragraph) by which the  
21       Commissioner finds that the estimate of the amount  
22       to be paid the State for any prior period under such  
23       subsection was greater or less than the amount  
24       which should have been paid to the State for such  
25       prior period under such subsection. Such payment

1       shall be made prior to audit or settlement by the  
2       General Accounting Office, shall be made through  
3       the disbursing facilities of the Treasury Department,  
4       and shall be made in such installments as the Com-  
5       missioner may determine.

6                   “CLIENT ASSISTANCE PROGRAM

7       “SEC. 112. (a) From funds appropriated under sub-  
8       section (h), the Secretary shall, in accordance with this  
9       section, make grants to States to establish and carry out  
10      client assistance programs to provide assistance in inform-  
11      ing and advising all clients and client applicants of all  
12      available benefits under this Act, and, upon request of  
13      such clients or client applicants, to assist and advocate  
14      for such clients or applicants in their relationships with  
15      projects, programs, and services provided under this Act,  
16      including assistance and advocacy in pursuing legal, ad-  
17      ministrative, or other appropriate remedies to ensure the  
18      protection of the rights of such individuals under this Act  
19      and to facilitate access to the services funded under this  
20      Act through individual and systemic advocacy. The client  
21      assistance program shall provide information on the avail-  
22      able services and benefits under this Act and title I of  
23      the Americans with Disabilities Act of 1990 (42 U.S.C.  
24      12111 et seq.) to individuals with disabilities in the State,  
25      especially with regard to individuals with disabilities who  
26      have traditionally been unserved or underserved by voca-



1 tional rehabilitation programs. In providing assistance and  
 2 advocacy under this subsection with respect to services  
 3 under this title, a client assistance program may provide  
 4 the assistance and advocacy with respect to services that  
 5 are directly related to facilitating the employment of the  
 6 individual.

7 “(b) No State may receive payments from its allot-  
 8 ment under this Act in any fiscal year unless the State  
 9 has in effect not later than October 1, 1984, a client as-  
 10 sistance program which—

11 “(1) has the authority to pursue legal, adminis-  
 12 trative, and other appropriate remedies to ensure the  
 13 protection of rights of individuals with disabilities  
 14 who are receiving treatments, services, or rehabilita-  
 15 tion under this Act within the State; and

16 “(2) meets the requirements of designation  
 17 under subsection (c).

18 “(c)(1)(A) The Governor shall designate a public or  
 19 private agency to conduct the client assistance program  
 20 under this section. Except as provided in the last sentence  
 21 of this subparagraph, the Governor shall designate an  
 22 agency which is independent of any agency which provides  
 23 treatment, services, or rehabilitation to individuals under  
 24 this Act. If there is an agency in the State which has,  
 25 or had, prior to the date of enactment of the Rehabilita-

1 tion Amendments of 1984, served as a client assistance  
 2 agency under this section and which received Federal fi-  
 3 nancial assistance under this Act, the Governor may, in  
 4 the initial designation, designate an agency which provides  
 5 treatment, services, or rehabilitation to individuals with  
 6 disabilities under this Act.

7 “(B)(i) The Governor may not redesignate the agency  
 8 designated under subparagraph (A) without good cause  
 9 and unless—

10 “(I) the Governor has given the agency 30 days  
 11 notice of the intention to make such redesignation,  
 12 including specification of the good cause for such re-  
 13 designation and an opportunity to respond to the as-  
 14 sertion that good cause has been shown;

15 “(II) individuals with disabilities or the individ-  
 16 uals’ representatives have timely notice of the redес-  
 17 igation and opportunity for public comment; and

18 “(III) the agency has the opportunity to appeal  
 19 to the Commissioner on the basis that the redesigna-  
 20 tion was not for good cause.

21 “(ii) If, after the date of enactment of the Rehabilita-  
 22 tion Act Amendments of 1998—

23 “(I) a designated State agency undergoes any  
 24 change in the organizational structure of the agency  
 25 that results in the creation of 1 or more new State

1 agencies or departments or results in the merger of  
2 the designated State agency with 1 or more other  
3 State agencies or departments; and

4 “(II) an agency (including an office or other  
5 unit) within the designated State agency was con-  
6 ducting a client assistance program before the  
7 change under the last sentence of subparagraph (A),  
8 the Governor shall redesignate the agency conducting the  
9 program. In conducting the redesignation, the Governor  
10 shall designate to conduct the program an agency that is  
11 independent of any agency that provides treatment, serv-  
12 ices, or rehabilitation to individuals with disabilities under  
13 this Act.

14 “(2) In carrying out the provisions of this section,  
15 the Governor shall consult with the director of the State  
16 vocational rehabilitation agency, the head of the develop-  
17 mental disability protection and advocacy agency, and with  
18 representatives of professional and consumer organiza-  
19 tions serving individuals with disabilities in the State.

20 “(3) The agency designated under this subsection  
21 shall be accountable for the proper use of funds made  
22 available to the agency.

23 ~~“(4) For the purpose of this subsection, the term~~  
24 ~~‘Governor’ means the chief executive of the State.~~

1       “(d) The agency designated under subsection (c) of  
2 this section may not bring any class action in carrying  
3 out its responsibilities under this section.

4       “(e)(1)(A) The Secretary shall allot the sums appro-  
5 priated for each fiscal year under this section among the  
6 States on the basis of relative population of each State,  
7 except that no State shall receive less than \$50,000.

8       “(B) The Secretary shall allot \$30,000 each to Amer-  
9 ican Samoa, Guam, the Virgin Islands, and the Common-  
10 wealth of the Northern Mariana Islands.

11       “(C) For the purpose of this paragraph, the term  
12 ‘State’ does not include American Samoa, Guam, the Vir-  
13 gin Islands, and the Commonwealth of the Northern Mari-  
14 ana Islands.

15       “(D)(i) In any fiscal year that the funds appropriated  
16 for such fiscal year exceed \$7,500,000, the minimum allot-  
17 ment shall be \$100,000 for States and \$45,000 for terri-  
18 tories.

19       “(ii) For any fiscal year in which the total amount  
20 appropriated under subsection (h) exceeds the total  
21 amount appropriated under such subsection for the pre-  
22 ceding fiscal year, the Secretary shall increase each of the  
23 minimum allotments under clause (i) by a percentage that  
24 shall not exceed the percentage increase in the total

1 amount appropriated under such subsection between the  
2 preceding fiscal year and the fiscal year involved.

3       “(2) The amount of an allotment to a State for a  
4 fiscal year which the Secretary determines will not be re-  
5 quired by the State during the period for which it is avail-  
6 able for the purpose for which allotted shall be available  
7 for reallocation by the Secretary at appropriate times to  
8 other States with respect to which such a determination  
9 has not been made, in proportion to the original allotments  
10 of such States for such fiscal year, but with such propor-  
11 tionate amount for any of such other States being reduced  
12 to the extent it exceeds the sum the Secretary estimates  
13 such State needs and will be able to use during such pe-  
14 riod, and the total of such reduction shall be similarly real-  
15 lotted among the States whose proportionate amounts  
16 were not so reduced. Any such amount so reallocated to  
17 a State for a fiscal year shall be deemed to be a part of  
18 its allotment for such fiscal year.

19       “(3) Except as specifically prohibited by or as other-  
20 wise provided in State law, the Secretary shall pay to the  
21 agency designated under subsection (c) the amount speci-  
22 fied in the application approved under subsection (f).

23       “(f) No grant may be made under this section unless  
24 the State submits an application to the Secretary at such  
25 time, in such manner, and containing or accompanied by

1 such information as the Secretary deems necessary to  
 2 meet the requirements of this section.

3 “(g) The Secretary shall prescribe regulations appli-  
 4 cable to the client assistance program which shall include  
 5 the following requirements:

6 “(1) No employees of such programs shall,  
 7 while so employed, serve as staff or consultants of  
 8 any rehabilitation project, program, or facility re-  
 9 ceiving assistance under this Act in the State.

10 “(2) Each program shall be afforded reasonable  
 11 access to policymaking and administrative personnel  
 12 in the State and local rehabilitation programs,  
 13 projects, or facilities.

14 “(3)(A) Each program shall contain provisions  
 15 designed to assure that to the maximum extent pos-  
 16 sible alternative means of dispute resolution are  
 17 available for use at the discretion of an applicant or  
 18 client of the program prior to resorting to litigation  
 19 or formal adjudication to resolve a dispute arising  
 20 under this section.

21 “(B) In subparagraph (A), the term ‘alternative  
 22 means of dispute resolution’ means any procedure,  
 23 including good faith negotiation, conciliation, facili-  
 24 tation, mediation, ~~fact finding~~ *factfinding*, and arbi-  
 25 tration, and any combination of procedures, that is

1       used in lieu of litigation in a court or formal adju-  
 2       dication in an administrative forum, to resolve a dis-  
 3       pute arising under this section.

4           “(4) For purposes of any periodic audit, report,  
 5       or evaluation of the performance of a client assist-  
 6       ance program under this section, the Secretary shall  
 7       not require such a program to disclose the identity  
 8       of, or any other personally identifiable information  
 9       related to, any individual requesting assistance  
 10      under such program.

11      “(h) There are authorized to be appropriated such  
 12      sums as may be necessary for fiscal years 1998 through  
 13      2004 to carry out the provisions of this section.

14           “PART C—AMERICAN INDIAN VOCATIONAL  
 15                           REHABILITATION SERVICES

16      “VOCATIONAL REHABILITATION SERVICES GRANTS

17      “SEC. 121. (a) The Commissioner, in accordance with  
 18      the provisions of this part, may make grants to the gov-  
 19      erning bodies of Indian tribes located on Federal and  
 20      State reservations (and consortia of such governing bod-  
 21      ies) to pay 90 percent of the costs of vocational rehabilita-  
 22      tion services for American Indians who are individuals  
 23      with disabilities residing on such reservations. The non-  
 24      Federal share of such costs may be in cash or in kind,  
 25      fairly valued, and the Commissioner may waive such non-

1 Federal share requirement in order to carry out the pur-  
2 poses of this Act.

3 “(b)(1) No grant may be made under this part for  
4 any fiscal year unless an application therefor has been  
5 submitted to and approved by the Commissioner. The  
6 Commissioner may not approve an application unless the  
7 application—

8 “(A) is made at such time, in such manner, and  
9 contains such information as the Commissioner may  
10 require;

11 “(B) contains assurances that the rehabilitation  
12 services provided under this part to American Indi-  
13 ans who are individuals with disabilities residing on  
14 a reservation in a State shall be, to the maximum  
15 extent feasible, comparable to rehabilitation services  
16 provided under this title to other individuals with  
17 disabilities residing in the State and that, where ap-  
18 propriate, may include services traditionally used by  
19 Indian tribes; and

20 “(C) contains assurances that the application  
21 was developed in consultation with the designated  
22 State unit of the State.

23 “(2) The provisions of sections 5, 6, 7, and 102(a)  
24 of the Indian Self-Determination and Education Assist-  
25 ance Act shall be applicable to any application submitted



1 under this part. For purposes of this paragraph, any ref-  
2 erence in any such provision to the Secretary of Education  
3 or to the Secretary of the Interior shall be considered to  
4 be a reference to the Commissioner.

5 “(3) Any application approved under this part shall  
6 be effective for not more than 60 months, except as deter-  
7 mined otherwise by the Commissioner pursuant to pre-  
8 scribed regulations. The State shall continue to provide  
9 vocational rehabilitation services under its State plan to  
10 American Indians residing on a reservation whenever such  
11 State includes any such American Indians in its State pop-  
12 ulation under section 110(a)(1).

13 “(4) In making grants under this part, the Secretary  
14 shall give priority consideration to applications for the  
15 continuation of programs which have been funded under  
16 this part.

17 “(5) Nothing in this section may be construed to au-  
18 thorize a separate service delivery system for Indian resi-  
19 dents of a State who reside in non-reservation areas.

20 “(c) The term ‘reservation’ includes Indian reserva-  
21 tions, public domain Indian allotments, former Indian res-  
22 ervations in Oklahoma, and land held by incorporated Na-  
23 tive groups, regional corporations, and village corporations  
24 under the provisions of the Alaska Native Claims Settle-  
25 ment Act.

1     “PART D—VOCATIONAL REHABILITATION SERVICES  
2                                   CLIENT INFORMATION

3     **“SEC. 131. DATA SHARING.**

4         “(a) IN GENERAL.—

5             “(1) MEMORANDUM OF UNDERSTANDING.—The  
6             Secretary of Education and the Secretary of Health  
7             and Human Services shall enter into a memorandum  
8             of understanding for the purposes of exchanging  
9             data of mutual importance—

10                 “(A) that concern clients of designated  
11                 State agencies; and

12                 “(B) that are data maintained either by—

13                     “(i) the Rehabilitation Services Ad-  
14                     ministration, as required by section 13; or

15                     “(ii) the Social Security Administra-  
16                     tion, from its Summary Earnings and  
17                     Records and Master Beneficiary Records.

18             “(2) LABOR MARKET INFORMATION.—The Sec-  
19             retary of Labor shall provide the Commissioner with  
20             labor market information that facilitates evaluation  
21             by the Commissioner of the program carried out  
22             under part B, and allows the Commissioner to com-  
23             pare the progress of individuals with disabilities who  
24             are assisted under the program in securing, retain-  
25             ing, regaining, and advancing in employment with

1 the progress made by individuals who are assisted  
 2 under title III of the Workforce Investment Partner-  
 3 ship Act of 1998.

4 “(b) TREATMENT OF INFORMATION.—For purposes  
 5 of the exchange described in subsection (a)(1), the data  
 6 described in subsection (a)(1)(B)(ii) shall not be consid-  
 7 ered return information (as defined in section 6103(b)(2)  
 8 of the Internal Revenue Code of 1986) and, as appro-  
 9 priate, the confidentiality of all client information shall be  
 10 maintained by the Rehabilitation Services Administration  
 11 and the Social Security Administration.”.

12 **SEC. 5. RESEARCH AND TRAINING.**

13 Title II of the Rehabilitation Act of 1973 (29 U.S.C.  
 14 760 et seq.) is amended to read as follows:

15 “TITLE II—RESEARCH AND TRAINING

16 “DECLARATION OF PURPOSE

17 “SEC. 200. The purpose of this title is to—

18 “(1) provide for research, demonstration  
 19 projects, training, and related activities to maximize  
 20 the full inclusion and integration into society, em-  
 21 ployment, independent living, family support, and  
 22 economic and social self-sufficiency of individuals  
 23 with disabilities of all ages, with particular emphasis  
 24 on improving the effectiveness of services authorized  
 25 under this Act;

1           “(2) provide for a comprehensive and coordi-  
2           nated approach to the support and conduct of such  
3           research, demonstration projects, training, and relat-  
4           ed activities and to ensure that the approach is in  
5           accordance with the 5-year plan developed under  
6           section 202(h);

7           “(3) promote the transfer of rehabilitation tech-  
8           nology to individuals with disabilities through re-  
9           search and demonstration projects relating to—

10               “(A) the procurement process for the pur-  
11               chase of rehabilitation technology;

12               “(B) the utilization of rehabilitation tech-  
13               nology on a national basis;

14               “(C) specific adaptations or customizations  
15               of products to enable individuals with disabil-  
16               ities to live more independently; and

17               “(D) the development or transfer of assist-  
18               ive technology;

19           “(4) ensure the widespread distribution, in usa-  
20           ble formats, of practical scientific and technological  
21           information—

22               “(A) generated by research, demonstration  
23               projects, training, and related activities; and

24               “(B) regarding state-of-the-art practices,  
25               improvements in the services authorized under

1           this Act, rehabilitation technology, and new  
2           knowledge regarding disabilities,  
3           to rehabilitation professionals, individuals with dis-  
4           abilities, and other interested parties, including the  
5           general public;

6           “(5) identify effective strategies that enhance  
7           the opportunities of individuals with disabilities to  
8           engage in employment, including employment involv-  
9           ing telecommuting and self-employment; and

10          “(6) increase opportunities for researchers who  
11          are members of traditionally underserved popu-  
12          lations, including researchers who are members of  
13          minority groups and researchers who are individuals  
14          with disabilities.

15          “AUTHORIZATION OF APPROPRIATIONS

16          “SEC. 201. (a) There are authorized to be appro-  
17          priated—

18               “(1) for the purpose of providing for the ex-  
19               penses of the National Institute on Disability and  
20               Rehabilitation Research under section 202, which  
21               shall include the expenses of the Rehabilitation Re-  
22               search Advisory Council under section 205, and shall  
23               not include the expenses of such Institute to carry  
24               out section 204, such sums as may be necessary for  
25               each of fiscal years 1998 through 2004; and

1           “(2) to carry out section 204, such sums as  
 2           may be necessary for each of fiscal years 1998  
 3           through 2004.

4           “(b) Funds appropriated under this title shall remain  
 5           available until expended.

6           “NATIONAL INSTITUTE ON DISABILITY AND  
 7                               REHABILITATION RESEARCH

8           “SEC. 202. (a)(1) There is established within the De-  
 9           partment of Education a National Institute on Disability  
 10          and Rehabilitation Research (hereinafter in this title re-  
 11          ferred to as the ‘Institute’), which shall be headed by a  
 12          Director (hereinafter in this title referred to as the ‘Direc-  
 13          tor’), in order to—

14               “(A) promote, coordinate, and provide for—

15                       “(i) research;

16                       “(ii) demonstration projects and training;

17                       and

18                       “(iii) related activities,

19          with respect to individuals with disabilities;

20               “(B) more effectively carry out activities  
 21          through the programs under section 204 and activi-  
 22          ties under this section;

23               “(C) widely disseminate information from the  
 24          activities described in subparagraphs (A) and (B);  
 25          and

1           “(D) provide leadership in advancing the qual-  
2           ity of life of individuals with disabilities.

3           “(2) In the performance of the functions of the office,  
4           the Director shall be directly responsible to the Secretary  
5           or to the same Under Secretary or Assistant Secretary of  
6           the Department of Education to whom the Commissioner  
7           is responsible under section 3(a).

8           “(b) The Director, through the Institute, shall be re-  
9           sponsible for—

10           “(1) administering the programs described in  
11           section 204 and activities under this section;

12           “(2) widely disseminating findings, conclusions,  
13           and recommendations, resulting from research, dem-  
14           onstration projects, training, and related activities  
15           (referred to in this title as ‘covered activities’) fund-  
16           ed by the Institute, to—

17           “(A) other Federal, State, tribal, and local  
18           public agencies;

19           “(B) private organizations engaged in re-  
20           search relating to rehabilitation or providing re-  
21           habilitation services;

22           “(C) rehabilitation practitioners; and

23           “(D) individuals with disabilities and the  
24           individuals’ representatives;

1           “(3) coordinating, through the Interagency  
2       Committee established by section 203 of this Act, all  
3       Federal programs and policies relating to research in  
4       rehabilitation;

5           “(4) widely disseminating educational materials  
6       and research results, concerning ways to maximize  
7       the full inclusion and integration into society, em-  
8       ployment, independent living, family support, and  
9       economic and social self-sufficiency of individuals  
10      with disabilities, to—

11           “(A) public and private entities, includ-  
12      ing—

13           “(i) elementary and secondary schools  
14           (as defined in section 14101 of the Ele-  
15           mentary and Secondary Education Act of  
16           1965; and

17           “(ii) institutions of higher education;

18           “(B) rehabilitation practitioners;

19           “(C) individuals with disabilities (especially  
20       such individuals who are members of minority  
21       groups or of populations that are unserved or  
22       underserved by programs under this Act); and

23           “(D) the individuals’ representatives for  
24       the individuals described in subparagraph (C);



1           “(5)(A) conducting an education program to in-  
2           form the public about ways of providing for the re-  
3           habilitation of individuals with disabilities, including  
4           information relating to—

5                   “(i) family care;

6                   “(ii) self-care; and

7                   “(iii) assistive technology devices and as-  
8                   sistive technology services; and

9           “(B) as part of the program, disseminating en-  
10          gineering information about assistive technology de-  
11          vices;

12          “(6) conducting conferences, seminars, and  
13          workshops (including in-service training programs  
14          and programs for individuals with disabilities) con-  
15          cerning advances in rehabilitation research and reha-  
16          bilitation technology (including advances concerning  
17          the selection and use of assistive technology devices  
18          and assistive technology services), pertinent to the  
19          full inclusion and integration into society, employ-  
20          ment, independent living, family support, and eco-  
21          nomic and social self-sufficiency of individuals with  
22          disabilities;

23          “(7) taking whatever action is necessary to keep  
24          the Congress fully and currently informed with re-  
25          spect to the implementation and conduct of pro-

1       grams and activities carried out under this title, in-  
2       cluding dissemination activities;

3           “(8) producing, in conjunction with the Depart-  
4       ment of Labor, the National Center for Health Sta-  
5       tistics, the Bureau of the Census, the Health Care  
6       Financing Administration, the Social Security Ad-  
7       ministration, the Bureau of Indian Affairs, the In-  
8       dian Health Service, and other Federal departments  
9       and agencies, as may be appropriate, statistical re-  
10      ports and studies on the employment, health, in-  
11      come, and other demographic characteristics of indi-  
12      viduals with disabilities, including information on in-  
13      dividuals with disabilities who live in rural or inner-  
14      city settings, with particular attention given to un-  
15      derserved populations, and widely disseminating  
16      such reports and studies to rehabilitation profes-  
17      sionals, individuals with disabilities, the individuals’  
18      representatives, and others to assist in the planning,  
19      assessment, and evaluation of vocational and other  
20      rehabilitation services for individuals with disabili-  
21      ties;

22           “(9) conducting research on consumer satisfac-  
23      tion with vocational rehabilitation services for the  
24      purpose of identifying effective rehabilitation pro-  
25      grams and policies that promote the independence of

1 individuals with disabilities and achievement of long-  
2 term vocational goals;

3 “(10) conducting research to examine the rela-  
4 tionship between the provision of specific services  
5 and successful, sustained employment outcomes, in-  
6 cluding employment outcomes involving self-employ-  
7 ment; and

8 “(11) coordinating activities with the Attorney  
9 General regarding the provision of information,  
10 training, or technical assistance regarding the Amer-  
11 icans with Disabilities Act of 1990 (42 U.S.C.  
12 12101 et seq.) to ensure consistency with the plan  
13 for technical assistance required under section 506  
14 of such Act (42 U.S.C. 12206).

15 “(c)(1) The Director, acting through the Institute or  
16 1 or more entities funded by the Institute, shall provide  
17 for the development and dissemination of models to ad-  
18 dress consumer-driven information needs related to assist-  
19 ive technology devices and assistive technology services.

20 “(2) The development and dissemination of models  
21 may include—

22 “(A) convening groups of individuals with dis-  
23 abilities, family members and advocates of such indi-  
24 viduals, commercial producers of assistive tech-  
25 nology, and entities funded by the Institute to de-

1       velop, assess, and disseminate knowledge about in-  
2       formation needs related to assistive technology;

3           “(B) identifying the types of information re-  
4       garding assistive technology devices and assistive  
5       technology services that individuals with disabilities  
6       find especially useful;

7           “(C) evaluating current models, and developing  
8       new models, for transmitting the information de-  
9       scribed in subparagraph (B) to consumers and to  
10      commercial producers of assistive technology; and

11          “(D) disseminating through 1 or more entities  
12      funded by the Institute, the models described in sub-  
13      paragraph (C) and findings regarding the informa-  
14      tion described in subparagraph (B) to consumers  
15      and commercial producers of assistive technology.

16      “(d)(1) The Director of the Institute shall be ap-  
17      pointed by the Secretary. The Director shall be an individ-  
18      ual with substantial experience in rehabilitation and in re-  
19      search administration. The Director shall be compensated  
20      at the rate payable for level V of the Executive Schedule  
21      under section 5316 of title 5, United States Code. The  
22      Director shall not delegate any of his functions to any offi-  
23      cer who is not directly responsible to the Director.

24      “(2) There shall be a Deputy Director of the Institute  
25      (referred to in this section as the ‘Deputy Director’) who

1 shall be appointed by the Secretary. The Deputy Director  
2 shall be an individual with substantial experience in reha-  
3 bilitation and in research administration. The Deputy Di-  
4 rector shall be compensated at the rate of pay for level  
5 4 of the Senior Executive Service Schedule under section  
6 5382 of title 5, United States Code, and shall act for the  
7 Director during the absence of the Director or the inability  
8 of the Director to perform the essential functions of the  
9 job, exercising such powers as the Director may prescribe.  
10 In the case of any vacancy in the office of the Director,  
11 the Deputy Director shall serve as Director until a Direc-  
12 tor is appointed under paragraph (1). The position created  
13 by this paragraph shall be a Senior Executive Service posi-  
14 tion, as defined in section 3132 of title 5, United States  
15 Code.

16 “(3) The Director, subject to the approval of the  
17 President, may appoint, for terms not to exceed three  
18 years, without regard to the provisions of title 5, United  
19 States Code, governing appointment in the competitive  
20 service, and may compensate, without regard to the provi-  
21 sions of chapter 51 and subchapter III of chapter 53 of  
22 such title relating to classification and General Schedule  
23 pay rates, such technical and professional employees of the  
24 Institute as the Director determines to be necessary to ac-  
25 complish the functions of the Institute and also appoint

1 and compensate without regard to such provisions, in a  
2 number not to exceed one-fifth of the number of full-time,  
3 regular technical and professional employees of the Insti-  
4 tute.

5 “(4) The Director may obtain the services of consult-  
6 ants, without regard to the provisions of title 5, United  
7 States Code, governing appointments in the competitive  
8 service.

9 “(e) The Director, pursuant to regulations which the  
10 Secretary shall prescribe, may establish and maintain fel-  
11 lowships with such stipends and allowances, including  
12 travel and subsistence expenses provided for under title  
13 5, United States Code, as the Director considers necessary  
14 to procure the assistance of highly qualified research fel-  
15 lows, including individuals with disabilities, from the  
16 United States and foreign countries.

17 “(f)(1) The Director shall, pursuant to regulations  
18 that the Secretary shall prescribe, provide for scientific  
19 peer review of all applications for financial assistance for  
20 research, training, and demonstration projects over which  
21 the Director has authority. The Director shall provide for  
22 the review by utilizing, to the maximum extent possible,  
23 appropriate peer review panels established within the In-  
24 stitute. The panels shall be standing panels if the grant  
25 period involved or the duration of the program involved

1 is not more than 3 years. The panels shall be composed  
2 of individuals who are not Federal employees, who are sci-  
3 entists or other experts in the rehabilitation field (includ-  
4 ing the independent living field), including knowledgeable  
5 individuals with disabilities, and the individuals' rep-  
6 resentatives, and who are competent to review applications  
7 for the financial assistance.

8       “(2) The Federal Advisory Committee Act (5 U.S.C.  
9 App.) shall not apply to the panels.

10       “(3) The Director shall solicit nominations for such  
11 panels from the public and shall publish the names of the  
12 individuals selected. Individuals comprising each panel  
13 shall be selected from a pool of qualified individuals to  
14 facilitate knowledgeable, cost-effective review.

15       “(4) In providing for such scientific peer review, the  
16 Secretary shall provide for training, as necessary and ap-  
17 propriate, to facilitate the effective participation of those  
18 individuals selected to participate in such review.

19       “(g) Not less than 90 percent of the funds appro-  
20 priated under this title for any fiscal year shall be ex-  
21 pended by the Director to carry out activities under this  
22 title through grants, contracts, or cooperative agreements.  
23 Up to 10 percent of the funds appropriated under this  
24 title for any fiscal year may be expended directly for the

1 purpose of carrying out the functions of the Director  
2 under this section.

3 “(h)(1) The Director shall—

4 “(A) by October 1, 1998 and every fifth Octo-  
5 ber 1 thereafter, prepare and publish in the Federal  
6 Register for public comment a draft of a 5-year plan  
7 that outlines priorities for rehabilitation research,  
8 demonstration projects, training, and related activi-  
9 ties and explains the basis for such priorities;

10 “(B) by June 1, 1999, and every fifth June 1  
11 thereafter, after considering public comments, sub-  
12 mit the plan in final form to the appropriate com-  
13 mittees of Congress;

14 “(C) at appropriate intervals, prepare and sub-  
15 mit revisions in the plan to the appropriate commit-  
16 tees of Congress; and

17 “(D) annually prepare and submit progress re-  
18 ports on the plan to the appropriate committees of  
19 Congress.

20 “(2) Such plan shall—

21 “(A) identify any covered activity that should  
22 be conducted under this section and section 204 re-  
23 specting the full inclusion and integration into soci-  
24 ety of individuals with disabilities, especially in the  
25 area of employment;



1           “(B) determine the funding priorities for cov-  
2           ered activities to be conducted under this section  
3           and section 204;

4           “(C) specify appropriate goals and timetables  
5           for covered activities to be conducted under this sec-  
6           tion and section 204;

7           “(D) be developed by the Director—

8                 “(i) after consultation with the Rehabilita-  
9                 tion Research Advisory Council established  
10                under section 205;

11               “(ii) in coordination with the Commis-  
12               sioner;

13               “(iii) after consultation with the National  
14               Council on Disability established under title IV,  
15               the Secretary of Education, officials responsible  
16               for the administration of the Developmental  
17               Disabilities Assistance and Bill of Rights Act  
18               (42 U.S.C. 6000 et seq.), and the Interagency  
19               Committee on Disability Research established  
20               under section 203; and

21               “(iv) after full consideration of the input of  
22               individuals with disabilities and the individuals’  
23               representatives, organizations representing indi-  
24               viduals with disabilities, providers of services  
25               furnished under this Act, researchers in the re-

1           habilitation field, and any other persons or enti-  
2           ties the Director considers to be appropriate;

3           “(E) specify plans for widespread dissemination  
4           of the results of covered activities, in accessible for-  
5           mats, to rehabilitation practitioners, individuals with  
6           disabilities, and the individuals’ representatives; and  
7           “(F) specify plans for widespread dissemination  
8           of the results of covered activities that concern indi-  
9           viduals with disabilities who are members of minor-  
10          ity groups or of populations that are unserved or un-  
11          derserved by programs carried out under this Act.

12          “(i) In order to promote cooperation among Federal  
13          departments and agencies conducting research programs,  
14          the Director shall consult with the administrators of such  
15          programs, and with the Interagency Committee estab-  
16          lished by section 203, regarding the design of research  
17          projects conducted by such entities and the results and  
18          applications of such research.

19          “(j)(1) The Director shall take appropriate actions  
20          to provide for a comprehensive and coordinated research  
21          program under this title. In providing such a program,  
22          the Director may undertake joint activities with other  
23          Federal entities engaged in research and with appropriate  
24          private entities. Any Federal entity proposing to establish  
25          any research project related to the purposes of this Act

1 shall consult, through the Interagency Committee estab-  
2 lished by section 203, with the Director as Chairperson  
3 of such Committee and provide the Director with sufficient  
4 prior opportunity to comment on such project.

5       “(2) Any person responsible for administering any  
6 program of the National Institutes of Health, the Depart-  
7 ment of Veterans Affairs, the National Science Founda-  
8 tion, the National Aeronautics and Space Administration,  
9 the Office of Special Education and Rehabilitative Serv-  
10 ices, or of any other Federal entity, shall, through the  
11 Interagency Committee established by section 203, consult  
12 and cooperate with the Director in carrying out such pro-  
13 gram if the program is related to the purposes of this title.

14       “(k) The Director shall make grants to institutions  
15 of higher education for the training of rehabilitation re-  
16 searchers, including individuals with disabilities, with par-  
17 ticular attention to research areas that support the imple-  
18 mentation and objectives of this Act and that improve the  
19 effectiveness of services authorized under this Act.

20                       “INTERAGENCY COMMITTEE

21       “SEC. 203. (a)(1) In order to promote coordination  
22 and cooperation among Federal departments and agencies  
23 conducting rehabilitation research programs, there is es-  
24 tablished within the Federal Government an Interagency  
25 Committee on Disability Research (hereinafter in this sec-  
26 tion referred to as the ‘Committee’), chaired by the Direc-

1 tor and comprised of such members as the President may  
2 designate, including the following (or their designees): the  
3 Director, the Commissioner of the Rehabilitation Services  
4 Administration, the Assistant Secretary for Special Edu-  
5 cation and Rehabilitative Services, the Secretary of Edu-  
6 cation, the Secretary of Veterans Affairs, the Director of  
7 the National Institutes of Health, the Director of the Na-  
8 tional Institute of Mental Health, the Administrator of the  
9 National Aeronautics and Space Administration, the Sec-  
10 retary of Transportation, the Assistant Secretary of the  
11 Interior for Indian Affairs, the Director of the Indian  
12 Health Service, and the Director of the National Science  
13 Foundation.

14 “(2) The Committee shall meet not less than four  
15 times each year.

16 “(b) After receiving input from individuals with dis-  
17 abilities and the individuals’ representatives, the Commit-  
18 tee shall identify, assess, and seek to coordinate all Fed-  
19 eral programs, activities, and projects, and plans for such  
20 programs, activities, and projects with respect to the con-  
21 duct of research related to rehabilitation of individuals  
22 with disabilities.

23 “(c) The Committee shall annually submit to the  
24 President and to the appropriate committees of the Con-  
25 gress a report making such recommendations as the Com-

1 mittee deems appropriate with respect to coordination of  
2 policy and development of objectives and priorities for all  
3 Federal programs relating to the conduct of research re-  
4 lated to rehabilitation of individuals with disabilities.

5 “RESEARCH AND OTHER COVERED ACTIVITIES

6 “SEC. 204. (a)(1) To the extent consistent with prior-  
7 ities established in the 5-year plan described in section  
8 202(h), the Director may make grants to and contracts  
9 with States and public or private agencies and organiza-  
10 tions, including institutions of higher education, Indian  
11 tribes, and tribal organizations, to pay part of the cost  
12 of projects for the purpose of planning and conducting re-  
13 search, demonstration projects, training, and related ac-  
14 tivities, the purposes of which are to develop methods, pro-  
15 cedures, and rehabilitation technology, that maximize the  
16 full inclusion and integration into society, employment,  
17 independent living, family support, and economic and so-  
18 cial self-sufficiency of individuals with disabilities, espe-  
19 cially individuals with the most significant disabilities, and  
20 improve the effectiveness of services authorized under this  
21 Act.

22 “(2)(A) In carrying out this section, the Director  
23 shall emphasize projects that support the implementation  
24 of titles I, III, V, VI, and VII, including projects address-  
25 ing the needs described in the State plans submitted under  
26 section 101 or 704 by State agencies.

1       “(B) Such projects, as described in the State plans  
2 submitted by State agencies, may include—

3           “(i) medical and other scientific, technical,  
4 methodological, and other investigations into the na-  
5 ture of disability, methods of analyzing it, and re-  
6 storative techniques, including basic research where  
7 related to rehabilitation techniques or services;

8           “(ii) studies and analysis of industrial, voca-  
9 tional, social, recreational, psychiatric, psychological,  
10 economic, and other factors affecting rehabilitation  
11 of individuals with disabilities;

12           “(iii) studies and analysis of special problems of  
13 individuals who are homebound and individuals who  
14 are institutionalized;

15           “(iv) studies, analyses, and demonstrations of  
16 architectural and engineering design adapted to  
17 meet the special needs of individuals with disabili-  
18 ties;

19           “(v) studies, analyses, and other activities relat-  
20 ed to supported employment;

21           “(vi) related activities which hold promise of in-  
22 creasing knowledge and improving methods in the  
23 rehabilitation of individuals with disabilities and in-  
24 dividuals with the most significant disabilities, par-  
25 ticularly individuals with disabilities, and individuals

1 with the most significant disabilities, who are mem-  
2 bers of populations that are unserved or underserved  
3 by programs under this Act; and

4 “(vii) studies, analyses, and other activities re-  
5 lated to job accommodations, including the use of re-  
6 habilitation engineering and assistive technology.

7 “(b)(1) In addition to carrying out projects under  
8 subsection (a), the Director may make grants under this  
9 subsection (referred to in this subsection as ‘research  
10 grants’) to pay part or all of the cost of the research or  
11 other specialized covered activities described in paragraphs  
12 (2) through (18). A research grant made under any of  
13 paragraphs (2) through (18) may only be used in a man-  
14 ner consistent with priorities established in the 5-year plan  
15 described in section 202(h).

16 “(2)(A) Research grants may be used for the estab-  
17 lishment and support of Rehabilitation Research and  
18 Training Centers, for the purpose of providing an inte-  
19 grated program of research, which Centers shall—

20 “(i) be operated in collaboration with institu-  
21 tions of higher education or providers of rehabilita-  
22 tion services or other appropriate services; and

23 “(ii) serve as centers of national excellence and  
24 national or regional resources for providers and indi-

1 individuals with disabilities and the individuals' rep-  
2 resentatives.

3 “(B) The Centers shall conduct research and training  
4 activities by—

5 “(i) conducting coordinated and advanced pro-  
6 grams of research in rehabilitation targeted toward  
7 the production of new knowledge that will improve  
8 rehabilitation methodology and service delivery sys-  
9 tems, alleviate or stabilize disabling conditions, and  
10 promote maximum social and economic independence  
11 of individuals with disabilities, especially promoting  
12 the ability of the individuals to prepare for, secure,  
13 retain, regain, or advance in employment;

14 “(ii) providing training (including graduate,  
15 pre-service, and in-service training) to assist individ-  
16 uals to more effectively provide rehabilitation serv-  
17 ices;

18 “(iii) providing training (including graduate,  
19 pre-service, and in-service training) for rehabilitation  
20 research personnel and other rehabilitation person-  
21 nel; and

22 “(iv) serving as an informational and technical  
23 assistance resource to providers, individuals with dis-  
24 abilities, and the individuals' representatives,  
25 through conferences, workshops, public education



1 programs, in-service training programs, and similar  
2 activities.

3 “(C) The research to be carried out at each such Cen-  
4 ter may include—

5 “(i) basic or applied medical rehabilitation re-  
6 search;

7 “(ii) research regarding the psychological and  
8 social aspects of rehabilitation, including disability  
9 policy;

10 “(iii) research related to vocational rehabilita-  
11 tion;

12 “(iv) continuation of research that promotes the  
13 emotional, social, educational, and functional growth  
14 of children who are individuals with disabilities;

15 “(v) continuation of research to develop and  
16 evaluate interventions, policies, and services that  
17 support families of those children and adults who  
18 are individuals with disabilities; and

19 “(vi) continuation of research that will improve  
20 services and policies that foster the productivity,  
21 independence, and social integration of individuals  
22 with disabilities, and enable individuals with disabili-  
23 ties, including individuals with mental retardation  
24 and other developmental disabilities, to live in their  
25 communities.

1       “(D) Training of students preparing to be rehabilita-  
2   tion personnel shall be an important priority for such a  
3   Center.

4       “(E) The Director shall make grants under this para-  
5   graph to establish and support both comprehensive centers  
6   dealing with multiple disabilities and centers primarily fo-  
7   cused on particular disabilities.

8       “(F) Grants made under this paragraph may be used  
9   to provide funds for services rendered by such a Center  
10  to individuals with disabilities in connection with the re-  
11  search and training activities.

12       “(G) Grants made under this paragraph may be used  
13  to provide faculty support for teaching—

14               “(i) rehabilitation-related courses of study for  
15       credit; and

16               “(ii) other courses offered by the Centers, ei-  
17       ther directly or through another entity.

18       “(H) The research and training activities conducted  
19  by such a Center shall be conducted in a manner that is  
20  accessible to and usable by individuals with disabilities.

21       “(I) The Director shall encourage the Centers to de-  
22  velop practical applications for the findings of the research  
23  of the Centers.

24       “(J) In awarding grants under this paragraph, the  
25  Director shall take into consideration the location of any

1 proposed Center and the appropriate geographic and re-  
2 gional allocation of such Centers.

3 “(K) To be eligible to receive a grant under this para-  
4 graph, each such institution or provider described in sub-  
5 paragraph (A) shall—

6 “(i) be of sufficient size, scope, and quality to  
7 effectively carry out the activities in an efficient  
8 manner consistent with appropriate State and Fed-  
9 eral law; and

10 “(ii) demonstrate the ability to carry out the  
11 training activities either directly or through another  
12 entity that can provide such training.

13 “(L) The Director shall make grants under this para-  
14 graph for periods of 5 years, except that the Director may  
15 make a grant for a period of less than 5 years if—

16 “(i) the grant is made to a new recipient; or

17 “(ii) the grant supports new or innovative re-  
18 search.

19 “(M) Grants made under this paragraph shall be  
20 made on a competitive basis. To be eligible to receive a  
21 grant under this paragraph, a prospective grant recipient  
22 shall submit an application to the Director at such time,  
23 in such manner, and containing such information as the  
24 Director may require.

1       “(N) In conducting scientific peer review under sec-  
2       tion 202(f) of an application for the renewal of a grant  
3       made under this paragraph, the peer review panel shall  
4       take into account the past performance of the applicant  
5       in carrying out the grant and input from individuals with  
6       disabilities and the individuals’ representatives.

7       “(O) An institution or provider that receives a grant  
8       under this paragraph to establish such a Center may not  
9       collect more than 15 percent of the amount of the grant  
10      received by the Center in indirect cost charges.

11      “(3)(A) Research grants may be used for the estab-  
12      lishment and support of Rehabilitation Engineering Re-  
13      search Centers, operated by or in collaboration with insti-  
14      tutions of higher education or nonprofit organizations, to  
15      conduct research or demonstration activities, and training  
16      activities, regarding rehabilitation technology, including  
17      rehabilitation engineering, assistive technology devices,  
18      and assistive technology services, for the purposes of en-  
19      hancing opportunities for better meeting the needs of, and  
20      addressing the barriers confronted by, individuals with  
21      disabilities in all aspects of their lives.

22      “(B) In order to carry out the purposes set forth in  
23      subparagraph (A), such a Center shall carry out the re-  
24      search or demonstration activities by—

1           “(i) developing and disseminating innovative  
2           methods of applying advanced technology, scientific  
3           achievement, and psychological and social knowledge  
4           to—

5                   “(I) solve rehabilitation problems and re-  
6                   move environmental barriers through planning  
7                   and conducting research, including cooperative  
8                   research with public or private agencies and or-  
9                   ganizations, designed to produce new scientific  
10                  knowledge, and new or improved methods,  
11                  equipment, and devices; and

12                  “(II) study new or emerging technologies,  
13                  products, or environments, and the effectiveness  
14                  and benefits of such technologies, products, or  
15                  environments;

16           “(ii) demonstrating and disseminating—

17                   “(I) innovative models for the delivery, to  
18                   rural and urban areas, of cost-effective rehabili-  
19                   tation technology services that promote utiliza-  
20                   tion of assistive technology devices; and

21                   “(II) other scientific research to assist in  
22                   meeting the employment and independent living  
23                   needs of individuals with significant disabilities;  
24                   or

1           “(iii) conducting research or demonstration ac-  
2           tivities that facilitate service delivery systems change  
3           by demonstrating, evaluating, documenting, and dis-  
4           seminating—

5           “(I) consumer responsive and individual  
6           and family-centered innovative models for the  
7           delivery to both rural and urban areas, of inno-  
8           vative cost-effective rehabilitation technology  
9           services that promote utilization of rehabilita-  
10          tion technology; and

11          “(II) other scientific research to assist in  
12          meeting the employment and independent living  
13          needs of, and addressing the barriers con-  
14          fronted by, individuals with disabilities, includ-  
15          ing individuals with significant disabilities.

16          “(C) To the extent consistent with the nature and  
17          type of research or demonstration activities described in  
18          subparagraph (B), each Center established or supported  
19          through a grant made available under this paragraph  
20          shall—

21          “(i) cooperate with programs established under  
22          the Technology-Related Assistance for Individuals  
23          With Disabilities Act of 1988 (29 U.S.C. 2201 et  
24          seq.) and other regional and local programs to pro-

1       vide information to individuals with disabilities and  
2       the individuals' representatives to—

3               “(I) increase awareness and understanding  
4               of how rehabilitation technology can address  
5               their needs; and

6               “(II) increase awareness and understand-  
7               ing of the range of options, programs, services,  
8               and resources available, including financing op-  
9               tions for the technology and services covered by  
10              the area of focus of the Center;

11             “(ii) provide training opportunities to individ-  
12             uals, including individuals with disabilities, to be-  
13             come researchers of rehabilitation technology and  
14             practitioners of rehabilitation technology in conjunc-  
15             tion with institutions of higher education and non-  
16             profit organizations; and

17             “(iii) respond, through research or demonstra-  
18             tion activities, to the needs of individuals with all  
19             types of disabilities who may benefit from the appli-  
20             cation of technology within the area of focus of the  
21             Center.

22             “(D)(i) In establishing Centers to conduct the re-  
23             search or demonstration activities described in subpara-  
24             graph (B)(iii), the Director may establish one Center in  
25             each of the following areas of focus:

1           “(I) Early childhood services, including early  
2       intervention and family support.

3           “(II) Education at the elementary and second-  
4       ary levels, including transition from school to post-  
5       school activities.

6           “(III) Employment, including supported em-  
7       ployment, and reasonable accommodations and the  
8       reduction of environmental barriers as required by  
9       the Americans with Disabilities Act of 1990 (42  
10      U.S.C. 12101 et seq.) and title V.

11          “(IV) Independent living, including transition  
12      from institutional to community living, maintenance  
13      of community living on leaving the work force, self-  
14      help skills, and activities of daily living.

15          “(ii) Each Center conducting the research or dem-  
16      onstration activities described in subparagraph (B)(iii)  
17      shall have an advisory committee, of which the majority  
18      of members are individuals with disabilities who are users  
19      of rehabilitation technology, and the individuals’ rep-  
20      resentatives.

21          “(E) Grants made under this paragraph shall be  
22      made on a competitive basis and shall be for a period of  
23      5 years, except that the Director may make a grant for  
24      a period of less than 5 years if—

25           “(i) the grant is made to a new recipient; or



1           “(ii) the grant supports new or innovative re-  
2       search.

3           “(F) To be eligible to receive a grant under this para-  
4       graph, a prospective grant recipient shall submit an appli-  
5       cation to the Director at such time, in such manner, and  
6       containing such information as the Director may require.

7           “(G) Each Center established or supported through  
8       a grant made available under this paragraph shall—

9           “(i) cooperate with State agencies and other  
10      local, State, regional, and national programs and or-  
11      ganizations developing or delivering rehabilitation  
12      technology, including State programs funded under  
13      the Technology-Related Assistance for Individuals  
14      With Disabilities Act of 1988 (29 U.S.C. 2201 et  
15      seq.); and

16          “(ii) prepare and submit to the Director as part  
17      of an application for continuation of a grant, or as  
18      a final report, a report that documents the outcomes  
19      of the program of the Center in terms of both short-  
20      and long-term impact on the lives of individuals with  
21      disabilities, and such other information as may be  
22      requested by the Director.

23          “(4)(A) Research grants may be used to conduct a  
24      program for spinal cord injury research, including con-  
25      ducting such a program by making grants to public or

1 private agencies and organizations to pay part or all of  
2 the costs of special projects and demonstration projects  
3 for spinal cord injuries, that will—

4 “(i) ensure widespread dissemination of re-  
5 search findings among all Spinal Cord Injury Cen-  
6 ters, to rehabilitation practitioners, individuals with  
7 spinal cord injury, the individuals’ representatives,  
8 and organizations receiving financial assistance  
9 under this paragraph;

10 “(ii) provide encouragement and support for  
11 initiatives and new approaches by individual and in-  
12 stitutional investigators; and

13 “(iii) establish and maintain close working rela-  
14 tionships with other governmental and voluntary in-  
15 stitutions and organizations engaged in similar ef-  
16 forts in order to unify and coordinate scientific ef-  
17 forts, encourage joint planning, and promote the  
18 interchange of data and reports among spinal cord  
19 injury investigations.

20 “(B) Any agency or organization carrying out a  
21 project or demonstration project assisted by a grant under  
22 this paragraph that provides services to individuals with  
23 spinal cord injuries shall—

24 “(i) establish, on an appropriate regional basis,  
25 a multidisciplinary system of providing vocational

1 and other rehabilitation services, specifically de-  
 2 signed to meet the special needs of individuals with  
 3 spinal cord injuries, including acute care as well as  
 4 periodic inpatient or outpatient followup and serv-  
 5 ices;

6 “(ii) demonstrate and evaluate the benefits to  
 7 individuals with spinal cord injuries served in, and  
 8 the degree of ~~cost effectiveness~~ *cost-effectiveness* of,  
 9 such a regional system;

10 “(iii) demonstrate and evaluate existing, new,  
 11 and improved methods and rehabilitation technology  
 12 essential to the care, management, and rehabilitation  
 13 of individuals with spinal cord injuries; and

14 “(iv) demonstrate and evaluate methods of com-  
 15 munity outreach for individuals with spinal cord in-  
 16 juries and community education in connection with  
 17 the problems of such individuals in areas such as  
 18 housing, transportation, recreation, employment, and  
 19 community activities.

20 “(C) In awarding grants under this paragraph, the  
 21 Director shall take into account the location of any pro-  
 22 posed Spinal Cord Injury Center and the appropriate geo-  
 23 graphic and regional allocation of such Centers.

24 “(5) Research grants may be used to conduct a pro-  
 25 gram for end-stage renal disease research, to include sup-

1 port of projects and demonstrations for providing special  
2 services (including transplantation and dialysis), artificial  
3 kidneys, and supplies necessary for the rehabilitation of  
4 individuals with such disease and which will—

5           “(A) ~~insure~~ *ensure* dissemination of research  
6 findings;

7           “(B) provide encouragement and support for  
8 initiatives and new approaches by individuals and in-  
9 stitutional investigators; and

10           “(C) establish and maintain close working rela-  
11 tionships with other governmental and voluntary in-  
12 stitutions and organizations engaged in similar ef-  
13 forts,

14 in order to unify and coordinate scientific efforts, encour-  
15 age joint planning, and promote the interchange of data  
16 and reports among investigators in the field of end-stage  
17 renal disease. No person shall be selected to participate  
18 in such program who is eligible for services for such dis-  
19 ease under any other provision of law.

20           “(6) Research grants may be used to conduct a pro-  
21 gram for international rehabilitation research, demonstra-  
22 tion, and training for the purpose of developing new  
23 knowledge and methods in the rehabilitation of individuals  
24 with disabilities in the United States, cooperating with and  
25 assisting in developing and sharing information found use-

1 ful in other nations in the rehabilitation of individuals with  
2 disabilities, and initiating a program to exchange experts  
3 and technical assistance in the field of rehabilitation of  
4 individuals with disabilities with other nations as a means  
5 of increasing the levels of skill of rehabilitation personnel.

6 “(7) Research grants may be used to conduct a re-  
7 search program concerning the use of existing tele-  
8 communications systems (including telephone, television,  
9 satellite, radio, and other similar systems) which have the  
10 potential for substantially improving service delivery meth-  
11 ods, and the development of appropriate ~~programming~~ *pro-*  
12 *gramming* to meet the particular needs of individuals with  
13 disabilities.

14 “(8) Research grants may be used to conduct a pro-  
15 gram of joint projects with the National Institutes of  
16 Health, the National Institute of Mental Health, the  
17 Health Services Administration, the Administration on  
18 Aging, the National Science Foundation, the Veterans’  
19 Administration, the Department of Health and Human  
20 Services, the National Aeronautics and Space Administra-  
21 tion, other Federal agencies, and private industry in areas  
22 of joint interest involving rehabilitation.

23 “(9) Research grants may be used to conduct a pro-  
24 gram of research related to the rehabilitation of children,  
25 or older individuals, who are individuals with disabilities,

1 including older American Indians who are individuals with  
2 disabilities. Such research program may include projects  
3 designed to assist the adjustment of, or maintain as resi-  
4 dents in the community, older workers who are individuals  
5 with disabilities on leaving the work force.

6 “(10) Research grants may be used to conduct a re-  
7 search program to develop and demonstrate innovative  
8 methods to attract and retain professionals to serve in  
9 rural areas in the rehabilitation of individuals with disabil-  
10 ities, including individuals with significant disabilities.

11 “(11) Research grants may be used to conduct a  
12 model research and demonstration project designed to as-  
13 sess the feasibility of establishing a center for producing  
14 and distributing to individuals who are deaf or hard of  
15 hearing captioned video cassettes providing a broad range  
16 of educational, cultural, scientific, and vocational pro-  
17 graming.

18 “(12) Research grants may be used to conduct a  
19 model research and demonstration program to develop in-  
20 novative methods of providing services for preschool age  
21 children who are individuals with disabilities, ~~including~~  
22 ~~the~~—*including*—

23 “(A) early intervention, assessment, parent  
24 counseling, infant stimulation, early identification,  
25 diagnosis, and evaluation of children who are indi-

1       viduals with significant disabilities up to the age of  
2       five, with a special emphasis on children who are in-  
3       dividuals with significant disabilities up to the age of  
4       three;

5               “(B) such physical therapy, language develop-  
6       ment, pediatric, nursing, psychological, and psy-  
7       chiatric services as are necessary for such children;  
8       and

9               “(C) appropriate services for the parents of  
10      such children, including psychological and psy-  
11      chiatric services, parent counseling, and training.

12      “(13) Research grants may be used to conduct a  
13      model research and training program under which model  
14      training centers shall be established to develop and use  
15      more advanced and effective methods of evaluating and  
16      addressing the employment needs of individuals with dis-  
17      abilities, including programs ~~which~~ *that*—

18              “(A) provide training and continuing education  
19      for personnel involved with the employment of indi-  
20      viduals with disabilities;

21              “(B) develop model procedures for testing and  
22      evaluating the employment needs of individuals with  
23      disabilities;

1           “(C) develop model training programs to teach  
2 individuals with disabilities skills which will lead to  
3 appropriate employment;

4           “(D) develop new approaches for job placement  
5 of individuals with disabilities, including new follow-  
6 up procedures relating to such placement;

7           “(E) provide information services regarding  
8 education, training, employment, and job placement  
9 for individuals with disabilities; and

10          “(F) develop new approaches and provide infor-  
11 mation regarding job accommodations, including the  
12 use of rehabilitation engineering and assistive tech-  
13 nology.

14          “(14) Research grants may be used to conduct a re-  
15 habilitation research program under which financial as-  
16 sistance is provided in order to—

17           “(A) test new concepts and innovative ideas;

18           “(B) demonstrate research results of high po-  
19 tential benefits;

20           “(C) purchase prototype aids and devices for  
21 evaluation;

22           “(D) develop unique rehabilitation training cur-  
23 ricula; and

24           “(E) be responsive to special initiatives of the  
25 Director.



1 No single grant under this paragraph may exceed \$50,000  
2 in any fiscal year and all payments made under this para-  
3 graph in any fiscal year may not exceed 5 percent of the  
4 amount available for this section to the National Institute  
5 on Disability and Rehabilitation Research in any fiscal  
6 year. Regulations and administrative procedures with re-  
7 spect to financial assistance under this paragraph shall,  
8 to the maximum extent possible, be expedited.

9 “(15) Research grants may be used to conduct stud-  
10 ies of the rehabilitation needs of American Indian popu-  
11 lations and of effective mechanisms for the delivery of re-  
12 habilitation services to Indians residing on and off reserva-  
13 tions.

14 “(16) Research grants may be used to conduct a  
15 demonstration program under which one or more projects  
16 national in scope shall be established to develop proce-  
17 dures to provide incentives for the development, manufac-  
18 turing, and marketing of orphan technological devices, in-  
19 cluding technology transfer concerning such devices, de-  
20 signed to enable individuals with disabilities to achieve  
21 independence and access to gainful employment.

22 “(17)(A) Research grants may be used to conduct a  
23 research program related to quality assurance in the area  
24 of rehabilitation technology.

1       “(B) Activities carried out under the research pro-  
2 gram may include—

3               “(i) the development of methodologies to evalu-  
4 ate rehabilitation technology products and services  
5 and the dissemination of the methodologies to con-  
6 sumers and other interested parties;

7               “(ii) identification of models for service provider  
8 training and evaluation and certification of the effec-  
9 tiveness of the models;

10              “(iii) identification and dissemination of out-  
11 come measurement models for the assessment of re-  
12 habilitation technology products and services; and

13              “(iv) development and testing of research-based  
14 tools to enhance consumer decisionmaking about re-  
15 habilitation technology products and services.

16       “(C) The Director shall develop the quality assurance  
17 research program after consultation with representatives  
18 of all types of organizations interested in rehabilitation  
19 technology quality assurance.

20       “(18) Research grants may be used to provide for re-  
21 search and demonstration projects and related activities  
22 that explore the use and effectiveness of specific alter-  
23 native or complementary medical practices for individuals  
24 with disabilities. Such projects and activities may include  
25 projects and activities designed to—

1           “(A) determine the use of specific alternative or  
2           complementary medical practices among individuals  
3           with disabilities and the perceived effectiveness of  
4           the practices;

5           “(B) determine the specific information sources,  
6           decisionmaking methods, and methods of payment  
7           used by individuals with disabilities who access alter-  
8           native or complementary medical services;

9           “(C) develop criteria to screen and assess the  
10          validity of research studies of such practices for indi-  
11          viduals with disabilities; and

12          “(D) determine the effectiveness of specific al-  
13          ternative or complementary medical practices that  
14          show promise for promoting increased functioning,  
15          prevention of secondary disabilities, or other positive  
16          outcomes for individuals with certain types of dis-  
17          abilities, by conducting controlled research studies.

18          “(c)(1) In carrying out evaluations of covered activi-  
19          ties under this section, the Director is authorized to make  
20          arrangements for site visits to obtain information on the  
21          accomplishments of the projects.

22          “(2) The Director shall not make a grant under this  
23          section ~~which~~ *that* exceeds \$499,999 unless the peer review  
24          of the grant application has included a site visit.

1       “REHABILITATION RESEARCH ADVISORY COUNCIL

2       “SEC. 205. (a) ESTABLISHMENT.—Subject to the  
3 availability of appropriations, the Secretary shall establish  
4 in the Department of Education a Rehabilitation Research  
5 Advisory Council (referred to in this section as the ‘Coun-  
6 cil’) composed of 12 members appointed by the Secretary.

7       “(b) DUTIES.—The Council shall advise the Director  
8 with respect to research priorities and the development  
9 and revision of the 5-year plan required by section 202(h).

10       “(c) QUALIFICATIONS.—Members of the Council  
11 shall be generally representative of the community of reha-  
12 bilitation professionals, the community of rehabilitation  
13 researchers, the community of individuals with disabilities,  
14 and the individuals’ representatives. At least one-half of  
15 the members shall be individuals with disabilities or the  
16 individuals’ representatives.

17       “(d) TERMS OF APPOINTMENT.—

18               “(1) LENGTH OF TERM.—Each member of the  
19 Council shall serve for a term of up to 3 years, de-  
20 termined by the Secretary, except that—

21                       “(A) a member appointed to fill a vacancy  
22 occurring prior to the expiration of the term for  
23 which a predecessor was appointed, shall be ap-  
24 pointed for the remainder of such term; and

1           “(B) the terms of service of the members  
2           initially appointed shall be (as specified by the  
3           Secretary) for such fewer number of years as  
4           will provide for the expiration of terms on a  
5           staggered basis.

6           “(2) NUMBER OF TERMS.—No member of the  
7           Council may serve more than two consecutive full  
8           terms. Members may serve after the expiration of  
9           their terms until their successors have taken office.

10          “(e) VACANCIES.—Any vacancy occurring in the  
11          membership of the Council shall be filled in the same man-  
12          ner as the original appointment for the position being va-  
13          cated. The vacancy shall not affect the power of the re-  
14          maining members to execute the duties of the Council.

15          “(f) PAYMENT AND EXPENSES.—

16               “(1) PAYMENT.—Each member of the Council  
17               who is not an officer or full-time employee of the  
18               Federal Government shall receive a payment of \$150  
19               for each day (including travel time) during which the  
20               member is engaged in the performance of duties for  
21               the Council. All members of the Council who are of-  
22               ficers or full-time employees of the United States  
23               shall serve without compensation in addition to com-  
24               pensation received for their services as officers or  
25               employees of the United States.

1           “(2) TRAVEL EXPENSES.—Each member of the  
2       Council may receive travel expenses, including per  
3       diem in lieu of subsistence, as authorized by section  
4       5703 of title 5, United States Code, for employees  
5       serving intermittently in the Government service, for  
6       each day the member is engaged in the performance  
7       of duties away from the home or regular place of  
8       business of the member.

9           “(g) DETAIL OF FEDERAL EMPLOYEES.—On the re-  
10      quest of the Council, the Secretary may detail, with or  
11      without reimbursement, any of the personnel of the De-  
12      partment of Education to the Council to assist the Council  
13      in carrying out its duties. Any detail shall not interrupt  
14      or otherwise affect the civil service status or privileges of  
15      the Federal employee.

16          “(h) TECHNICAL ASSISTANCE.—On the request of  
17      the Council, the Secretary shall provide such technical as-  
18      sistance to the Council as the Council determines to be  
19      necessary to carry out its duties.

20          “(i) TERMINATION.—Section 14 of the Federal Advi-  
21      sory Committee Act (5 U.S.C. App.) shall not apply with  
22      respect to the Council.”.

1 **SEC. 6. PROFESSIONAL DEVELOPMENT AND SPECIAL**  
2 **PROJECTS AND DEMONSTRATIONS.**

3 Title III of the Rehabilitation Act of 1973 (29 U.S.C.  
4 770 et seq.) is amended to read as follows:

5 **“TITLE III—PROFESSIONAL DE-**  
6 **VELOPMENT AND SPECIAL**  
7 **PROJECTS AND DEMONSTRA-**  
8 **TIONS**

9 **“SEC. 301. DECLARATION OF PURPOSE AND COMPETITIVE**  
10 **BASIS OF GRANTS AND CONTRACTS.**

11 “(a) PURPOSE.—It is the purpose of this title to au-  
12 thorize grants and contracts to—

13 “(1)(A) provide academic training to ensure  
14 that skilled personnel are available to provide reha-  
15 bilitation services to individuals with disabilities  
16 through vocational, medical, social, and psychological  
17 rehabilitation programs (including supported em-  
18 ployment programs), through independent living  
19 services programs, and through client assistance pro-  
20 grams; and

21 “(B) provide training to maintain and upgrade  
22 basic skills and knowledge of personnel employed to  
23 provide state-of-the-art service delivery and rehabili-  
24 tation technology services;

25 “(2) conduct special projects and demonstra-  
26 tions that expand and improve the provision of reha-

1       bilitation and other services authorized under this  
2       Act, or that otherwise further the purposes of this  
3       Act, including related research and evaluation;

4           “(3) provide vocational rehabilitation services to  
5       individuals with disabilities who are migrant or sea-  
6       sonal farmworkers;

7           “(4) initiate recreational programs to provide  
8       recreational activities and related experiences for in-  
9       dividuals with disabilities to aid such individuals in  
10      employment, mobility, socialization, independence,  
11      and community integration; and

12          “(5) provide training and information to indi-  
13      viduals with disabilities and the individuals’ rep-  
14      resentatives, and other appropriate parties to de-  
15      velop the skills necessary for individuals with disabil-  
16      ities to gain access to the rehabilitation system and  
17      workforce investment system and to become active  
18      decisionmakers in the rehabilitation process.

19      “(b) COMPETITIVE BASIS OF GRANTS AND CON-  
20      TRACTS.—The Secretary shall ensure that all grants and  
21      contracts are awarded under this title on a competitive  
22      basis.

23      **“SEC. 302. TRAINING.**

24          “(a) GRANTS AND CONTRACTS FOR PERSONNEL  
25      TRAINING.—



1           “(1) AUTHORITY.—The Commissioner shall  
2       make grants to, and enter into contracts with,  
3       States and public or nonprofit agencies and organi-  
4       zations (including institutions of higher education)  
5       to pay part of the cost of projects to provide train-  
6       ing, traineeships, and related activities, including the  
7       provision of technical assistance, that are designed  
8       to assist in increasing the numbers of, and upgrad-  
9       ing the skills of, qualified personnel (especially reha-  
10      bilitation counselors) who are trained in providing  
11      vocational, medical, social, and psychological reha-  
12      bilitation services, who are trained to assist individ-  
13      uals with communication and related disorders, who  
14      are trained to provide other services provided under  
15      this Act, to individuals with disabilities, and who  
16      may include—

17               “(A) personnel specifically trained in pro-  
18      viding employment assistance to individuals  
19      with disabilities through job development and  
20      job placement services;

21               “(B) personnel specifically trained to iden-  
22      tify, assess, and meet the individual rehabilita-  
23      tion needs of individuals with disabilities, in-  
24      cluding needs for rehabilitation technology;

1           “(C) personnel specifically trained to de-  
2           liver services to individuals who may benefit  
3           from receiving independent living services;

4           “(D) personnel specifically trained to de-  
5           liver services in the client assistance programs;

6           “(E) personnel specifically trained to de-  
7           liver services, through supported employment  
8           programs, to individuals with a most significant  
9           disability;

10          “(F) personnel providing vocational reha-  
11          bilitation services specifically trained in the use  
12          of braille, the importance of braille literacy, and  
13          in methods of teaching braille; and

14          “(G) personnel trained in performing other  
15          functions necessary to the provision of voca-  
16          tional, medical, social, and psychological reha-  
17          bilitation services, and other services provided  
18          under this Act.

19          “(2) AUTHORITY TO PROVIDE SCHOLAR-  
20          SHIPS.—Grants and contracts under paragraph (1)  
21          may be expended for scholarships and may include  
22          necessary stipends and allowances.

23          “(3) RELATED FEDERAL STATUTES.—In carry-  
24          ing out this subsection, the Commissioner may make  
25          grants to and enter into contracts with States and

1 public or nonprofit agencies and organizations, in-  
2 cluding institutions of higher education, to furnish  
3 training regarding related Federal statutes (other  
4 than this Act).

5 “(4) TRAINING FOR STATEWIDE WORKFORCE  
6 SYSTEMS PERSONNEL.—The Commissioner may  
7 make grants to and enter into contracts under this  
8 subsection with States and public or nonprofit agen-  
9 cies and organizations, including institutions of high-  
10 er education, to furnish training to personnel provid-  
11 ing services to individuals with disabilities under the  
12 Workforce Investment Partnership Act of 1998.  
13 Under this paragraph, personnel may be trained—

14 “(A) in evaluative skills to determine  
15 whether an individual with a disability may be  
16 served by the State vocational rehabilitation  
17 program or another component of the statewide  
18 workforce investment system; or

19 “(B) to assist individuals with disabilities  
20 seeking assistance through one-stop customer  
21 service centers established under section 315 of  
22 the Workforce Investment Partnership Act of  
23 1998.

24 “(5) JOINT FUNDING.—Training and other ac-  
25 tivities provided under paragraph (4) for personnel

1       may be jointly funded with the Department of  
2       Labor, using funds made available under title III of  
3       the Workforce Investment Partnership Act of 1998.

4       “(b) GRANTS AND CONTRACTS FOR ACADEMIC DE-  
5       GREES AND ACADEMIC CERTIFICATE GRANTING TRAIN-  
6       ING PROJECTS.—

7               “(1) AUTHORITY.—

8               “(A) IN GENERAL.—The Commissioner  
9       may make grants to, and enter into contracts  
10      with, States and public or nonprofit agencies  
11      and organizations (including institutions of  
12      higher education) to pay part of the costs of  
13      academic training projects to provide training  
14      that leads to an academic degree or academic  
15      certificate. In making such grants or entering  
16      into such contracts, the Commissioner shall tar-  
17      get funds to areas determined under subsection  
18      (e) to have shortages of qualified personnel.

19              “(B) TYPES OF PROJECTS.—Academic  
20      training projects described in this subsection  
21      may include—

22              “(i) projects to train personnel in the  
23              areas of vocational rehabilitation counsel-  
24              ing, rehabilitation technology, rehabilita-  
25              tion medicine, rehabilitation nursing, reha-

1           bilitation social work, rehabilitation psychi-  
2           atry, rehabilitation psychology, rehabilita-  
3           tion dentistry, physical therapy, occupa-  
4           tional therapy, speech pathology and audi-  
5           ology, physical education, therapeutic  
6           recreation, community rehabilitation pro-  
7           grams, or prosthetics and orthotics;

8           “(ii) projects to train personnel to  
9           provide—

10                   “(I) services to individuals with  
11                   specific disabilities or individuals with  
12                   disabilities who have specific impedi-  
13                   ments to rehabilitation, including indi-  
14                   viduals who are members of popu-  
15                   lations that are unserved or under-  
16                   served by programs under this Act;

17                   “(II) job development and job  
18                   placement services to individuals with  
19                   disabilities;

20                   “(III) supported employment  
21                   services, including services of employ-  
22                   ment specialists for individuals with  
23                   disabilities;

1 “(IV) specialized services for in-  
2 dividuals with significant disabilities;  
3 or

4 “(V) recreation for individuals  
5 with disabilities;

6 “(iii) projects to train personnel in  
7 other fields contributing to the rehabilita-  
8 tion of individuals with disabilities; and

9 “(iv) projects to train personnel in the  
10 use, applications, and benefits of rehabili-  
11 tation technology.

12 “(2) APPLICATION.—No grant shall be awarded  
13 or contract entered into under this subsection unless  
14 the applicant has submitted to the Commissioner an  
15 application at such time, in such form, in accordance  
16 with such procedures, and including such informa-  
17 tion as the Secretary may require, including—

18 “(A) a description of how the designated  
19 State unit or units will participate in the  
20 project to be funded under the grant or con-  
21 tract, including, as appropriate, participation on  
22 advisory committees, as practicum sites, in cur-  
23 riculum development, and in other ways so as  
24 to build closer relationships between the appli-  
25 cant and the designated State unit and to en-

1 courage students to pursue careers in public vo-  
2 cational rehabilitation programs;

3 “(B) the identification of potential employ-  
4 ers that would meet the requirements of para-  
5 graph (4)(A)(i); and

6 “(C) an assurance that data on the em-  
7 ployment of graduates or trainees who partici-  
8 pate in the project is accurate.

9 “(3) LIMITATION.—

10 “(A) IN GENERAL.—Except as provided in  
11 subparagraph (B), no grant or contract under  
12 this subsection may be used to provide any one  
13 course of study to an individual for a period of  
14 more than 4 years.

15 “(B) EXCEPTION.—If a grant or contract  
16 recipient under this subsection determines that  
17 an individual has a disability which seriously af-  
18 fects the completion of training under this sub-  
19 section, the grant or contract recipient may ex-  
20 tend the period referred to in subparagraph  
21 (A).

22 “(4) REQUIRED AGREEMENTS.—

23 “(A) IN GENERAL.—A recipient of a grant  
24 or contract under this subsection shall provide  
25 assurances to the Commissioner that each indi-

1           vidual who receives a scholarship, for the first  
2           academic year after the date of enactment of  
3           the Rehabilitation Act Amendments of 1998,  
4           utilizing funds provided under such grant or  
5           contract shall enter into an agreement with the  
6           recipient under which the individual shall—

7                   “(i) maintain employment—

8                           “(I) with an employer that is a  
9                           State rehabilitation or other agency or  
10                          organization (including a professional  
11                          corporation or practice group) that  
12                          provides services to individuals with  
13                          disabilities under this Act, or with an  
14                          institution of higher education or  
15                          other organization that conducts reha-  
16                          bilitation education, training, or re-  
17                          search under this Act;

18                          “(II) on a full- or part-time  
19                          basis; and

20                          “(III) for a period of not less  
21                          than the full-time equivalent of 2  
22                          years for each year for which assist-  
23                          ance under this subsection was re-  
24                          ceived by the individual, within a pe-  
25                          riod, beginning after the recipient



1 completes the training for which the  
 2 scholarship was awarded, of not more  
 3 than the sum of the number of years  
 4 in the period described in this sub-  
 5 clause and 2 additional years;

6 “(ii) directly provide or administer  
 7 services, conduct research, or furnish  
 8 training, funded under this Act; and

9 “(iii) repay all or part of the amount  
 10 of any scholarship received under the grant  
 11 or contract, plus interest, if the individual  
 12 does not fulfill the requirements of clauses  
 13 (i) and (ii), except that the Commissioner  
 14 may by regulation provide for repayment  
 15 exceptions and deferrals.

16 “(B) ENFORCEMENT.—The Commissioner  
 17 shall be responsible for the enforcement of each  
 18 agreement entered into under subparagraph (A)  
 19 upon the completion of the training involved  
 20 with respect to such agreement.

21 “(c) GRANTS TO HISTORICALLY BLACK COLLEGES  
 22 AND UNIVERSITIES.—The Commissioner, in carrying out  
 23 this section, shall make grants to ~~Historically Black Col-~~  
 24 ~~leges and Universities~~ *historically Black colleges and uni-*  
 25 *versities* and other institutions of higher education whose

1 minority student enrollment is at least 50 percent of the  
2 total enrollment of the institution.

3       “(d) APPLICATION.—A grant may not be awarded to  
4 a State or other organization under this section unless the  
5 State or organization has submitted an application to the  
6 Commissioner at such time, in such form, in accordance  
7 with such procedures, and containing such information as  
8 the Commissioner may require, including a detailed de-  
9 scription of strategies that will be utilized to recruit and  
10 train individuals so as to reflect the diverse populations  
11 of the United States as part of the effort to increase the  
12 number of individuals with disabilities, and individuals  
13 who are from linguistically and culturally diverse back-  
14 grounds, who are available to provide rehabilitation serv-  
15 ices.

16       “(e) EVALUATION AND COLLECTION OF DATA.—The  
17 Commissioner shall evaluate the impact of the training  
18 programs conducted under this section, and collect infor-  
19 mation on the training needs of, and data on shortages  
20 of qualified personnel necessary to provide services to indi-  
21 viduals with disabilities.

22       “(f) GRANTS FOR THE TRAINING OF INTER-  
23 PRETERS.—

24       “(1) AUTHORITY.—

1           “(A) IN GENERAL.—For the purpose of  
2 training a sufficient number of qualified inter-  
3 preters to meet the communications needs of in-  
4 dividuals who are deaf or hard of hearing, and  
5 individuals who are deaf-blind, the Commis-  
6 sioner, acting through a Federal office respon-  
7 sible for deafness and communicative disorders,  
8 may award grants to public or private nonprofit  
9 agencies or organizations to pay part of the  
10 costs—

11               “(i) for the establishment of inter-  
12 preter training programs; or

13               “(ii) to enable such agencies or orga-  
14 nizations to provide financial assistance for  
15 ongoing interpreter training programs.

16           “(B) GEOGRAPHIC AREAS.—The Commis-  
17 sioner shall award grants under this subsection  
18 for programs in geographic areas throughout  
19 the United States that the Commissioner con-  
20 sidered appropriate to best carry out the objec-  
21 tives of this section.

22           “(C) PRIORITY.—In awarding grants  
23 under this subsection, the Commissioner shall  
24 give priority to public or private nonprofit agen-  
25 cies or organizations with existing programs

1           that have a demonstrated capacity for providing  
2           interpreter training services.

3           “(D) FUNDING.—The Commissioner may  
4           award grants under this subsection through the  
5           use of—

6                   “(i) amounts appropriated to carry  
7                   out this section; or

8                   “(ii) pursuant to an agreement with  
9                   the Director of the Office of the Special  
10                  Education Program (established under sec-  
11                  tion 603 of the Individuals with Disabil-  
12                  ities Education Act (as amended by section  
13                  101 of the Individuals with Disabilities  
14                  Education Act Amendments of 1997 (Pub-  
15                  lic Law ~~105-17~~ 105-17))), amounts appro-  
16                  priated under section 686 of the Individ-  
17                  uals with Disabilities Education Act.

18           “(2) APPLICATION.—A grant may not be  
19           awarded to an agency or organization under para-  
20           graph (1) unless the agency or organization has sub-  
21           mitted an application to the Commissioner at such  
22           time, in such form, in accordance with such proce-  
23           dures, and containing such information as the Com-  
24           missioner may require, including—

1           “(A) a description of the manner in which  
 2           an interpreter training program will be devel-  
 3           oped and operated during the 5-year period fol-  
 4           lowing the date on which a grant is received by  
 5           the applicant under this subsection;

6           “(B) a demonstration of the applicant’s ca-  
 7           pacity or potential for providing training for in-  
 8           terpreters for individuals who are deaf or hard  
 9           of hearing, and individuals who are deaf-blind;

10          “(C) assurances that any interpreter  
 11          trained or retrained under a program funded  
 12          under the grant will meet such minimum stand-  
 13          ards of competency as the Commissioner may  
 14          establish for purposes of this subsection; and

15          ~~“(D) such other information as the Commis-~~  
 16          ~~sioner may require.~~

17                 *“(D) such other information as the Commis-*  
 18                 *sioner may require.*

19          “(g) AUTHORIZATION OF APPROPRIATIONS.—There  
 20          are authorized to be appropriated to carry out this section  
 21          such sums as may be necessary for each of the fiscal years  
 22          1998 through 2004.

23          “(h) PROVISION OF INFORMATION.—The Commis-  
 24          sioner, subject to the provisions of section 306, may re-  
 25          quire that recipients of grants or contracts under this sec-

1 tion provide information, including data, with regard to  
2 the impact of activities funded under this section.

3 **“SEC. 303. SPECIAL DEMONSTRATION PROGRAM.**

4 “(a) **AUTHORITY.**—The Commissioner, subject to the  
5 provisions of section 306, may award grants or contracts  
6 to eligible entities to pay all or part of the cost of pro-  
7 grams that expand and improve the provision of rehabili-  
8 tation and other services authorized under this Act or that  
9 further the purposes of the Act, including related research  
10 and evaluation activities.

11 “(b) **ELIGIBLE ENTITIES AND TERMS AND CONDI-**  
12 **TIONS.**—

13 “(1) **ELIGIBLE ENTITIES.**—To be eligible to re-  
14 ceive a grant or contract under subsection (a), an  
15 entity shall be a State vocational rehabilitation agen-  
16 cy, community rehabilitation program, Indian tribe  
17 or tribal organization, or other public or nonprofit  
18 agency or organization, or as the Commissioner de-  
19 termines appropriate, a for-profit organization. The  
20 Commissioner may limit competitions to 1 or more  
21 types of organizations described in this paragraph.

22 “(2) **TERMS AND CONDITIONS.**—Awards under  
23 this section shall contain such terms and conditions  
24 as the Commissioner may require.

1       “(c) APPLICATION.—An eligible entity that desires to  
 2 receive an award under this section shall submit an appli-  
 3 cation to the Secretary at such time, in such form, and  
 4 containing such information and assurances as the Com-  
 5 missioner may require, including, if the Commissioner de-  
 6 termines appropriate, a description of how the proposed  
 7 project or demonstration program—

8               “(1) is based on current research findings,  
 9 which may include research conducted by the Na-  
 10 tional Institute on Disability and Rehabilitation Re-  
 11 search, the National Institutes of Health, and other  
 12 public or private organizations; and

13               “(2) is of national significance.

14       “(d) TYPES OF PROJECTS.—The programs that may  
 15 be funded under this section include—

16               “(1) special projects and demonstrations of  
 17 service delivery;

18               “(2) model demonstration projects;

19               “(3) technical assistance projects;

20               “(4) systems change projects;

21               “(5) special studies and evaluations; and

22               “(6) dissemination and utilization activities.

23       “(e) PRIORITY FOR COMPETITIONS.—

1           “(1) IN GENERAL.—In announcing competitions  
2       for grants and contracts under this section, the  
3       Commissioner shall give priority consideration to—

4           “(A) projects to provide training, informa-  
5       tion, and technical assistance that will enable  
6       individuals with disabilities and the individuals’  
7       representatives, to participate more effectively  
8       in meeting the vocational, independent living,  
9       and rehabilitation needs of the individuals with  
10      disabilities;

11          “(B) special projects and demonstration  
12      programs of service delivery for adults who are  
13      either low-functioning and deaf or low-function-  
14      ing and hard of hearing;

15          “(C) innovative methods of promoting con-  
16      sumer choice in the rehabilitation process;

17          “(D) supported employment, including  
18      community-based supported employment pro-  
19      grams to meet the needs of individuals with the  
20      most significant disabilities or to provide tech-  
21      nical assistance to States and community orga-  
22      nizations to improve and expand the provision  
23      of supported employment services; and

24          “(E) model transitional planning services  
25      for youths with ~~disabilities~~, *disabilities*.



1 “(2) ELIGIBILITY AND COORDINATION.—

2 “(A) ELIGIBILITY.—Eligible applicants for  
3 grants and contracts under this section for  
4 projects described in paragraph (1)(A) in-  
5 clude—

6 “(i) Parent Training and Information  
7 Centers funded under section 682 of the  
8 Individuals with Disabilities Education Act  
9 (as amended by section 101 of the Individ-  
10 uals with Disabilities Education Act  
11 Amendments of 1997 (Public Law ~~105-17~~  
12 *105-17*));

13 “(ii) organizations that meet the defi-  
14 nition of a parent organization in section  
15 682 of such Act; and

16 “(iii) private nonprofit organizations  
17 assisting parent training and information  
18 centers.

19 “(B) COORDINATION.—Recipients of  
20 grants and contracts under this section for  
21 projects described in paragraph (1)(A) shall, to  
22 the extent practicable, coordinate training and  
23 information activities with Centers for Inde-  
24 pendent Living.

1           “(3) ADDITIONAL COMPETITIONS.—In announce-  
 2           ing competitions for grants and contracts under this  
 3           section, the Commissioner may require that appli-  
 4           cants address 1 or more of the following:

5                   “(A) Age ranges.

6                   “(B) Types of disabilities.

7                   “(C) Types of services.

8                   “(D) Models of service delivery.

9                   “(E) Stage of the rehabilitation process.

10                  “(F) The needs of—

11                           “(i) underserved populations;

12                           “(ii) unserved and underserved areas;

13                           “(iii) individuals with significant dis-  
 14                           abilities;

15                           “(iv) low-incidence disability popu-  
 16                           lations; and

17                           “(v) individuals residing in federally  
 18                           designated empowerment zones and enter-  
 19                           prise communities.

20                  “(G) Expansion of employment opportuni-  
 21                  ties for individuals with disabilities.

22                  “(H) Systems change projects to promote  
 23                  meaningful access of ~~individual~~ *individuals* with  
 24                  disabilities to ~~employment related~~ *employment-*  
 25                  *related* services under the Workforce Investment

1 Partnership Act of 1998 and under other Fed-  
2 eral laws.

3 “(I) Innovative methods of promoting the  
4 achievement of high-quality employment out-  
5 comes.

6 “(J) The demonstration of the effective-  
7 ness of early intervention activities in improving  
8 employment outcomes.

9 “(K) Alternative methods of providing af-  
10 fordable transportation services to individuals  
11 with disabilities who are employed, seeking em-  
12 ployment, or receiving vocational rehabilitation  
13 services from public or private organizations  
14 and who reside in geographic areas in which  
15 public transportation or paratransit service is  
16 not available.

17 “(f) USE OF FUNDS FOR CONTINUATION AWARDS.—  
18 The Commissioner may use funds made available to carry  
19 out this section for continuation awards for projects that  
20 were funded under sections 12 and 311 (as such sections  
21 were in effect on the day prior to the date of the enact-  
22 ment of the Rehabilitation Act Amendments of 1998).

23 “(g) AUTHORIZATION OF APPROPRIATIONS.—There  
24 are authorized to be appropriated to carry out this section

1 such sums as may be necessary for each of the fiscal years  
2 1998 through 2004.

3 **“SEC. 304. MIGRANT AND SEASONAL FARMWORKERS.**

4 “(a) GRANTS.—

5 “(1) AUTHORITY.—The Commissioner, subject  
6 to the provisions of section 306, may make grants  
7 to eligible entities to pay up to 90 percent of the  
8 cost of projects or demonstration programs for the  
9 provision of vocational rehabilitation services to indi-  
10 viduals with disabilities who are migrant or seasonal  
11 farmworkers, as determined in accordance with rules  
12 prescribed by the Secretary of Labor, and to the  
13 family members who are residing with such individ-  
14 uals (whether or not such family members are indi-  
15 viduals with disabilities).

16 “(2) ELIGIBLE ENTITIES.—To be eligible to re-  
17 ceive a grant under paragraph (1), an entity shall  
18 be—

19 “(A) a State designated agency;

20 “(B) a nonprofit agency working in col-  
21 laboration with a State agency described in sub-  
22 paragraph (A); or

23 “(C) a local agency working in collabora-  
24 tion with a State agency described in subpara-  
25 graph (A).

1           “(3) MAINTENANCE AND TRANSPORTATION.—

2                 “(A) IN GENERAL.—Amounts provided  
3           under a grant under this section may be used  
4           to provide for the maintenance of and transpor-  
5           tation for individuals and family members de-  
6           scribed in paragraph (1) as necessary for the  
7           rehabilitation of such individuals.

8                 “(B) REQUIREMENT.—Maintenance pay-  
9           ments under this paragraph shall be provided in  
10          a manner consistent with any maintenance pay-  
11          ments provided to other individuals with disabil-  
12          ities in the State under this Act.

13               “(4) ASSURANCE OF COOPERATION.—To be eli-  
14          gible to receive a grant under this section an entity  
15          shall provide assurances (satisfactory to the Com-  
16          missioner) that in the provision of services under the  
17          grant there will be appropriate cooperation between  
18          the grantee and other public or nonprofit agencies  
19          and organizations having special skills and experi-  
20          ence in the provision of services to migrant or sea-  
21          sonal farmworkers or their families.

22               “(5) COORDINATION WITH OTHER PRO-  
23          GRAMS.—The Commissioner shall administer this  
24          section in coordination with other programs serving  
25          migrant and seasonal farmworkers, including pro-

grams under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), section 330 of the Public Health Service Act (42 U.S.C. 254b), the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.), and the Workforce Investment Partnership Act of 1998.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section, for each of the fiscal years 1998 through 2004.

**“SEC. 305. RECREATIONAL PROGRAMS.**

“(a) GRANTS.—

“(1) AUTHORITY.—

“(A) IN GENERAL.—The Commissioner, subject to the provisions of section 306, shall make grants to States, public agencies, and nonprofit private organizations to pay the Federal share of the cost of the establishment and operation of recreation programs to provide individuals with disabilities with recreational activities and related experiences to aid in the employment, mobility, socialization, independence, and community integration of such individuals.

1           “(B) RECREATION PROGRAMS.—The recre-  
 2           ation programs that may be funded using as-  
 3           sistance provided under a grant under this sec-  
 4           tion may include vocational skills development,  
 5           leisure education, leisure networking, leisure re-  
 6           source development, physical education and  
 7           sports, scouting and camping, ~~4-H~~ 4-*H* activi-  
 8           ties, music, dancing, handicrafts, art, and  
 9           homemaking. When possible and appropriate,  
 10          such programs and activities should be provided  
 11          in settings with peers who are not individuals  
 12          with disabilities.

13          “(C) DESIGN OF PROGRAM.—Programs  
 14          and activities carried out under this section  
 15          shall be designed to demonstrate ways in which  
 16          such programs assist in maximizing the inde-  
 17          pendence and integration of individuals with  
 18          disabilities.

19          “(2) MAXIMUM TERM OF GRANT.—A grant  
 20          under this section shall be made for a period of not  
 21          more than 3 years.

22          “(3) AVAILABILITY OF ~~NON GRANT~~ *NONGRANT*  
 23          RESOURCES.—

24          “(A) IN GENERAL.—A grant may not be  
 25          made to an applicant under this section unless

1 the applicant provides assurances that, with re-  
2 spect to costs of the recreation program to be  
3 carried out under the grant, the applicant, to  
4 the maximum extent practicable, will make  
5 available non-Federal resources (in cash or in-  
6 kind) to pay the non-Federal share of such  
7 costs.

8 “(B) FEDERAL SHARE.—The Federal  
9 share of the costs of the recreation programs  
10 carried out under this section shall be—

11 “(i) with respect to the first year in  
12 which assistance is provided under a grant  
13 under this section, 100 percent;

14 “(ii) with respect to the second year  
15 in which assistance is provided under a  
16 grant under this section, 75 percent; and

17 “(iii) with respect to the third year in  
18 which assistance is provided under a grant  
19 under this section, 50 percent.

20 “(4) APPLICATION.—To be eligible to receive a  
21 grant under this section, a State, agency, or organi-  
22 zation shall submit an application to the Commis-  
23 sioner at such time, in such manner, and containing  
24 such information as the Commissioner may require,  
25 including a description of—



1           “(A) the manner in which the findings and  
2           results of the project to be funded under the  
3           grant, particularly information that facilitates  
4           the replication of the results of such projects,  
5           will be made generally available; and

6           “(B) the manner in which the service pro-  
7           gram funded under the grant will be continued  
8           after Federal assistance ends.

9           “(5) LEVEL OF SERVICES.—Recreation pro-  
10          grams funded under this section shall maintain, at  
11          a minimum, the same level of services over a 3-year  
12          project period.

13          “(6) REPORTS BY GRANTEES.—

14                 “(A) REQUIREMENT.—The Commissioner  
15                 shall require that each recipient of a grant  
16                 under this section annually prepare and submit  
17                 to the Commissioner a report concerning the re-  
18                 sults of the activities funded under the grant.

19                 “(B) LIMITATION.—The Commissioner  
20                 may not make financial assistance available to  
21                 a grant recipient for a subsequent year until  
22                 the Commissioner has received and evaluated  
23                 the annual report of the recipient under sub-  
24                 paragraph (A) for the current year.

1       “(b) AUTHORIZATION OF APPROPRIATIONS.—There  
 2 are authorized to be appropriated to carry out this section,  
 3 such sums as may be necessary for each of the fiscal years  
 4 1998 through 2004.

5       **“SEC. 306. MEASURING OF PROJECT OUTCOMES AND PER-**  
 6                               **FORMANCE.**

7       “The Commissioner may require that recipients of  
 8 grants under this title submit information, including data,  
 9 as determined by the Commissioner to be necessary to  
 10 measure project outcomes and performance, including any  
 11 data needed to comply with the Government Performance  
 12 and Results Act.”.

13       **SEC. 7. NATIONAL COUNCIL ON DISABILITY.**

14       Title IV of the Rehabilitation Act of 1973 (29 U.S.C.  
 15 780 et seq.) is amended to read as follows:

16       **“TITLE IV—NATIONAL COUNCIL ON DISABILITY**  
 17       **“ESTABLISHMENT OF NATIONAL COUNCIL ON DISABILITY**

18       **“SEC. 400. (a)(1)(A)** There is established within the  
 19 Federal Government a National Council on Disability  
 20 (hereinafter in this title referred to as the ‘National Coun-  
 21 cil’), which shall be composed of fifteen members ap-  
 22 pointed by the President, by and with the advice and con-  
 23 sent of the Senate.

1       “(B) The President shall select members of the Na-  
2 tional Council after soliciting recommendations from rep-  
3 resentatives of—

4               “(i) organizations representing a broad range of  
5 individuals with disabilities; and

6               “(ii) organizations interested in individuals with  
7 disabilities.

8       “(C) The members of the National Council shall be  
9 individuals with disabilities, parents or guardians of indi-  
10 viduals with disabilities, or other individuals who have sub-  
11 stantial knowledge or experience relating to disability pol-  
12 icy or programs. The members of the National Council  
13 shall be appointed so as to be representative of individuals  
14 with disabilities, national organizations concerned with in-  
15 dividuals with disabilities, providers and administrators of  
16 services to individuals with disabilities, individuals en-  
17 gaged in conducting medical or scientific research relating  
18 to individuals with disabilities, business concerns, and  
19 labor organizations. A majority of the members of the Na-  
20 tional Council shall be individuals with disabilities. The  
21 members of the National Council shall be broadly rep-  
22 resentative of minority and other individuals and groups.

23       “(2) The purpose of the National Council is to pro-  
24 mote policies, programs, practices, and procedures that—

1           “(A) guarantee equal opportunity for all indi-  
2           viduals with disabilities, regardless of the nature or  
3           severity of the disability; and

4           “(B) empower individuals with disabilities to  
5           achieve economic self-sufficiency, independent living,  
6           and inclusion and integration into all aspects of soci-  
7           ety.

8           “(b)(1) Each member of the National Council shall  
9           serve for a term of 3 years, except that the terms of serv-  
10          ice of the members initially appointed after the date of  
11          enactment of the Rehabilitation, Comprehensive Services,  
12          and Developmental Disabilities Amendments of 1978 shall  
13          be (as specified by the President) for such fewer number  
14          of years as will provide for the expiration of terms on a  
15          staggered basis.

16          “(2)(A) No member of the National Council may  
17          serve more than two consecutive full terms beginning on  
18          the date of commencement of the first full term on the  
19          Council. Members may serve after the expiration of their  
20          terms until their successors have taken office.

21          “(B) As used in this paragraph, the term ‘full term’  
22          means a term of 3 years.

23          “(3) Any member appointed to fill a vacancy occur-  
24          ring before the expiration of the term for which such mem-

ber's predecessor was appointed shall be appointed only  
for the remainder of such term.

“(c) The President shall designate the Chairperson  
from among the members appointed to the National Council. The National Council shall meet at the call of the  
Chairperson, but not less often than four times each year.

“(d) Eight members of the National Council shall  
constitute a quorum and any vacancy in the National  
Council shall not affect its power to function.

#### “DUTIES OF NATIONAL COUNCIL

“SEC. 401. (a) The National Council shall—

“(1) provide advice to the Director with respect  
to the policies and conduct of the National Institute  
on Disability and Rehabilitation Research, including  
ways to improve research concerning individuals  
with disabilities and the methods of collecting and  
disseminating findings of such research;

“(2) provide advice to the Commissioner with  
respect to the policies of and conduct of the Rehabilitation Services Administration;

“(3) advise the President, the Congress, the  
Commissioner, the appropriate Assistant Secretary  
of the Department of Education, and the Director of  
the National Institute on Disability and Rehabilitation Research on the development of the programs  
to be carried out under this Act;

1           “(4) provide advice regarding priorities for the  
2           activities of the Interagency Disability Coordinating  
3           Council and review the recommendations of such  
4           Council for legislative and administrative changes to  
5           ensure that such recommendations are consistent  
6           with the purposes of the Council to promote the full  
7           integration, independence, and productivity of indi-  
8           viduals with disabilities;

9           “(5) review and evaluate on a continuing  
10          basis—

11               “(A) policies, programs, practices, and pro-  
12               cedures concerning individuals with disabilities  
13               conducted or assisted by Federal departments  
14               and agencies, including programs established or  
15               assisted under this Act or under the Develop-  
16               mental Disabilities Assistance and Bill of  
17               Rights Act; and

18               “(B) all statutes and regulations pertain-  
19               ing to Federal programs which assist such indi-  
20               viduals with disabilities;

21           in order to assess the effectiveness of such policies,  
22           programs, practices, procedures, statutes, and regu-  
23           lations in meeting the needs of individuals with dis-  
24           abilities;

1           “(6) assess the extent to which such policies,  
2           programs, practices, and procedures facilitate or im-  
3           pede the promotion of the policies set forth in sub-  
4           paragraphs (A) and (B) of section 400(a)(2);

5           “(7) gather information about the implementa-  
6           tion, effectiveness, and impact of the Americans with  
7           Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

8           “(8) make recommendations to the President,  
9           the Congress, the Secretary, the Director of the Na-  
10          tional Institute on Disability and Rehabilitation Re-  
11          search, and other officials of Federal agencies or  
12          other Federal entities, respecting ways to better pro-  
13          mote the policies set forth in section 400(a)(2);

14          “(9) provide to the Congress on a continuing  
15          basis advice, recommendations, legislative proposals,  
16          and any additional information ~~which~~ *that* the Na-  
17          tional Council or the Congress deems appropriate;  
18          and

19          “(10) review and evaluate on a continuing basis  
20          new and emerging disability policy issues affecting  
21          individuals with disabilities at the international,  
22          Federal, State, and local levels, and in the private  
23          sector, including the need for and coordination of  
24          adult services, access to personal assistance services,  
25          school reform efforts and the impact of such efforts

1 on individuals with disabilities, access to health care,  
2 and policies that operate as disincentives for the in-  
3 dividuals to seek and retain employment.

4 “(b)(1) Not later than July 26, 1998, and annually  
5 thereafter, the National Council shall prepare and submit  
6 to the President and the appropriate committees of the  
7 Congress a report entitled ‘National Disability Policy: A  
8 Progress Report’.

9 “(2) The report shall assess the status of the Nation  
10 in achieving the policies set forth in section 400(a)(2),  
11 with particular focus on the new and emerging issues im-  
12 pacting on the lives of individuals with disabilities. The  
13 report shall present, as appropriate, available data on  
14 health, housing, employment, insurance, transportation,  
15 recreation, training, prevention, early intervention, and  
16 education. The report shall include recommendations for  
17 policy change.

18 “(3) In determining the issues to focus on and the  
19 findings, conclusions, and recommendations to include in  
20 the report, the National Council shall seek input from the  
21 public, particularly individuals with disabilities, represent-  
22 atives of organizations representing a broad range of indi-  
23 viduals with disabilities, and organizations and agencies  
24 interested in individuals with disabilities.



1       “COMPENSATION OF NATIONAL COUNCIL MEMBERS

2       “SEC. 402. (a) Members of the National Council shall  
3 be entitled to receive compensation at a rate equal to the  
4 rate of pay for level 4 of the Senior Executive Service  
5 Schedule under section 5382 of title 5, United States  
6 Code, including travel time, for each day they are engaged  
7 in the performance of their duties as members of the Na-  
8 tional Council.

9       “(b) Members of the National Council who are full-  
10 time officers or employees of the United States shall re-  
11 ceive no additional pay on account of their service on the  
12 National Council except for compensation for travel ex-  
13 penses as provided under subsection (c) of this section.

14       “(c) While away from their homes or regular places  
15 of business in the performance of services for the National  
16 Council, members of the National Council shall be allowed  
17 travel expenses, including per diem in lieu of subsistence,  
18 in the same manner as persons employed intermittently  
19 in the Government service are allowed expenses under sec-  
20 tion 5703 of title 5, United States Code.

21               “STAFF OF NATIONAL COUNCIL

22       “SEC. 403. (a)(1) The Chairperson of the National  
23 Council may appoint and remove, without regard to the  
24 provisions of title 5, United States Code, governing ap-  
25 pointments, the provisions of chapter 75 of such title (re-  
26 lating to adverse actions), the provisions of chapter 77 of

1 such title (relating to appeals), or the provisions of chapter  
 2 51 and subchapter III of chapter 53 of such title (relating  
 3 to classification and General Schedule pay rates), an Exec-  
 4 utive Director to assist the National Council to carry out  
 5 its duties. The Executive Director shall be appointed from  
 6 among individuals who are experienced in the planning or  
 7 operation of programs for individuals with disabilities.

8       “(2) The Executive Director is authorized to hire  
 9 technical and professional employees to assist the National  
 10 Council to carry out its duties.

11       “(b)(1) The National Council may procure temporary  
 12 and intermittent services to the same extent as is author-  
 13 ized by section 3109(b) of title 5, United States Code (but  
 14 at rates for individuals not to exceed the daily equivalent  
 15 of the rate of pay for level 4 of the Senior Executive Serv-  
 16 ice Schedule under section 5382 of title 5, United States  
 17 Code).

18       “(2) The National Council may—

19               “(A) accept voluntary and uncompensated serv-  
 20 ices, notwithstanding the provisions of section 1342  
 21 of title 31, United States Code;

22               “(B) in the name of the Council, solicit, accept,  
 23 employ, and dispose of, in furtherance of this Act,  
 24 any money or property, real or personal, or mixed,

1       tangible or nontangible, received by gift, devise, be-  
2       quest, or otherwise; and

3           “(C) enter into contracts and cooperative agree-  
4       ments with Federal and State agencies, private  
5       firms, institutions, and individuals for the conduct of  
6       research and surveys, preparation of reports and  
7       other activities necessary to the discharge of the  
8       Council’s duties and responsibilities.

9       “(3) Not more than 10 per centum of the total  
10      amounts available to the National Council in each fiscal  
11      year may be used for official representation and reception.

12       “(c) The Administrator of General Services shall pro-  
13      vide to the National Council on a reimbursable basis such  
14      administrative support services as the Council may re-  
15      quest.

16       “(d)(1) It shall be the duty of the Secretary of the  
17      Treasury to invest such portion of the amounts made  
18      available under subsection (a)(2)(B) as is not, in the Sec-  
19      retary’s judgment, required to meet current withdrawals.  
20      Such investments may be made only in interest-bearing  
21      obligations of the United States or in obligations guaran-  
22      teed as to both principal and interest by the United States.

23       “(2) The amounts described in paragraph (1), and  
24      the interest on, and the proceeds from the sale or redemp-

1 tion of, the obligations described in paragraph (1) shall  
2 be available to the National Council to carry out this title.

3 “ADMINISTRATIVE POWERS OF NATIONAL COUNCIL

4 “SEC. 404. (a) The National Council may prescribe  
5 such bylaws and rules as may be necessary to carry out  
6 its duties under this title.

7 “(b) The National Council may hold such hearings,  
8 sit and act at such times and places, take such testimony,  
9 and receive such evidence as it deems advisable.

10 “(c) The National Council may appoint advisory com-  
11 mittees to assist the National Council in carrying out its  
12 duties. The members thereof shall serve without com-  
13 pensation.

14 “(d) The National Council may use the United States  
15 mails in the same manner and upon the same conditions  
16 as other departments and agencies of the United States.

17 “(e) The National Council may use, with the consent  
18 of the agencies represented on the Interagency Disability  
19 Coordinating Council, and as authorized in title V, such  
20 services, personnel, information, and facilities as may be  
21 needed to carry out its duties under this title, with or with-  
22 out reimbursement to such agencies.

23 “AUTHORIZATION OF APPROPRIATIONS

24 “SEC. 405. There are authorized to be appropriated  
25 to carry out this title such sums as may be necessary for  
26 each of the fiscal years 1998 through 2004.”.

1 **SEC. 8. RIGHTS AND ADVOCACY.**

2 (a) CONFORMING AMENDMENTS TO RIGHTS AND AD-  
3 VOCACY PROVISIONS.—

4 (1) EMPLOYMENT.—Section 501 (29 U.S.C.  
5 791) is amended—

6 (A) in the third sentence of subsection (a),  
7 by striking “President’s Committees on Em-  
8 ployment of the Handicapped” and inserting  
9 “President’s Committees on Employment of  
10 People With Disabilities”; and

11 (B) in subsection (e), by striking “individ-  
12 ualized written rehabilitation program” and in-  
13 serting “individualized rehabilitation employ-  
14 ment plan”.

15 (2) ACCESS BOARD.—Section 502 (29 U.S.C.  
16 792) is amended—

17 *(A) in subsection (a)(1), in the sentence fol-*  
18 *lowing subparagraph (B), by striking “Chair-*  
19 *person” and inserting “chairperson”;*

20 ~~(A)~~ (B) in subsection (b)—

21 (i) in paragraph (9), by striking “;  
22 and” and inserting a semicolon;

23 (ii) in paragraph (10), by striking the  
24 period and inserting “; and”; and

25 (iii) by adding at the end the follow-  
26 ing:

“(11) carry out the responsibilities specified for the Access Board in section 508”;

~~(B)~~ (C) in subsection (d)(2)(A), by inserting before the semicolon the following: “and section 508(d)(2)(C)”;

~~(C)~~ (D) in subsection (g)(2), by striking “Committee on Education and Labor” and inserting “Committee on Education and the Workforce”; and

~~(D)~~ (E) in subsection (i), by striking “fiscal years 1993 through 1997” and inserting “fiscal years 1998 through 2004”.

~~(3) FEDERAL~~ (3) *FEDERAL* GRANTS AND CONTRACTS.—Section 504(a) (29 U.S.C. 794(a)) is amended in the first sentence by striking “section 7(8)” and inserting “section 7(20)”.

(4) SECRETARIAL RESPONSIBILITIES.—Section 506(a) (29 U.S.C. 794b(a)) is amended—

(A) by striking the second sentence and inserting the following: “Any concurrence of the Access Board under paragraph (2) shall reflect its consideration of cost studies carried out by States.”; and

(B) in the second sentence of subsection (c), by striking “provided under this para-

1 graph” and inserting “provided under this sub-  
2 section”.

3 (b) ELECTRONIC AND INFORMATION TECHNOLOGY  
4 REGULATIONS.—Section 508 (29 U.S.C. 794d) is amend-  
5 ed to read as follows:

6 **“SEC. 508. ELECTRONIC AND INFORMATION TECHNOLOGY**  
7 **REGULATIONS.**

8 “(a) DEFINITION.—In this section, the term ‘elec-  
9 tronic and information technology’ includes—

10 “(1) any equipment, software, interface system,  
11 operating system, or interconnected system or sub-  
12 system of equipment, whether or not accessed re-  
13 motely, that is used in the acquisition, storage, ma-  
14 nipulation, management, movement, control, display,  
15 switching, interchange, transmission, or reception of  
16 data or information; and

17 “(2) any related service (including a support  
18 service) and any related resource.

19 “(b) PROMULGATION OF RULES AND REGULA-  
20 TIONS.—

21 “(1) PROCUREMENT, MAINTENANCE, AND USE  
22 OF ELECTRONIC AND INFORMATION TECHNOLOGY.—  
23 Consistent with paragraph (2), each Federal agency  
24 shall procure, maintain, and use electronic and infor-  
25 mation technology that allows, regardless of the type

1 of medium of the technology, individuals with dis-  
2 abilities to produce information and data, and have  
3 access to information and data, comparable to the  
4 information and data, and access, respectively, of in-  
5 dividuals who are not individuals with disabilities.

6 “(2) REGULATIONS.—

7 “(A) IN GENERAL.—Not later than 1 year  
8 after the date of enactment of the Rehabilita-  
9 tion Act Amendments of 1998, the Access  
10 Board, after consultation with the Secretary of  
11 Education, the Administrator of the General  
12 Services Administration, and the head of any  
13 other Federal agency that the Access Board  
14 may determine to be appropriate, and after con-  
15 sultation with the electronic and information  
16 technology industry and appropriate public or  
17 nonprofit agencies or organizations, shall issue  
18 regulations, including criteria for procurement  
19 of accessible electronic and information tech-  
20 nology, to implement this section.

21 “(B) CRITERIA.—The Access Board shall  
22 consult with the Director of the National Insti-  
23 tute on Disability and Rehabilitation Research  
24 and the heads of other Federal agencies that  
25 conduct applicable research, regarding relevant



1 research findings to assist the Access Board in  
2 developing and updating the criteria for pro-  
3 curement of accessible technology required  
4 under subparagraph (A).

5 “(C) REVIEWS AND AMENDMENTS.—The  
6 Access Board shall review and amend the regu-  
7 lations periodically to reflect technological ad-  
8 vances or changes in electronic and information  
9 technology.

10 “(c) TECHNICAL ASSISTANCE.—The Access Board  
11 shall provide technical assistance to individuals and Fed-  
12 eral agencies concerning the rights and responsibilities  
13 provided under this section. The Administrator of the  
14 General Services Administration shall provide technical  
15 assistance to Federal agencies concerning the rights and  
16 responsibilities provided under this section, in coordination  
17 with the activities of the Access Board.

18 “(d) COMPLIANCE.—

19 “(1) IN GENERAL.—Not later than 1 year after  
20 the date of enactment of the Rehabilitation Act  
21 Amendments of 1998, the Access Board shall estab-  
22 lish, by regulation issued under subsection (b), pro-  
23 cedures for ensuring the compliance of Federal  
24 agencies with this section (including the regulation).

1           “(2) PROCEDURES.—At a minimum the regula-  
2           tion shall establish procedures by which—

3                   “(A) the head of each Federal agency shall  
4                   assess the compliance of the agency with this  
5                   section and report periodically to the Access  
6                   Board and the Director of the Office of Man-  
7                   agement and Budget on such compliance;

8                   “(B) any aggrieved person may file a com-  
9                   plaint with the Access Board regarding non-  
10                  compliance by a Federal agency with this sec-  
11                  tion; and

12                  “(C) the Access Board may, after provid-  
13                  ing notice and an opportunity for a hearing,  
14                  issue an order requiring compliance with this  
15                  section, which shall be final and binding on the  
16                  affected Federal agency.

17           “(3) OFFICE OF MANAGEMENT AND BUDGET  
18           OVERSIGHT.—

19                   “(A) OVERSIGHT AND COORDINATION.—  
20                   The Director of the Office of Management and  
21                   Budget shall oversee and coordinate the pro-  
22                   curement, financial management, information,  
23                   and regulatory policies of the executive branch  
24                   of the Federal Government relating to elec-  
25                   tronic and information technology.

1           “(B) ISSUANCE OF POLICIES.—In issuing  
2           circulars, bulletins, directives, memoranda, and  
3           other policies affecting the procurement, main-  
4           tenance, and use of electronic and information  
5           technology, by Federal agencies, as appropriate,  
6           the Director of the Office of Management and  
7           Budget shall require compliance with this sec-  
8           tion, including the regulations and criteria de-  
9           scribed in subsection (b).

10          “(e) RELATIONSHIP TO OTHER LAWS.—This section  
11       shall not be construed to limit a remedy, right, or proce-  
12       dure available under any other provision of Federal law  
13       (including title V and the Americans with Disabilities Act  
14       of 1990), or State or local law (including State common  
15       law) that provides greater or equal protection for the  
16       rights of individuals with disabilities.”.

17          (c) PROTECTION AND ADVOCACY OF INDIVIDUAL  
18       RIGHTS.—Section 509 (29 U.S.C. 794e) is amended to  
19       read as follows:

20       **“SEC. 509. PROTECTION AND ADVOCACY OF INDIVIDUAL**  
21               **RIGHTS.**

22          “(a) PURPOSE.—The purpose of this section is to  
23       support a system in each State to protect the legal and  
24       human rights of individuals with disabilities who—

1           “(1) need services that are beyond the scope of  
2           services authorized to be provided by the client as-  
3           sistance program under section 112; and

4           “(2) are ineligible for protection and advocacy  
5           programs under part C of the Developmental Dis-  
6           abilities Assistance and Bill of Rights Act (42  
7           U.S.C. 6041 et seq.) because the individuals do not  
8           have a developmental disability, as defined in section  
9           102 of such Act (42 U.S.C. 6002) and the Protec-  
10          tion and Advocacy for Mentally Ill Individuals Act of  
11          1986 (42 U.S.C. 10801 et seq.) because the individ-  
12          uals are not individuals with mental illness, as de-  
13          fined in section 102 of such Act (42 U.S.C. 10802).

14          “(b) APPROPRIATIONS LESS THAN \$5,500,000.—For  
15          any fiscal year in which the amount appropriated to carry  
16          out this section is less than \$5,500,000, the Commissioner  
17          may make grants from such amount to eligible systems  
18          within States to plan for, develop outreach strategies for,  
19          and carry out protection and advocacy programs author-  
20          ized under this section for individuals with disabilities who  
21          meet the requirements of paragraphs (1) and (2) of sub-  
22          section (a).

23          “(c) APPROPRIATIONS OF \$5,500,000 OR MORE.—

24          “(1) RESERVATIONS.—

1           “(A) TECHNICAL ASSISTANCE.—For any  
2           fiscal year in which the amount appropriated to  
3           carry out this section equals or exceeds  
4           \$5,500,000, the Commissioner shall set aside  
5           not less than 1.8 percent and not more than 2.2  
6           percent of the amount to provide training and  
7           technical assistance to the systems established  
8           under this section.

9           “(B) GRANT FOR THE ELIGIBLE SYSTEM  
10          SERVING THE AMERICAN INDIAN CONSOR-  
11          TIUM.—For any fiscal year in which the  
12          amount appropriated to carry out this section  
13          equals or exceeds \$10,500,000, the Commis-  
14          sioner shall reserve a portion, and use the por-  
15          tion to make a grant for the eligible system  
16          serving the American Indian consortium. The  
17          Commission shall make the grant in an amount  
18          of not less than \$50,000 for the fiscal year.

19          “(2) ALLOTMENTS.—For any such fiscal year,  
20          after the reservations required by paragraph (1)  
21          have been made, the Commissioner shall make allot-  
22          ments from the remainder of such amount in accord-  
23          ance with paragraph (3) to eligible systems within  
24          States to enable such systems to carry out protec-

1       tion and advocacy programs authorized under this  
2       section for such individuals.

3               “(3) SYSTEMS WITHIN STATES.—

4               “(A) POPULATION BASIS.—Except as pro-  
5       vided in subparagraph (B), from such remain-  
6       der for each such fiscal year, the Commissioner  
7       shall make an allotment to the eligible system  
8       within a State of an amount bearing the same  
9       ratio to such remainder as the population of the  
10      State bears to the population of all States.

11              “(B) MINIMUMS.—Subject to the availabil-  
12      ity of appropriations to carry out this section,  
13      and except as provided in paragraph (4), the al-  
14      lotment to any system under subparagraph (A)  
15      shall be not less than \$100,000 or one-third of  
16      one percent of the remainder for the fiscal year  
17      for which the allotment is made, whichever is  
18      greater, and the allotment to any system under  
19      this section for any fiscal year that is less than  
20      \$100,000 or one-third of one percent of such  
21      remainder shall be increased to the greater of  
22      the two amounts.

23              “(4) SYSTEMS WITHIN OTHER JURISDIC-  
24      TIONS.—

1           “(A) IN GENERAL.—For the purposes of  
2           paragraph (3)(B), Guam, American Samoa, the  
3           United States Virgin Islands, and the Common-  
4           wealth of the Northern Mariana Islands shall  
5           not be considered to be States.

6           “(B) ALLOTMENT.—The eligible system  
7           within a jurisdiction described in subparagraph  
8           (A) shall be allotted under paragraph (3)(A)  
9           not less than \$50,000 for the fiscal year for  
10          which the allotment is made.

11          “(5) ADJUSTMENT FOR INFLATION.—For any  
12          fiscal year, beginning in fiscal year 1999, in which  
13          the total amount appropriated to carry out this sec-  
14          tion exceeds the total amount appropriated to carry  
15          out this section for the preceding fiscal year, the  
16          Commissioner shall increase each of the minimum  
17          grants or allotments under paragraphs (1)(B),  
18          (3)(B), and (4)(B) by a percentage that shall not ex-  
19          ceed the percentage increase in the total amount ap-  
20          propriated to carry out this section between the pre-  
21          ceding fiscal year and the fiscal year involved.

22          “(d) PROPORTIONAL REDUCTION.—To provide mini-  
23          mum allotments to systems within States (as increased  
24          under subsection (c)(5)) under subsection (c)(3)(B), or to  
25          provide minimum allotments to systems within States (as

1 increased under subsection (c)(5)) under subsection  
2 (c)(4)(B), the Commissioner shall proportionately reduce  
3 the allotments of the remaining systems within States  
4 under subsection (c)(3), with such adjustments as may be  
5 necessary to prevent the allotment of any such remaining  
6 system within a State from being reduced to less than the  
7 minimum allotment for a system within a State (as in-  
8 creased under subsection (c)(5)) under subsection  
9 (c)(3)(B), or the minimum allotment for a State (as in-  
10 creased under subsection (c)(5)) under subsection  
11 (c)(4)(B), as appropriate.

12       “(e) REALLOTMENT.—Whenever the Commissioner  
13 determines that any amount of an allotment to a system  
14 within a State for any fiscal year described in subsection  
15 (c)(1) will not be expended by such system in carrying out  
16 the provisions of this section, the Commissioner shall  
17 make such amount available for carrying out the provi-  
18 sions of this section to one or more of the systems that  
19 the Commissioner determines will be able to use additional  
20 amounts during such year for carrying out such provi-  
21 sions. Any amount made available to a system for any fis-  
22 cal year pursuant to the preceding sentence shall, for the  
23 purposes of this section, be regarded as an increase in the  
24 allotment of the system (as determined under the preced-  
25 ing provisions of this section) for such year.



1       “(f) APPLICATION.—In order to receive assistance  
2 under this section, an eligible system shall submit an ap-  
3 plication to the Commissioner, at such time, in such form  
4 and manner, and containing such information and assur-  
5 ances as the Commissioner determines necessary to meet  
6 the requirements of this section, including assurances that  
7 the eligible system will—

8               “(1) have in effect a system to protect and ad-  
9 vocate the rights of individuals with disabilities;

10              “(2) have the same general authorities, includ-  
11 ing access to records and program income, as are set  
12 forth in part C of the Developmental Disabilities As-  
13 sistance and Bill of Rights Act (42 U.S.C. 6041 et  
14 seq.);

15              “(3) have the authority to pursue legal, admin-  
16 istrative, and other appropriate remedies or ap-  
17 proaches to ensure the protection of, and advocacy  
18 for, the rights of such individuals within the State  
19 or the American Indian consortium who are individ-  
20 uals described in subsection (a);

21              “(4) provide information on and make referrals  
22 to programs and services addressing the needs of in-  
23 dividuals with disabilities in the State or the Amer-  
24 ican Indian consortium;

1           “(5) develop a statement of objectives and pri-  
2           orities on an annual basis, and provide to the public,  
3           including individuals with disabilities and, as appro-  
4           priate, the individuals’ representatives, an oppor-  
5           tunity to comment on the objectives and priorities  
6           established by, and activities of, the system includ-  
7           ing—

8                   “(A) the objectives and priorities for the  
9                   activities of the system for each year and the  
10                  rationale for the establishment of such objec-  
11                  tives and priorities; and

12                  “(B) the coordination of programs pro-  
13                  vided through the system under this section  
14                  with the advocacy programs of the client assist-  
15                  ance program under section 112, the State  
16                  long-term care ombudsman program established  
17                  under the Older Americans Act of 1965 (42  
18                  U.S.C. 3001 et seq.), the Developmental Dis-  
19                  abilities Assistance and Bill of Rights Act (42  
20                  U.S.C. 6000 et seq.), and the Protection and  
21                  Advocacy for Mentally Ill Individuals Act of  
22                  1986 (42 U.S.C. 10801 et seq.);

23           “(6) establish a grievance procedure for clients  
24           or prospective clients of the system to ensure that

1 individuals with disabilities are afforded equal oppor-  
2 tunity to access the services of the system;

3 “(7) provide assurances to the Commissioner  
4 that funds made available under this section will be  
5 used to supplement and not supplant the non-Fed-  
6 eral funds that would otherwise be made available  
7 for the purpose for which Federal funds are pro-  
8 vided; and

9 “(8) not use allotments or grants provided  
10 under this section in a manner inconsistent with sec-  
11 tion 5 of the Assisted Suicide Funding Restriction  
12 Act of 1997.

13 “(g) CARRYOVER AND DIRECT PAYMENT.—

14 “(1) DIRECT PAYMENT.—Notwithstanding any  
15 other provision of law, the Commissioner shall pay  
16 directly to any system that complies with the provi-  
17 sions of this section, the amount of the allotment of  
18 the State or the grant for the eligible system that  
19 serves the American Indian consortium involved  
20 under this section, unless the State or American In-  
21 dian consortium provides otherwise.

22 “(2) CARRYOVER.—Any amount paid to an eli-  
23 gible system that serves a State or American Indian  
24 consortium for a fiscal year that remains unobli-  
25 gated at the end of such year shall remain available

1 to such system that serves the State or American In-  
2 dian consortium for obligation during the next fiscal  
3 year for the purposes for which such amount was  
4 paid.

5 “(h) LIMITATION ON DISCLOSURE REQUIRE-  
6 MENTS.—For purposes of any audit, report, or evaluation  
7 of the performance of the program established under this  
8 section, the Commissioner shall not require such a pro-  
9 gram to disclose the identity of, or any other personally  
10 identifiable information related to, any individual request-  
11 ing assistance under such program.

12 “(i) ADMINISTRATIVE COST.—In any State in which  
13 an eligible system is located within a State agency, a State  
14 may use a portion of any allotment under subsection (c)  
15 for the cost of the administration of the system required  
16 by this section. Such portion may not exceed 5 percent  
17 of the allotment.

18 “(j) DELEGATION.—The Commissioner may delegate  
19 the administration of this program to the Commissioner  
20 of the Administration on Developmental Disabilities with-  
21 in the Department of Health and Human Services.

22 “(k) REPORT.—The Commissioner shall annually  
23 prepare and submit to the Committee on Education and  
24 the Workforce of the House of Representatives and the  
25 Committee on Labor and Human Resources of the Senate

1 a report describing the types of services and activities  
2 being undertaken by programs funded under this section,  
3 the total number of individuals served under this section,  
4 the types of disabilities represented by such individuals,  
5 and the types of issues being addressed on behalf of such  
6 individuals.

7 “(l) AUTHORIZATION OF APPROPRIATIONS.—There  
8 are authorized to be appropriated to carry out this section  
9 such sums as may be necessary for each of the fiscal years  
10 1998 through 2004.

11 “(m) DEFINITIONS.—As used in this section:

12 “(1) ELIGIBLE SYSTEM.—The term ‘eligible  
13 system’ means a protection and advocacy system  
14 that is established under part C of the Develop-  
15 mental Disabilities Assistance and Bill of Rights Act  
16 (42 U.S.C. 6041 et seq.) and that meets the require-  
17 ments of subsection (f).

18 “(2) AMERICAN INDIAN CONSORTIUM.—The  
19 term ‘American Indian consortium’ means a consor-  
20 tium established as described in section 142 of the  
21 Developmental Disabilities Assistance and Bill of  
22 Rights Act (42 U.S.C. 6042).”.

1 **SEC. 9. EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS**  
2 **WITH DISABILITIES.**

3 Title VI of the Rehabilitation Act of 1973 (29 U.S.C.  
4 795 et seq.) is amended to read as follows:

5 **“TITLE VI—EMPLOYMENT OP-**  
6 **PORTUNITIES FOR INDIVID-**  
7 **UALS WITH DISABILITIES**

8 **“SEC. 601. SHORT TITLE.**

9 “This title may be cited as the ‘Employment Oppor-  
10 tunities for Individuals With Disabilities Act’.

11 **“PART A—PROJECTS IN TELECOMMUTING AND**  
12 **SELF-EMPLOYMENT FOR INDIVIDUALS WITH**  
13 **DISABILITIES**

14 **“SEC. 611. FINDINGS, POLICIES, AND PURPOSES.**

15 “(a) FINDINGS.—Congress makes the following find-  
16 ings:

17 “(1) It is in the best interest of the United  
18 States to identify and promote increased employ-  
19 ment opportunities for individuals with disabilities.

20 “(2) Telecommuting is one of the most rapidly  
21 expanding forms of employment. In 1990 there were  
22 4,000,000 telecommuters and that number has risen  
23 to 11,100,000 in 1997.

24 “(3) It is in the best interest of the United  
25 States to ensure that individuals with disabilities  
26 have access to telecommuting employment opportu-

1 nities. It has been estimated that 10 percent of indi-  
2 viduals with disabilities, who are unemployed, could  
3 benefit from telecommuting opportunities.

4 “(4) It is in the interest of employers to recog-  
5 nize that individuals with disabilities are excellent  
6 candidates for telecommuting employment opportu-  
7 nities.

8 “(5) Individuals with disabilities, especially  
9 those living in rural areas, often do not have access  
10 to accessible transportation, and in such cases tele-  
11 commuting presents an excellent opportunity for the  
12 employment of such individuals.

13 “(6) It is in the best interests of economic de-  
14 velopment agencies, venture capitalists, and financial  
15 institutions for the Federal Government to dem-  
16 onstrate that individuals with disabilities, who wish  
17 to become or who are self-employed, can meet the  
18 criteria for assistance, investment of capital, and  
19 business that other entrepreneurs meet.

20 “(b) POLICIES.—It is the policy of the United States  
21 to—

22 “(1) promote opportunities for individuals with  
23 disabilities to—

24 “(A) secure, retain, regain, or advance in  
25 employment involving telecommuting;

1           “(B) gain access to employment opportuni-  
2           ties; and

3           “(C) demonstrate their abilities, capabili-  
4           ties, interests, and preferences regarding em-  
5           ployment in positions that are increasingly  
6           being offered to individuals in the workplace;  
7           and

8           “(2) promote opportunities for individuals with  
9           disabilities to engage in self-employment enterprises  
10          that permit these individuals to achieve significant  
11          levels of independence, participate in and contribute  
12          to the life of their communities, and offer employ-  
13          ment opportunities to others.

14          “(c) PURPOSES.—It is the purpose of this part to—

15               “(1) through the awarding of 1-time, time-lim-  
16               ited grants, contracts, or cooperative agreements to  
17               public and private entities—

18                       “(A) provide funds, in accordance with sec-  
19                       tion 612, to enable individuals with disabilities  
20                       to identify and secure employment opportunities  
21                       involving telecommuting; and

22                       “(B) encourage employers to become part-  
23                       ners in providing telecommuting placements for  
24                       individuals with disabilities through the involve-  
25                       ment of such employers in telecommuting



1 projects that continue and expand opportunities  
 2 for the provision of telecommuting placements  
 3 to individuals with disabilities beyond those op-  
 4 portunities that are currently facilitated by the  
 5 telecommuting projects; and

6 “(2) through the awarding of 1-time, time-lim-  
 7 ited grants, contracts, cooperative agreements, or  
 8 other appropriate mechanisms of providing assist-  
 9 ance to public or private entities—

10 “(A) assist individuals with disabilities to  
 11 engage in self-employment enterprises in ac-  
 12 cordance with section 613; and

13 “(B) encourage entities to assist more indi-  
 14 viduals with disabilities to engage in self-em-  
 15 ployment enterprises.

16 **“SEC. 612. PROJECTS IN TELECOMMUTING FOR INDIVID-**  
 17 **UALS WITH DISABILITIES.**

18 “(a) IN GENERAL.—The Commissioner shall, on a  
 19 competitive basis, award 1-time, time-limited grants, con-  
 20 tracts, or cooperative agreements to eligible entities for the  
 21 establishment and operation of projects in telecommuting  
 22 for individuals with disabilities.

23 “(b) ELIGIBLE ENTITIES.—To be eligible to receive  
 24 a grant, contract, or cooperative agreement under sub-  
 25 section (a) an entity shall—

1 “(1) be—

2 “(A) an entity carrying out a Project With  
3 Industry described in part B;

4 “(B) a designated State agency;

5 “(C) a statewide workforce investment  
6 partnership or local workforce investment part-  
7 nership;

8 “(D) a public educational agency;

9 “(E) a training institution, which may in-  
10 clude an institution of higher education;

11 “(F) a private organization, with priority  
12 given to organizations of or for individuals with  
13 disabilities;

14 “(G) a public or private employer;

15 “(H) any other entity that the Commis-  
16 sioner determines to be appropriate; or

17 “(I) a combination or consortium of the  
18 entities described in subparagraphs (A) through  
19 (H);

20 “(2) have 3 or more years of experience in as-  
21 sisting individuals with disabilities in securing, re-  
22 taining, regaining, or advancing in employment;

23 “(3) demonstrate that such entity has the ca-  
24 pacity to secure full- and part-time employment in-

1       volving telecommuting for individuals with disabili-  
2       ties; and

3               “(4) submit an application that meets the re-  
4       quirements of subsection (c).

5       “(c) APPLICATION REQUIREMENTS.—To be eligible  
6 to receive a grant, contract, or cooperative agreement  
7 under subsection (a), an entity shall submit to the Com-  
8 missioner at such time, in such manner, and containing  
9 such information concerning the telecommuting project to  
10 be funded under the grant, contract, or agreement as the  
11 Commissioner may require, including—

12               “(1) a description of how and the extent to  
13       which the applicant meets the requirement of sub-  
14       section (b)(2);

15               “(2) with respect to any partners who will par-  
16       ticipate in the implementation of activities under the  
17       telecommuting project, a description of—

18                       “(A) the identity of such partners; and

19                       “(B) the roles and responsibilities of each  
20       partner in preparing the application, and if  
21       funded, the roles and responsibility of each  
22       partner during the telecommuting project;

23               “(3) a description of the geographic region that  
24       will be the focus of activity under the telecommuting  
25       project;

1           “(4) a projection for each year of a 3-year pe-  
2           riod of the grant, contract, or agreement, of the  
3           number of individuals with disabilities who will be  
4           employed as the result of the assistance provided by  
5           the telecommuting project;

6           “(5) with respect to any employers that have  
7           indicated an interest in offering telecommuting em-  
8           ployment opportunities to individuals with disabili-  
9           ties, a description of—

10                   “(A) the identity of such employers; and

11                   “(B) the manner in which additional em-  
12           ployers would be recruited under the tele-  
13           commuting project;

14           “(6) a description of the manner in which indi-  
15           viduals with disabilities will be identified and se-  
16           lected to participate in the telecommuting project;

17           “(7) a description of the jobs that will be tar-  
18           geted by the telecommuting project;

19           “(8) a description of the process by which indi-  
20           viduals with disabilities will be matched with employ-  
21           ers for telecommuting placements;

22           “(9) a description of the manner in which the  
23           project will become self-sustaining in the third year  
24           of the telecommuting project; and

1           “(10) a description of the nature and amount  
2           of funding, including in-kind support, other than  
3           funds received under this part, that will be available  
4           to be used by the telecommuting project.

5           “(d) USE OF FUNDS.—Amounts received under a  
6           grant, contract, or cooperative agreement under sub-  
7           section (a) shall be used for—

8           “(1) the recruitment of individuals with disabil-  
9           ities for telecommuting placements;

10           “(2) the conduct of marketing activities with re-  
11           spect to employers;

12           “(3) the purchase of training services for an in-  
13           dividual with a disability who is going to assume a  
14           telecommuting placement;

15           “(4) the purchase of equipment, materials, tele-  
16           phone lines, auxiliary aids, and services related to  
17           telecommuting placements;

18           “(5) the provision of orientation services and  
19           training to the supervisors of employers participat-  
20           ing in the project and to co-workers of individuals  
21           with disabilities who are selected for telecommuting  
22           placements;

23           “(6) the provision of technical assistance to em-  
24           ployers, including technical assistance regarding rea-  
25           sonable accommodations with regard to individuals

1 with disabilities participating in telecommuting  
2 placements; and

3 “(7) other uses determined appropriate by the  
4 Commissioner.

5 “(e) PROJECT REQUIREMENTS.—Telecommuting  
6 projects funded under this section shall—

7 “(1) establish criteria for safety with regard to  
8 the telecommuting work space, which at a minimum  
9 meet guidelines established by the Occupational  
10 Safety and Health Administration for a work space  
11 of comparable size and function;

12 “(2) on an annual basis, enter into agreements  
13 with the Commissioner that contain goals concerning  
14 the number of individuals with disabilities that the  
15 project will place in telecommuting positions;

16 “(3) establish procedures for ensuring that pro-  
17 spective employers and individuals with disabilities,  
18 who are to assume telecommuting placements, have  
19 a clear understanding of how the individual’s work  
20 performance will be monitored and evaluated by the  
21 employer;

22 “(4) identify and make available support serv-  
23 ices for individuals with disabilities in telecommuting  
24 placements;

1           “(5) develop procedures that allow the tele-  
2           commuting project, the employer, and the individual  
3           with a disability to reach agreement on their respec-  
4           tive responsibilities with regard to establishing and  
5           maintaining the telecommuting placement; *and*

6           “(6) for each year of a telecommuting project,  
7           submit an annual report to the Commissioner con-  
8           cerning—

9                   “(A) the number of individuals with dis-  
10                  abilities placed in telecommuting positions and  
11                  whether the goal described in the agreement en-  
12                  tered into *under* paragraph (2) was met;

13                  “(B) the number of individuals with dis-  
14                  abilities employed as salaried employees and  
15                  their annual salaries;

16                  “(C) the number of individuals with dis-  
17                  abilities employed as independent contractors  
18                  and their annual incomes;

19                  “(D) the number of individuals with dis-  
20                  abilities that received benefits from their em-  
21                  ployers;

22                  “(E) the number of individuals with dis-  
23                  abilities in telecommuting placements still work-  
24                  ing after—

25                          “(i) 6 months; and

1 “(ii) 12 months; and

2 “(F) any reports filed with the Occupa-  
3 tional Safety and Health Administration.

4 “(f) LIMITATIONS.—

5 “(1) PERIOD OF AWARD.—A grant, contract, or  
6 cooperative agreement under subsection (a) shall be  
7 for a 3-year period.

8 “(2) AMOUNT.—The amount of a grant, con-  
9 tract, or cooperative agreement under subsection (a)  
10 shall not be less than \$250,000 nor more than  
11 \$1,000,000.

12 **“SEC. 613. PROJECTS IN SELF-EMPLOYMENT FOR INDIVID-**  
13 **UALS WITH DISABILITIES.**

14 “(a) IN GENERAL.—The Commissioner shall, on a  
15 competitive basis, award 1-time, time-limited grants, con-  
16 tracts, or cooperative agreements to eligible entities for the  
17 establishment and operation of projects in self-employ-  
18 ment for individuals with disabilities.

19 “(b) ELIGIBLE ENTITIES.—To be eligible to receive  
20 a grant, contract, or cooperative agreement under sub-  
21 section (a) an entity shall—

22 “(1) be—

23 “(A) a financial institution;

24 “(B) an economic development agency;

25 “(C) a venture capitalist;



1           “(D) an entity carrying out a Project With  
2           Industry described in part B;

3           “(E) a designated State agency, or other  
4           public entity;

5           “(F) a private organization, including em-  
6           ployers and organizations related to individuals  
7           with disabilities;

8           “(G) any other entity that the Commis-  
9           sioner determines to be appropriate; or

10          “(H) a combination or consortium of the  
11          entities described in subparagraphs (A) through  
12          (G);

13          “(2) demonstrate that such entity has the ca-  
14          pacity to assist clients, including clients with disabil-  
15          ities, to successfully engage in self-employment en-  
16          terprises; and

17          “(3) submit an application that meets the re-  
18          quirements of subsection (c).

19          “(c) APPLICATION REQUIREMENTS.—To be eligible  
20          to receive a grant, contract, or cooperative agreement  
21          under subsection (a), an entity shall submit to the Com-  
22          missioner at such time, in such manner, and containing  
23          such information concerning the self-employment project  
24          to be funded under the grant, contract, or agreement as  
25          the Commissioner may require, including—

1           “(1) a description of how and the extent to  
2           which the applicant has assisted individuals, includ-  
3           ing individuals with disabilities, if appropriate, to  
4           successfully engage in self-employment enterprises;

5           “(2) with respect to any partners who will par-  
6           ticipate in the implementation of activities under the  
7           self-employment project, a description of—

8                   “(A) the identity of such partners; and

9                   “(B) the roles and responsibilities of each  
10           partner in preparing the application, and if  
11           funded, the roles and responsibility of each  
12           partner during the self-employment project;

13           “(3) a description of the geographic region that  
14           will be the focus of activity in the self-employment  
15           project;

16           “(4) a projection for each year of a 3-year pe-  
17           riod of the grant, contract, or agreement, of the  
18           number of clients who will be assisted to engage in  
19           self-employment enterprises through the self-employ-  
20           ment project;

21           “(5) a description of the manner in which po-  
22           tential clients will be identified and selected to be as-  
23           sisted by the self-employment project;

24           “(6) a description of the manner in which self-  
25           employment enterprises (or market niches) will be

1 identified for the geographic areas to be targeted in  
2 the self-employment project;

3 “(7) a description of the process by which pro-  
4 spective clients will be matched with self-employment  
5 opportunities;

6 “(8) a description of the manner in which the  
7 project will become self-sustaining in the third year  
8 of the self-employment project; and

9 “(9) a description of the nature and amount of  
10 funding, including in-kind support, other than funds  
11 received under this part, that will be available to be  
12 used during the self-employment project.

13 “(d) USE OF FUNDS.—Amounts received under a  
14 grant, contract, or cooperative agreement under sub-  
15 section (a) shall be used—

16 “(1) for the preparation of marketing analyses  
17 to identify self-employment opportunities;

18 “(2) for the conduct of marketing activities  
19 with respect to financial institutions or venture cap-  
20 italists concerning the benefits of investing in indi-  
21 viduals with disabilities who are engaged in self-em-  
22 ployment enterprises;

23 “(3) for the conduct of marketing activities  
24 with respect to potential clients who engage in or  
25 might engage in self-employment enterprises;

1           “(4) for the provision of training for clients to  
2           be assisted through the project who seek to engage  
3           or are engaging in self-employment enterprises;

4           “(5) to cover the costs of business expenses spe-  
5           cifically related to an individual’s disability;

6           “(6) to provide assistance for clients in develop-  
7           ing business plans for capital investment;

8           “(7) to provide assistance for clients in securing  
9           capital to engage in a self-employment enterprise;

10          “(8) to provide technical assistance to clients  
11          engaged in self-employment enterprises who seek  
12          such assistance in order to sustain or expand their  
13          enterprises; and

14          “(9) for other uses as determined appropriate  
15          by the Commissioner.

16          “(e) PROJECT REQUIREMENTS.—Self-employment  
17 projects funded under this section shall—

18               “(1) establish criteria for and apply such cri-  
19               teria in selecting clients to be assisted through the  
20               project;

21               “(2) on an annual basis, enter into agreements  
22               with the Commissioner that contain goals concerning  
23               the number of individuals with disabilities that the  
24               project will assist in starting and sustaining self-em-  
25               ployment enterprises;

1           “(3) establish and apply criteria to determine  
2           whether an enterprise is a viable option in which to  
3           invest project funds;

4           “(4) establish and apply criteria to determine  
5           when and if the project would provide assistance in  
6           sustaining an ongoing enterprise engaged in by a cli-  
7           ent or potential client;

8           “(5) establish and apply criteria to determine  
9           when and if the project would provide assistance in  
10          expanding an ongoing enterprise engaged in by a cli-  
11          ent or potential client;

12          “(6) establish and apply procedures to ensure  
13          that a potential client has a clear understanding of  
14          the scope and limits of assistance from the project  
15          that will be applicable in such client’s case;

16          “(7) develop procedures, which include a writ-  
17          ten agreement, that ~~provides~~ *provide* for the docu-  
18          mentation of the respective responsibilities of the  
19          self-employment project and any client with regard  
20          to the creation, maintenance, or expansion of the cli-  
21          ent’s self-employment enterprise; and

22          “(8) with respect to the project, submit a report  
23          to the Commissioner—

24                 “(A) for each project year, concerning the  
25                 number of clients assisted by the project who

1 are engaging in self-employment enterprises  
 2 and whether the goal described in the agree-  
 3 ment entered into under paragraph (2) was  
 4 met; and

5 “(B) *concerning* the number of clients as-  
 6 sisted by the project who are still engaged in  
 7 such an enterprise on the date that is—

8 “(i) 6 months after the date on which  
 9 assistance provided by the project was ter-  
 10 minated; and

11 “(ii) 12 months after the date ~~of~~ *on*  
 12 which assistance provided by the project  
 13 was terminated.

14 “(f) DURATION OF AWARDS.—A grant, contract, or  
 15 cooperative agreement under subsection (a) shall be for  
 16 a 3-year period.

17 “(g) DEFINITION.—For the purpose of this section,  
 18 the term ‘client’ means 1 or more individuals with disabil-  
 19 ities who engage in or seek to engage in a self-employment  
 20 enterprise.

21 **“SEC. 614. DISCRETIONARY AUTHORITY FOR DUAL-PUR-**  
 22 **POSE APPLICATIONS.**

23 “(a) IN GENERAL.—The Commissioner may establish  
 24 procedures to permit applicants for grants, contracts, or  
 25 cooperative agreements under this part to submit applica-

1 tions that serve dual purposes, so long as such applications  
 2 meet the requirements of sections 612 and ~~section~~ 613.

3 “(b) AMOUNT OF ASSISTANCE.—In a case described  
 4 in subsection (a), the minimum amount of a grant, con-  
 5 tract, or cooperative agreement awarded under a dual-pur-  
 6 pose application may, at the discretion of the Commis-  
 7 sioner, exceed the limitations described in section  
 8 612(f)(2).

9 **“SEC. 615. AUTHORIZATION OF APPROPRIATIONS.**

10 “There is authorized to be appropriated to carry out  
 11 this part, \$10,000,000 for fiscal year 1998, and such sums  
 12 as may be necessary for each of the fiscal years 1999  
 13 through 2004.

14 “PART B—PROJECTS WITH INDUSTRY

15 “PROJECTS WITH INDUSTRY

16 “SEC. 621. (a)(1) The purpose of this part is to cre-  
 17 ate and expand job and career opportunities for individ-  
 18 uals with disabilities in the competitive labor market by  
 19 engaging the talent and leadership of private industry as  
 20 partners in the rehabilitation process, to identify competi-  
 21 tive job and career opportunities and the skills needed to  
 22 perform such jobs, to create practical job and career readi-  
 23 ness and training programs, and to provide job placements  
 24 and career advancement.

1       “(2) The Commissioner, in consultation with the Sec-  
2 retary of Labor and with designated State units, may  
3 award grants to individual employers, community rehabili-  
4 tation program providers, labor unions, trade associations,  
5 Indian tribes, tribal organizations, designated State units,  
6 and other entities to establish jointly financed Projects  
7 With Industry to create and expand job and career oppor-  
8 tunities for individuals with disabilities, which projects  
9 shall—

10           “(A) provide for the establishment of business  
11 advisory councils, ~~which~~ *that* shall—

12                   “(i) be comprised of—

13                           “(I) representatives of private indus-  
14 try, business concerns, and organized  
15 labor;

16                           “(II) individuals with disabilities and  
17 representatives of individuals with disabil-  
18 ities; and

19                           “(III) a representative of the appro-  
20 priate designated State unit;

21                   “(ii) identify job and career availability  
22 within the community, consistent with the cur-  
23 rent and projected local employment opportuni-  
24 ties identified by the local workforce investment  
25 partnership for the community under section



1           308(e)(6) of the Workforce Investment Partner-  
2           ship Act of 1998;

3           “(iii) identify the skills necessary to per-  
4           form the jobs and careers identified; and

5           “(iv) prescribe training programs designed  
6           to develop appropriate job and career skills, or  
7           job placement programs designed to identify  
8           and develop job placement and career advance-  
9           ment opportunities, for individuals with disabili-  
10          ties in fields related to the job and career avail-  
11          ability identified under clause (ii);

12          “(B) provide job development, job placement,  
13          and career advancement services;

14          “(C) to the extent appropriate, provide for—

15               “(i) training in realistic work settings in  
16               order to prepare individuals with disabilities for  
17               employment and career advancement in the  
18               competitive market; and

19               “(ii) the modification of any facilities or  
20               equipment of the employer involved that are  
21               used primarily by individuals with disabilities,  
22               except that a project shall not be required to  
23               provide for such modification if the modification  
24               is required as a reasonable accommodation

1           under the Americans with Disabilities Act of  
2           1990 (42 U.S.C. 12101 et seq.); and

3           “(D) provide individuals with disabilities with  
4           such support services as may be required in order to  
5           maintain the employment and career advancement  
6           for which the individuals have received training  
7           under this part.

8           “(3)(A) An individual shall be eligible for services de-  
9           scribed in paragraph (2) if the individual is determined  
10          to be an individual described in section 102(a)(1), and if  
11          the determination is made in a manner consistent with  
12          section 102(a).

13          “(B) Such a determination may be made by the recip-  
14          ient of a grant under this part, to the extent the deter-  
15          mination is appropriate and available and consistent with  
16          the requirements of section 102(a).

17          “(4) The Commissioner shall enter into an agreement  
18          with the grant recipient regarding the establishment of the  
19          project. Any agreement shall be jointly developed by the  
20          Commissioner, the grant recipient, and, to the extent prac-  
21          ticable, the appropriate designated State unit and the indi-  
22          viduals with disabilities (or the individuals’ representa-  
23          tives) involved. Such agreements shall specify the terms  
24          of training and employment under the project, provide for  
25          the payment by the Commissioner of part of the costs of

1 the project (in accordance with subsection (c)), and con-  
2 tain the items required under subsection (b) and such  
3 other provisions as the parties to the agreement consider  
4 to be appropriate.

5 “(5) Any agreement shall include a description of a  
6 plan to annually conduct a review and evaluation of the  
7 operation of the project in accordance with standards de-  
8 veloped by the Commissioner under subsection (d), and,  
9 in conducting the review and evaluation, to collect data  
10 and information of the type described in subparagraphs  
11 (A) through (C) of section 101(a)(10), as determined to  
12 be appropriate by the Commissioner.

13 “(6) The Commissioner may include, as part of  
14 agreements with grant recipients, authority for such grant  
15 recipients to provide technical assistance to—

16 “(A) assist employers in hiring individuals with  
17 disabilities; or

18 “(B) improve or develop relationships be-  
19 tween—

20 “(i) grant recipients or prospective grant  
21 recipients; and

22 “(ii) employers or organized labor; or

23 “(C) assist employers in understanding and  
24 meeting the requirements of the Americans with  
25 Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)

1 as the Act relates to employment of individuals with  
2 disabilities.

3 “(b) No payment shall be made by the Commissioner  
4 under any agreement with a grant recipient entered into  
5 under subsection (a) unless such agreement—

6 “(1) provides an assurance that individuals with  
7 disabilities placed under such agreement shall re-  
8 ceive at least the applicable minimum wage;

9 “(2) provides an assurance that any individual  
10 with a disability placed under this part shall be af-  
11 farded terms and benefits of employment equal to  
12 terms and benefits that are afforded to the similarly  
13 situated nondisabled co-workers of the individual,  
14 and that such individuals with disabilities shall not  
15 be segregated from their co-workers; and

16 “(3) provides an assurance that an annual eval-  
17 uation report containing information specified under  
18 subsection (a)(5) shall be submitted as determined  
19 to be appropriate by the Commissioner.

20 “(c) Payments under this section with respect to any  
21 project may not exceed 80 per centum of the costs of the  
22 project.

23 “(d)(1) The Commissioner shall develop standards  
24 for the evaluation described in subsection (a)(5) and shall

1 review and revise the evaluation standards as necessary,  
2 subject to paragraphs (2) and (3).

3       “(2) In revising the standards for evaluation to be  
4 used by the grant recipients, the Commissioner shall ob-  
5 tain and consider recommendations for such standards  
6 from State vocational rehabilitation agencies, current and  
7 former grant recipients, professional organizations rep-  
8 resenting business and industry, organizations represent-  
9 ing individuals with disabilities, individuals served by  
10 grant recipients, organizations representing community  
11 rehabilitation program providers, and labor organizations.

12       “(3) No standards may be established under this sub-  
13 section unless the standards are approved by the National  
14 Council on Disability. The Council shall be afforded ade-  
15 quate time to review and approve the standards.

16       “(e)(1)(A) A grant may be awarded under this sec-  
17 tion for a period of up to 5 years and such grant may  
18 be renewed.

19       “(B) Grants under this section shall be awarded on  
20 a competitive basis. To be eligible to receive such a grant,  
21 a prospective grant recipient shall submit an application  
22 to the Commissioner at such time, in such manner, and  
23 containing such information as the Commissioner may re-  
24 quire.

1       “(2) The Commissioner shall, to the extent prac-  
2 ticable, ensure an equitable distribution of payments made  
3 under this section among the States. To the extent funds  
4 are available, the Commissioner shall award grants under  
5 this section to new projects that will serve individuals with  
6 disabilities in States, portions of States, Indian tribes, or  
7 tribal organizations, that are currently unserved or under-  
8 served by projects.

9       “(f)(1) The Commissioner shall, as necessary, develop  
10 and publish in the Federal Register, in final form, indica-  
11 tors of what constitutes minimum compliance consistent  
12 with the evaluation standards under subsection (d)(1).

13       “(2) Each grant recipient shall report to the Commis-  
14 sioner at the end of each project year the extent to which  
15 the grant recipient is in compliance with the evaluation  
16 standards.

17       “(3)(A) The Commissioner shall annually conduct on-  
18 site compliance reviews of at least 15 percent of grant re-  
19 cipients. The Commissioner shall select grant recipients  
20 for review on a random basis.

21       “(B) The Commissioner shall use the indicators in  
22 determining compliance with the evaluation standards.

23       “(C) The Commissioner shall ensure that at least one  
24 member of a team conducting such a review shall be an  
25 individual who—

1           “(i) is not an employee of the Federal Govern-  
2       ment; and

3           “(ii) has experience or expertise in conducting  
4       projects.

5       “(D) The Commissioner shall ensure that—

6           “(i) a representative of the appropriate des-  
7       ignated State unit shall participate in the review;  
8       and

9           “(ii) no person shall participate in the review of  
10      a grant recipient if—

11           “(I) the grant recipient provides any direct  
12      financial benefit to the reviewer; or

13           “(II) participation in the review would give  
14      the appearance of a conflict of interest.

15       “(4) In making a determination concerning any sub-  
16      sequent grant under this section, the Commissioner shall  
17      consider the past performance of the applicant, if applica-  
18      ble. The Commissioner shall use compliance indicators de-  
19      veloped under this subsection that are consistent with pro-  
20      gram evaluation standards developed under subsection (d)  
21      to assess minimum project performance for purposes of  
22      making continuation awards in the third, fourth, and fifth  
23      years.

24       “(5) Each fiscal year the Commissioner shall include  
25      in the annual report to Congress required by section 13

1 an analysis of the extent to which grant recipients have  
 2 complied with the evaluation standards. The Commis-  
 3 sioner may identify individual grant recipients in the anal-  
 4 ysis. In addition, the Commissioner shall report the results  
 5 of ~~on-site~~ *onsite* compliance reviews, identifying individual  
 6 grant recipients.

7 “(g) The Commissioner may provide, directly or by  
 8 way of grant, contract, or cooperative agreement, technical  
 9 assistance to—

10 “(1) entities conducting projects for the pur-  
 11 pose of assisting such entities in—

12 “(A) the improvement of or the develop-  
 13 ment of relationships with private industry or  
 14 labor; or

15 “(B) the improvement of relationships with  
 16 State vocational rehabilitation agencies; and

17 “(2) entities planning the development of new  
 18 projects.

19 “(h) As used in this section:

20 “(1) The term ‘agreement’ means an agreement  
 21 described in subsection (a)(4).

22 “(2) The term ‘project’ means a Project With  
 23 Industry established under subsection (a)(2).

24 “(3) The term ‘grant recipient’ means a recipi-  
 25 ent of a grant under subsection (a)(2).



1 “AUTHORIZATION OF APPROPRIATIONS

2 “SEC. 622. There are authorized to be appropriated  
3 to carry out the provisions of this part, such sums as may  
4 be necessary for each of fiscal years 1998 through 2004.

5 “PART C—SUPPORTED EMPLOYMENT SERVICES FOR IN-  
6 DIVIDUALS WITH THE MOST SIGNIFICANT DISABIL-  
7 ITIES

8 **“SEC. 631. PURPOSE.**

9 “It is the purpose of this part to authorize allotments,  
10 in addition to grants for vocational rehabilitation services  
11 under title I, to assist States in developing collaborative  
12 programs with appropriate entities to provide supported  
13 employment services for individuals with the most signifi-  
14 cant disabilities to enable such individuals to achieve the  
15 employment outcome of supported employment.

16 **“SEC. 632. ALLOTMENTS.**

17 “(a) IN GENERAL.—

18 “(1) STATES.—The Secretary shall allot the  
19 sums appropriated for each fiscal year to carry out  
20 this part among the States on the basis of relative  
21 population of each State, except that—

22 “(A) no State shall receive less than  
23 \$250,000, or one-third of one percent of the  
24 sums appropriated for the fiscal year for which  
25 the allotment is made, whichever is greater; and

1           “(B) if the sums appropriated to carry out  
 2           this part for the fiscal year exceed by  
 3           \$1,000,000 or more the sums appropriated to  
 4           carry out this part in fiscal year 1992, no State  
 5           shall receive less than \$300,000, or one-third of  
 6           one percent of the sums appropriated for the  
 7           fiscal year for which the allotment is made,  
 8           whichever is greater.

9           “(2) CERTAIN TERRITORIES.—

10           “(A) IN GENERAL.—For the purposes of  
 11           this subsection, Guam, American Samoa, the  
 12           United States Virgin Islands, and the Common-  
 13           wealth of the Northern Mariana Islands shall  
 14           not be considered to be States.

15           “(B) ALLOTMENT.—Each jurisdiction de-  
 16           scribed in subparagraph (A) shall be allotted  
 17           not less than one-eighth of one percent of the  
 18           amounts appropriated for the fiscal year for  
 19           which the allotment is made.

20           “(b) REALLOTMENT.—Whenever the Commissioner  
 21           determines that any amount of an allotment to a State  
 22           for any fiscal year will not be expended by such State for  
 23           carrying out the provisions of this part, the Commissioner  
 24           shall make such amount available for carrying out the pro-  
 25           visions of this part to one or more of the States that the

1 Commissioner determines will be able to use additional  
2 amounts during such year for carrying out such provi-  
3 sions. Any amount made available to a State for any fiscal  
4 year pursuant to the preceding sentence shall, for the pur-  
5 poses of this section, be regarded as an increase in the  
6 allotment of the State (as determined under the preceding  
7 provisions of this section) for such year.

8 **“SEC. 633. AVAILABILITY OF SERVICES.**

9 “Funds provided under this part may be used to pro-  
10 vide supported employment services to individuals who are  
11 eligible under this part. Funds provided under this part,  
12 or title I, may not be used to provide extended services  
13 to individuals who are eligible under this part or title I.

14 **“SEC. 634. ELIGIBILITY.**

15 “An individual shall be eligible under this part to re-  
16 ceive supported employment services authorized under this  
17 Act if—

18 “(1) the individual is eligible for vocational re-  
19 habilitation services;

20 “(2) the individual is determined to be an indi-  
21 vidual with a most significant disability; and

22 “(3) a comprehensive assessment of rehabilita-  
23 tion needs of the individual described in section  
24 7(2)(B), including an evaluation of rehabilitation,  
25 career, and job needs, identifies supported employ-

1       ment as the appropriate employment outcome for  
2       the individual.

3   **“SEC. 635. STATE PLAN.**

4       “(a) STATE PLAN SUPPLEMENTS.—To be eligible for  
5   an allotment under this part, a State shall submit to the  
6   Commissioner, as part of the State plan under section  
7   101, a State plan supplement for providing supported em-  
8   ployment services authorized under this Act to individuals  
9   who are eligible under this Act to receive the services.  
10   Each State shall make such annual revisions in the plan  
11   supplement as may be necessary.

12       “(b) CONTENTS.—Each such plan supplement  
13   shall—

14           “(1) designate each designated State agency as  
15   the agency to administer the program assisted under  
16   this part;

17           “(2) summarize the results of the comprehen-  
18   sive, statewide assessment conducted under section  
19   101(a)(15)(A)(i), with respect to the rehabilitation  
20   needs of individuals with significant disabilities and  
21   the need for supported employment services, includ-  
22   ing needs related to coordination;

23           “(3) describe the quality, scope, and extent of  
24   supported employment services authorized under this  
25   Act to be provided to individuals who are eligible

1 under this Act to receive the services and specify the  
2 goals and plans of the State with respect to the dis-  
3 tribution of funds received under section 632;

4 “(4) demonstrate evidence of the efforts of the  
5 designated State agency to identify and make ar-  
6 rangements (including entering into cooperative  
7 agreements) with other State agencies and other ap-  
8 propriate entities to assist in the provision of sup-  
9 ported employment services;

10 “(5) demonstrate evidence of the efforts of the  
11 designated State agency to identify and make ar-  
12 rangements (including entering into cooperative  
13 agreements) with other public or nonprofit agencies  
14 or organizations within the State, employers, natural  
15 supports, and other entities with respect to the pro-  
16 vision of extended services;

17 “(6) provide assurances that—

18 “(A) funds made available under this part  
19 will only be used to provide supported employ-  
20 ment services authorized under this Act to indi-  
21 viduals who are eligible under this part to re-  
22 ceive the services;

23 “(B) the comprehensive assessments of in-  
24 dividuals with significant disabilities conducted  
25 under section 102(b)(1) and funded under title

1 I will include consideration of supported em-  
2 ployment as an appropriate employment out-  
3 come;

4 “(C) an individualized rehabilitation em-  
5 ployment plan, as required by section 102, will  
6 be developed and updated using funds under  
7 title I in order to—

8 “(i) specify the supported employment  
9 services to be provided;

10 “(ii) specify the expected extended  
11 services needed; and

12 “(iii) identify the source of extended  
13 services, which may include natural sup-  
14 ports, or to the extent that it is not pos-  
15 sible to identify the source of extended  
16 services at the time the individualized re-  
17 habilitation employment plan is developed,  
18 a statement describing the basis for con-  
19 cluding that there is a reasonable expecta-  
20 tion that such sources will become avail-  
21 able;

22 “(D) the State will use funds provided  
23 under this part only to supplement, and not  
24 supplant, the funds provided under title I, in  
25 providing supported employment services speci-

1           fied in the individualized rehabilitation employ-  
2           ment plan;

3           “(E) services provided under an individual-  
4           ized rehabilitation employment plan will be co-  
5           ordinated with services provided under other in-  
6           dividualized plans established under other Fed-  
7           eral or State programs;

8           “(F) to the extent jobs skills training is  
9           provided, the training will be provided ~~on-site~~  
10          *onsite*; and

11          “(G) supported employment services will  
12          include placement in an integrated setting for  
13          the maximum number of hours possible based  
14          on the unique strengths, resources, priorities,  
15          concerns, abilities, capabilities, interests, and  
16          informed choice of individuals with the most  
17          significant disabilities;

18          “(7) provide assurances that the State agencies  
19          designated under paragraph (1) will expend not  
20          more than 5 percent of the allotment of the State  
21          under this part for administrative costs of carrying  
22          out this part; and

23          “(8) contain such other information and be sub-  
24          mitted in such manner as the Commissioner may re-  
25          quire.

1 **“SEC. 636. RESTRICTION.**

2 “Each State agency designated under section  
3 635(b)(1) shall collect the information required by section  
4 101(a)(10) separately for eligible individuals receiving  
5 supported employment services under this part and for eli-  
6 gible individuals receiving supported employment services  
7 under title I.

8 **“SEC. 637. SAVINGS PROVISION.**

9 “(a) SUPPORTED EMPLOYMENT SERVICES.—Noth-  
10 ing in this Act shall be construed to prohibit a State from  
11 providing supported employment services in accordance  
12 with the State plan submitted under section 101 by using  
13 funds made available through a State allotment under sec-  
14 tion 110.

15 “(b) POSTEMPLOYMENT SERVICES.—Nothing in this  
16 part shall be construed to prohibit a State from providing  
17 discrete postemployment services in accordance with the  
18 State plan submitted under section 101 by using funds  
19 made available through a State allotment under section  
20 110 to an individual who is eligible under this part.

21 **“SEC. 638. AUTHORIZATION OF APPROPRIATIONS.**

22 “There are authorized to be appropriated to carry out  
23 this part such sums as may be necessary for each of fiscal  
24 years 1998 through 2004.”.



1 **SEC. 10. INDEPENDENT LIVING SERVICES AND CENTERS**  
 2 **FOR INDEPENDENT LIVING.**

3 Title VII of the Rehabilitation Act of 1973 (29  
 4 U.S.C. 796 et seq.) is amended to read as follows:

5 **“TITLE VII—INDEPENDENT LIV-**  
 6 **ING SERVICES AND CENTERS**  
 7 **FOR INDEPENDENT LIVING**

8 **“CHAPTER 1—INDIVIDUALS WITH**  
 9 **SIGNIFICANT DISABILITIES**

10 **“PART A—GENERAL PROVISIONS**

11 **“SEC. 701. PURPOSE.**

12 “The purpose of this chapter is to promote a philoso-  
 13 phy of independent living, including a philosophy of con-  
 14 sumer control, peer support, self-help, self-determination,  
 15 equal access, and individual and system advocacy, in order  
 16 to maximize the leadership, empowerment, independence,  
 17 and productivity of individuals with disabilities, and the  
 18 integration and full inclusion of individuals with disabil-  
 19 ities into the mainstream of American society, by—

20 “(1) providing financial assistance to States for  
 21 providing, expanding, and improving the provision of  
 22 independent living services;

23 “(2) providing financial assistance to develop  
 24 and support statewide networks of centers for inde-  
 25 pendent living; and

1           “(3) providing financial assistance to States for  
2       improving working relationships among State inde-  
3       pendent living rehabilitation service programs, cen-  
4       ters for independent living, Statewide Independent  
5       Living Councils established under section 705, State  
6       vocational rehabilitation programs receiving assist-  
7       ance under title I, State programs of supported em-  
8       ployment services receiving assistance under part C  
9       of title VI, client assistance programs receiving as-  
10      sistance under section 112, programs funded under  
11      other titles of this Act, programs funded under other  
12      Federal law, and programs funded through non-Fed-  
13      eral sources.

14   **“SEC. 702. DEFINITIONS.**

15       “As used in this chapter:

16           “(1) CENTER FOR INDEPENDENT LIVING.—The  
17       term ‘center for independent living’ means a con-  
18       sumer-controlled, community-based, cross-disability,  
19       nonresidential private nonprofit agency that—

20           “(A) is designed and operated within a  
21       local community by individuals with disabilities;  
22       and

23           “(B) provides an array of independent liv-  
24       ing services.

1           “(2) CONSUMER CONTROL.—The term ‘con-  
2           sumer control’ means, with respect to a center for  
3           independent living, that the center vests power and  
4           authority in individuals with disabilities.

5   **“SEC. 703. ELIGIBILITY FOR RECEIPT OF SERVICES.**

6           “Services may be provided under this chapter to any  
7           individual with a significant disability, as defined in sec-  
8           tion 7(21)(B).

9   **“SEC. 704. STATE PLAN.**

10          “(a) IN GENERAL.—

11               “(1) REQUIREMENT.—To be eligible to receive  
12           financial assistance under this chapter, a State shall  
13           submit to the Commissioner, and obtain approval of,  
14           a State plan containing such provisions as the Com-  
15           missioner may require, including, at a minimum, the  
16           provisions required in this section.

17               “(2) JOINT DEVELOPMENT.—The plan under  
18           paragraph (1) shall be jointly developed and signed  
19           by—

20                       “(A) the director of the designated State  
21           unit; and

22                       “(B) the chairperson of the Statewide  
23           Independent Living Council, acting on behalf of  
24           and at the direction of the Council.

1           “(3) PERIODIC REVIEW AND REVISION.—The  
2           plan shall provide for the review and revision of the  
3           plan, not less than once every 3 years, to ensure the  
4           existence of appropriate planning, financial support  
5           and coordination, and other assistance to appro-  
6           priately address, on a statewide and comprehensive  
7           basis, needs in the State for—

8                   “(A) the provision of State independent  
9           living services;

10                   “(B) the development and support of a  
11           statewide network of centers for independent  
12           living; and

13                   “(C) working relationships between—

14                           “(i) programs providing independent  
15           living services and independent living cen-  
16           ters; and

17                           “(ii) the vocational rehabilitation pro-  
18           gram established under title I, and other  
19           programs providing services for individuals  
20           with disabilities.

21           “(4) DATE OF SUBMISSION.—The State shall  
22           submit the plan to the Commissioner 90 days before  
23           the completion date of the preceding plan. If a State  
24           fails to submit such a plan that complies with the  
25           requirements of this section, the Commissioner may

1 withhold financial assistance under this chapter until  
2 such time as the State submits such a plan.

3 “(b) STATEWIDE INDEPENDENT LIVING COUNCIL.—

4 The plan shall provide for the establishment of a State-  
5 wide Independent Living Council in accordance with sec-  
6 tion 705.

7 “(c) DESIGNATION OF STATE UNIT.—The plan shall  
8 designate the designated State unit of such State as the  
9 agency that, on behalf of the State, shall—

10 “(1) receive, account for, and disburse funds re-  
11 ceived by the State under this chapter based on the  
12 plan;

13 “(2) provide administrative support services for  
14 a program under part B, and a program under part  
15 C in a case in which the program is administered by  
16 the State under section 723;

17 “(3) keep such records and afford such access  
18 to such records as the Commissioner finds to be nec-  
19 essary with respect to the programs; and

20 “(4) submit such additional information or pro-  
21 vide such assurances as the Commissioner may re-  
22 quire with respect to the programs.

23 “(d) OBJECTIVES.—The plan shall—

1           “(1) specify the objectives to be achieved under  
2           the plan and establish timelines for the achievement  
3           of the objectives; and

4           “(2) explain how such objectives are consistent  
5           with and further the purpose of this chapter.

6           “(e) INDEPENDENT LIVING SERVICES.—The plan  
7           shall provide that the State will provide independent living  
8           services under this chapter to individuals with significant  
9           disabilities, and will provide the services to such an indi-  
10          vidual in accordance with an independent living plan mu-  
11          tually agreed upon by an appropriate staff member of the  
12          service provider and the individual, unless the individual  
13          signs a waiver stating that such a plan is unnecessary.

14          “(f) SCOPE AND ARRANGEMENTS.—The plan shall  
15          describe the extent and scope of independent living serv-  
16          ices to be provided under this chapter to meet such objec-  
17          tives. If the State makes arrangements, by grant or con-  
18          tract, for providing such services, such arrangements shall  
19          be described in the plan.

20          “(g) NETWORK.—The plan shall set forth a design  
21          for the establishment of a statewide network of centers  
22          for independent living that comply with the standards and  
23          assurances set forth in section 725.

24          “(h) CENTERS.—In States in which State funding for  
25          centers for independent living equals or exceeds the

1 amount of funds allotted to the State under part C, as  
2 provided in section 723, the plan shall include policies,  
3 practices, and procedures governing the awarding of  
4 grants to centers for independent living and oversight of  
5 such centers consistent with section 723.

6 “(i) COOPERATION, COORDINATION, AND WORKING  
7 RELATIONSHIPS AMONG VARIOUS ENTITIES.—The plan  
8 shall set forth the steps that will be taken to maximize  
9 the cooperation, coordination, and working relationships  
10 among—

11 “(1) the independent living rehabilitation serv-  
12 ice program, the Statewide Independent Living  
13 Council, and centers for independent living; and

14 “(2) the designated State unit, other State  
15 agencies represented on such Council, other councils  
16 that address the needs of specific disability popu-  
17 lations and issues, and other public and private enti-  
18 ties determined to be appropriate by the Council.

19 “(j) COORDINATION OF SERVICES.—The plan shall  
20 describe how services funded under this chapter will be  
21 coordinated with, and complement, other services, in order  
22 to avoid unnecessary duplication with other Federal,  
23 State, and local programs.

24 “(k) COORDINATION BETWEEN FEDERAL AND  
25 STATE SOURCES.—The plan shall describe efforts to co-

1 ordinate Federal and State funding for centers for inde-  
2 pendent living and independent living services.

3 “(l) OUTREACH.—With respect to services and cen-  
4 ters funded under this chapter, the plan shall set forth  
5 steps to be taken regarding outreach to populations that  
6 are unserved or underserved by programs under this title,  
7 including minority groups and urban and rural popu-  
8 lations.

9 “(m) REQUIREMENTS.—The plan shall provide satis-  
10 factory assurances that all recipients of financial assist-  
11 ance under this chapter will—

12 “(1) notify all individuals seeking or receiving  
13 services under this chapter about the availability of  
14 the client assistance program under section 112, the  
15 purposes of the services provided under such pro-  
16 gram, and how to contact such program;

17 “(2) take affirmative action to employ and ad-  
18 vance in employment qualified individuals with dis-  
19 abilities on the same terms and conditions required  
20 with respect to the employment of such individuals  
21 under the provisions of section 503;

22 “(3) adopt such fiscal control and fund ac-  
23 counting procedures as may be necessary to ensure  
24 the proper disbursement of and accounting for funds  
25 paid to the State under this chapter;



1 “(4)(A) maintain records that fully disclose—

2 “(i) the amount and disposition by such re-  
3 cipient of the proceeds of such financial assist-  
4 ance;

5 “(ii) the total cost of the project or under-  
6 taking in connection with which such financial  
7 assistance is given or used; and

8 “(iii) the amount of that portion of the  
9 cost of the project or undertaking supplied by  
10 other sources;

11 “(B) maintain such other records as the Com-  
12 missioner determines to be appropriate to facilitate  
13 an effective audit;

14 “(C) afford such access to records maintained  
15 under subparagraphs (A) and (B) as the Commis-  
16 sioner determines to be appropriate; and

17 “(D) submit such reports with respect to such  
18 records as the Commissioner determines to be ap-  
19 propriate;

20 “(5) provide access to the Commissioner and  
21 the Comptroller General or any of their duly author-  
22 ized representatives, for the purpose of conducting  
23 audits and examinations, of any books, documents,  
24 papers, and records of the recipients that are perti-

1       nent to the financial assistance received under this  
2       chapter; and

3               “(6) provide for public hearings regarding the  
4       contents of the plan during both the formulation and  
5       review of the plan.

6       “(n) EVALUATION.—The plan shall establish a meth-  
7       od for the periodic evaluation of the effectiveness of the  
8       plan in meeting the objectives established in subsection  
9       (d), including evaluation of satisfaction by individuals with  
10      disabilities.

11   **“SEC. 705. STATEWIDE INDEPENDENT LIVING COUNCIL.**

12       “(a) ESTABLISHMENT.—To be eligible to receive fi-  
13      nancial assistance under this chapter, each State shall es-  
14      tablish a Statewide Independent Living Council (referred  
15      to in this section as the ‘Council’). The Council shall not  
16      be established as an entity within a State agency.

17       “(b) COMPOSITION AND APPOINTMENT.—

18               “(1) APPOINTMENT.—Members of the Council  
19      shall be appointed by the Governor or the appro-  
20      priate entity within the State responsible for making  
21      appointments. The appointing authority shall select  
22      members after soliciting recommendations from rep-  
23      resentatives of organizations representing a broad  
24      range of individuals with disabilities and organiza-  
25      tions interested in individuals with disabilities.

1           “(2) COMPOSITION.—The Council shall in-  
2       clude—

3           “(A) at least one director of a center for  
4       independent living chosen by the directors of  
5       centers for independent living within the State;

6           “(B) as ex officio, nonvoting members—

7           “(i) a representative from the des-  
8       ignated State unit; and

9           “(ii) representatives from other State  
10      agencies that provide services for individ-  
11      uals with disabilities; and

12          “(C) in a State in which 1 or more  
13      projects are carried out under section 121, at  
14      least 1 representative of the directors of the  
15      projects.

16          “(3) ADDITIONAL MEMBERS.—The Council may  
17      include—

18          “(A) other representatives from centers for  
19      independent living;

20          “(B) parents and guardians of individuals  
21      with disabilities;

22          “(C) advocates of and for individuals with  
23      disabilities;

24          “(D) representatives from private busi-  
25      nesses;

1           “(E) representatives from organizations  
2           that provide services for individuals with dis-  
3           abilities; and

4           “(F) other appropriate individuals.

5           “(4) QUALIFICATIONS.—

6           “(A) IN GENERAL.—The Council shall be  
7           composed of members—

8           “(i) who provide statewide representa-  
9           tion;

10           “(ii) who represent a broad range of  
11           individuals with disabilities from diverse  
12           backgrounds;

13           “(iii) who are knowledgeable about  
14           centers for independent living and inde-  
15           pendent living services; and

16           “(iv) a majority of whom are persons  
17           who are—

18           “(I) individuals with disabilities  
19           described in section 7(20)(B); and

20           “(II) not employed by any State  
21           agency or center for independent liv-  
22           ing.

23           “(B) VOTING MEMBERS.—A majority of  
24           the voting members of the Council shall be—

1                   “(i) individuals with disabilities de-  
2                   scribed in section 7(20)(B); and

3                   “(ii) not employed by any State agen-  
4                   cy or center for independent living.

5                   “(5) CHAIRPERSON.—The Council shall select a  
6                   chairperson from among the voting membership of  
7                   the Council.

8                   “(6) TERMS OF APPOINTMENT.—

9                   “(A) LENGTH OF TERM.—Each member of  
10                  the Council shall serve for a term of 3 years,  
11                  except that—

12                  “(i) a member appointed to fill a va-  
13                  cancy occurring prior to the expiration of  
14                  the term for which a predecessor was ap-  
15                  pointed, shall be appointed for the remain-  
16                  der of such term; and

17                  “(ii) the terms of service of the mem-  
18                  bers initially appointed shall be (as speci-  
19                  fied by the appointing authority) for such  
20                  fewer number of years as will provide for  
21                  the expiration of terms on a staggered  
22                  basis.

23                  “(B) NUMBER OF TERMS.—No member of  
24                  the Council may serve more than two consecu-  
25                  tive full terms.

1 “(7) VACANCIES.—

2 “(A) IN GENERAL.—Except as provided in  
3 subparagraph (B), any vacancy occurring in the  
4 membership of the Council shall be filled in the  
5 same manner as the original appointment. The  
6 vacancy shall not affect the power of the re-  
7 maining members to execute the duties of the  
8 Council.

9 “(B) DELEGATION.—The Governor (in-  
10 cluding an entity described in paragraph (1))  
11 may delegate the authority to fill such a va-  
12 cancy to the remaining voting members of the  
13 Council after making the original appointment.

14 “(c) DUTIES.—The Council shall—

15 “(1) jointly develop and sign (in conjunction  
16 with the designated State unit) the State plan re-  
17 quired in section 704;

18 “(2) monitor, review, and evaluate the imple-  
19 mentation of the State plan;

20 “(3) coordinate activities with the State Reha-  
21 bilitation Council established under section 105, if  
22 the State has such a Council, or the commission de-  
23 scribed in section 101(a)(21)(A), if the State has  
24 such a commission, and councils that address the

1 needs of specific disability populations and issues  
2 under other Federal law;

3 “(4) ensure that all regularly scheduled meet-  
4 ings of the Statewide Independent Living Council  
5 are open to the public and sufficient advance notice  
6 is provided; and

7 “(5) submit to the Commissioner such periodic  
8 reports as the Commissioner may reasonably re-  
9 quest, and keep such records, and afford such access  
10 to such records, as the Commissioner finds nec-  
11 essary to verify such reports.

12 “(d) HEARINGS AND FORUMS.—The Council is au-  
13 thorized to hold such hearings and forums as the Council  
14 may determine to be necessary to carry out the duties of  
15 the Council.

16 “(e) PLAN.—

17 “(1) IN GENERAL.—The Council shall prepare,  
18 in conjunction with the designated State unit, a plan  
19 for the provision of such resources, including such  
20 staff and personnel, as may be necessary and suffi-  
21 cient to carry out the functions of the Council under  
22 this section, with funds made available under this  
23 chapter, and under section 110 (consistent with sec-  
24 tion 101(a)(18)), and from other public and private  
25 sources. The resource plan shall, to the maximum

1 extent possible, rely on the use of resources in exist-  
2 ence during the period of implementation of the  
3 plan.

4 “(2) SUPERVISION AND EVALUATION.—Each  
5 Council shall, consistent with State law, supervise  
6 and evaluate such staff and other personnel as may  
7 be necessary to carry out the functions of the Coun-  
8 cil under this section.

9 “(3) CONFLICT OF INTEREST.—While assisting  
10 the Council in carrying out its duties, staff and  
11 other personnel shall not be assigned duties by the  
12 designated State agency or any other agency or of-  
13 fice of the State, that would create a conflict of in-  
14 terest.

15 “(f) COMPENSATION AND EXPENSES.—The Council  
16 may use such resources to reimburse members of the  
17 Council for reasonable and necessary expenses of attend-  
18 ing Council meetings and performing Council duties (in-  
19 cluding child care and personal assistance services), and  
20 to pay compensation to a member of the Council, if such  
21 member is not employed or must forfeit wages from other  
22 employment, for each day the member is engaged in per-  
23 forming Council duties.

24 **“SEC. 706. RESPONSIBILITIES OF THE COMMISSIONER.**

25 “(a) APPROVAL OF STATE PLANS.—



1           “(1) IN GENERAL.—The Commissioner shall  
2       approve any State plan submitted under section 704  
3       that the Commissioner determines meets the re-  
4       quirements of section 704, and shall disapprove any  
5       such plan that does not meet such requirements, as  
6       soon as practicable after receiving the plan. Prior to  
7       such disapproval, the Commissioner shall notify the  
8       State of the intention to disapprove the plan, and  
9       shall afford such State reasonable notice and oppor-  
10      tunity for a hearing.

11           “(2) PROCEDURES.—

12           “(A) IN GENERAL.—Except as provided in  
13       subparagraph (B), the provisions of subsections  
14       (c) and (d) of section 107 shall apply to any  
15       State plan submitted to the Commissioner  
16       under section 704.

17           “(B) APPLICATION.—For purposes of the  
18       application described in subparagraph (A), all  
19       references in such provisions—

20           “(i) to the Secretary shall be deemed  
21       to be references to the Commissioner; and

22           “(ii) to section 101 shall be deemed to  
23       be references to section 704.

24           “(b) INDICATORS.—Not later than October 1, 1993,  
25      the Commissioner shall develop and publish in the Federal

1 Register indicators of minimum compliance consistent  
 2 with the standards set forth in section 725.

3 “(c) ~~ON-SITE~~ *ONSITE* COMPLIANCE REVIEWS.—

4 “(1) REVIEWS.—The Commissioner shall annu-  
 5 ally conduct ~~on-site~~ *onsite* compliance reviews of at  
 6 least 15 percent of the centers for independent living  
 7 that receive funds under section 722 and shall peri-  
 8 odically conduct such a review of each such center.  
 9 ~~The Commissioner shall select such centers for re-~~  
 10 ~~view on a random basis.~~ The Commissioner shall an-  
 11 nually conduct onsite compliance reviews of at least  
 12 one-third of the designated State units that receive  
 13 funding under section 723, and, to the extent nec-  
 14 essary to determine the compliance of such a State  
 15 unit with subsections (f) and (g) of section 723, cen-  
 16 ters that receive funding under section 723 in such  
 17 State. *The Commissioner shall select the centers and*  
 18 *State units described in this paragraph for review on*  
 19 *a random basis.*

20 “(2) QUALIFICATIONS OF EMPLOYEES CON-  
 21 DUCTING REVIEWS.—The Commissioner shall—

22 “(A) to the maximum extent practicable,  
 23 carry out such a review by using employees of  
 24 the Department who are knowledgeable about  
 25 the provision of independent living services;

1           “(B) ensure that the employee of the De-  
 2           partment with responsibility for supervising  
 3           such a review shall have such knowledge; and

4           “(C) ensure that at least one member of a  
 5           team conducting such a review shall be an indi-  
 6           vidual who—

7                   “(i) is not a government employee;  
 8                   and

9                   “(ii) has experience in the operation  
 10                  of centers for independent living.

11       “(d) REPORTS.—The Commissioner shall include, in  
 12       the annual report required under section 13, information  
 13       on the extent to which centers for independent living re-  
 14       ceiving funds under part C have complied with the stand-  
 15       ards and assurances set forth in section 725. The Commis-  
 16       sioner may identify individual centers for independent liv-  
 17       ing in the analysis. The Commissioner shall report the re-  
 18       sults of ~~on-site~~ *onsite* compliance reviews, identifying indi-  
 19       vidual centers for independent living and other recipients  
 20       of assistance under this chapter.

21       **“PART B—INDEPENDENT LIVING SERVICES**

22       **“SEC. 711. ALLOTMENTS.**

23       “(a) IN GENERAL.—

24               “(1) STATES.—

1           “(A) POPULATION BASIS.—Except as pro-  
2           vided in subparagraphs (B) and (C), from sums  
3           appropriated for each fiscal year to carry out  
4           this part, the Commissioner shall make an al-  
5           lotment to each State whose State plan has  
6           been approved under section 706 of an amount  
7           bearing the same ratio to such sums as the pop-  
8           ulation of the State bears to the population of  
9           all States.

10           “(B) MAINTENANCE OF 1992 AMOUNTS.—  
11           Subject to the availability of appropriations to  
12           carry out this part, the amount of any allot-  
13           ment made under subparagraph (A) to a State  
14           for a fiscal year shall not be less than the  
15           amount of an allotment made to the State for  
16           fiscal year 1992 under part A of this title, as  
17           in effect on the day before the date of enact-  
18           ment of the Rehabilitation Act Amendments of  
19           1992.

20           “(C) MINIMUMS.—Subject to the availabil-  
21           ity of appropriations to carry out this part, and  
22           except as provided in subparagraph (B), the al-  
23           lotment to any State under subparagraph (A)  
24           shall be not less than \$275,000 or one-third of  
25           one percent of the sums made available for the

1       fiscal year for which the allotment is made,  
2       whichever is greater, and the allotment of any  
3       State under this section for any fiscal year that  
4       is less than \$275,000 or one-third of one per-  
5       cent of such sums shall be increased to the  
6       greater of the two amounts.

7       “(2) CERTAIN TERRITORIES.—

8               “(A) IN GENERAL.—For the purposes of  
9       paragraph (1)(C), Guam, American Samoa, the  
10      United States Virgin Islands, and the Common-  
11      wealth of the Northern Mariana Islands shall  
12      not be considered to be States.

13             “(B) ALLOTMENT.—Each jurisdiction de-  
14      scribed in subparagraph (A) shall be allotted  
15      under paragraph (1)(A) not less than one-  
16      eighth of one percent of the amounts made  
17      available for purposes of this part for the fiscal  
18      year for which the allotment is made.

19             “(3) ADJUSTMENT FOR INFLATION.—For any  
20      fiscal year, beginning in fiscal year 1999, in which  
21      the total amount appropriated to carry out this part  
22      exceeds the total amount appropriated to carry out  
23      this part for the preceding fiscal year, the Commis-  
24      sioner shall increase the minimum allotment under  
25      paragraph (1)(C) by a percentage that shall not ex-

1       ceed the percentage increase in the total amount ap-  
2       propriated to carry out this part between the preced-  
3       ing fiscal year and the fiscal year involved.

4       “(b) PROPORTIONAL REDUCTION.—To provide allot-  
5       ments to States in accordance with subsection (a)(1)(B),  
6       to provide minimum allotments to States (as increased  
7       under subsection (a)(3)) under subsection (a)(1)(C), or to  
8       provide minimum allotments to States under subsection  
9       (a)(2)(B), the Commissioner shall proportionately reduce  
10      the allotments of the remaining States under subsection  
11      (a)(1)(A), with such adjustments as may be necessary to  
12      prevent the allotment of any such remaining State from  
13      being reduced to less than the amount required by sub-  
14      section (a)(1)(B).

15      “(c) REALLOTMENT.—Whenever the Commissioner  
16      determines that any amount of an allotment to a State  
17      for any fiscal year will not be expended by such State in  
18      carrying out the provisions of this part, the Commissioner  
19      shall make such amount available for carrying out the pro-  
20      visions of this part to one or more of the States that the  
21      Commissioner determines will be able to use additional  
22      amounts during such year for carrying out such provi-  
23      sions. Any amount made available to a State for any fiscal  
24      year pursuant to the preceding sentence shall, for the pur-  
25      poses of this section, be regarded as an increase in the

1 allotment of the State (as determined under the preceding  
2 provisions of this section) for such year.

3 **“SEC. 712. PAYMENTS TO STATES FROM ALLOTMENTS.**

4       “(a) PAYMENTS.—From the allotment of each State  
5 for a fiscal year under section 711, the State shall be paid  
6 the Federal share of the expenditures incurred during  
7 such year under its State plan approved under section  
8 706. Such payments may be made (after necessary adjust-  
9 ments on account of previously made overpayments or un-  
10 derpayments) in advance or by way of reimbursement, and  
11 in such installments and on such conditions as the Com-  
12 missioner may determine.

13       “(b) FEDERAL SHARE.—

14               “(1) IN GENERAL.—The Federal share with re-  
15 spect to any State for any fiscal year shall be 90  
16 percent of the expenditures incurred by the State  
17 during such year under its State plan approved  
18 under section 706.

19               “(2) NON-FEDERAL SHARE.—The non-Federal  
20 share of the cost of any project that receives assist-  
21 ance through an allotment under this part may be  
22 provided in cash or in kind, fairly evaluated, includ-  
23 ing plant, equipment, or services.

1 **“SEC. 713. AUTHORIZED USES OF FUNDS.**

2 “The State may use funds received under this part  
3 to provide the resources described in section 705(e), relat-  
4 ing to the Statewide Independent Living Council, and may  
5 use funds received under this part—

6 “(1) to provide independent living services to  
7 individuals with significant disabilities;

8 “(2) to demonstrate ways to expand and im-  
9 prove independent living services;

10 “(3) to support the operation of centers for  
11 independent living that are in compliance with the  
12 standards and assurances set forth in subsections  
13 (b) and (c) of section 725;

14 “(4) to support activities to increase the capac-  
15 ities of public or nonprofit agencies and organiza-  
16 tions and other entities to develop comprehensive ap-  
17 proaches or systems for providing independent living  
18 services;

19 “(5) to conduct studies and analyses, gather in-  
20 formation, develop model policies and procedures,  
21 and present information, approaches, strategies,  
22 findings, conclusions, and recommendations to Fed-  
23 eral, State, and local policymakers in order to en-  
24 hance independent living services for individuals with  
25 disabilities;



1           “(6) to train individuals with disabilities and in-  
 2           dividuals providing services to individuals with dis-  
 3           abilities and other persons regarding the independ-  
 4           ent living philosophy; and

5           “(7) to provide outreach to populations that are  
 6           unserved or underserved by programs under this  
 7           title, including minority groups and urban and rural  
 8           populations.

9   **“SEC. 714. AUTHORIZATION OF APPROPRIATIONS.**

10          “There are authorized to be appropriated to carry out  
 11       this part such sums as may be necessary for each of the  
 12       fiscal years 1998 through 2004.

13   **“PART C—CENTERS FOR INDEPENDENT LIVING**

14   **“SEC. 721. PROGRAM AUTHORIZATION.**

15          “(a) IN GENERAL.—From the funds appropriated for  
 16       fiscal year 1998 and for each subsequent fiscal year to  
 17       carry out this part, the Commissioner shall allot such  
 18       sums as may be necessary to States and other entities in  
 19       accordance with subsections (b) through (d).

20          “(b) TRAINING.—

21               “(1) GRANTS; CONTRACTS; OTHER ARRANGE-  
 22       MENTS.—For any fiscal year in which the funds ap-  
 23       propriated to carry out this part exceed the funds  
 24       appropriated to carry out this part for fiscal year  
 25       1993, the Commissioner shall first reserve from such

1 excess, to provide training and technical assistance  
2 to eligible agencies, centers for independent living,  
3 and Statewide Independent Living Councils for such  
4 fiscal year, not less than 1.8 percent, and not more  
5 than 2 percent, of the funds appropriated to carry  
6 out this part for the fiscal year involved.

7 “(2) ALLOCATION.—From the funds reserved  
8 under paragraph (1), the Commissioner shall make  
9 grants to, and enter into contracts and other ar-  
10 rangements with, entities ~~who~~ *that* have experience  
11 in the operation of centers for independent living to  
12 provide such training and technical assistance with  
13 respect to planning, developing, conducting, admin-  
14 istering, and evaluating centers for independent liv-  
15 ing.

16 “(3) FUNDING PRIORITIES.—The Commissioner  
17 shall conduct a survey of Statewide Independent  
18 Living Councils and centers for independent living  
19 regarding training and technical assistance needs in  
20 order to determine funding priorities for such  
21 grants, contracts, and other arrangements.

22 “(4) REVIEW.—To be eligible to receive a grant  
23 or enter into a contract or other arrangement under  
24 this subsection, such an entity shall submit an appli-  
25 cation to the Commissioner at such time, in such

1 manner, and containing a proposal to provide such  
2 training and technical assistance, and containing  
3 such additional information as the Commissioner  
4 may require. The Commissioner shall provide for  
5 peer review of grant applications by panels that in-  
6 clude persons who are not government employees  
7 and who have experience in the operation of centers  
8 for independent living.

9 “(5) PROHIBITION ON COMBINED FUNDS.—No  
10 funds reserved by the Commissioner under this sub-  
11 section may be combined with funds appropriated  
12 under any other Act or part of this Act if the pur-  
13 pose of combining funds is to make a single discre-  
14 tionary grant or a single discretionary payment, un-  
15 less such funds appropriated under this chapter are  
16 separately identified in such grant or payment and  
17 are used for the purposes of this chapter.

18 “(c) IN GENERAL.—

19 “(1) STATES.—

20 “(A) POPULATION BASIS.—After the res-  
21 ervation required by subsection (b) has been  
22 made, and except as provided in subparagraphs  
23 (B) and (C), from the remainder of the  
24 amounts appropriated for each such fiscal year  
25 to carry out this part, the Commissioner shall

1 make an allotment to each State whose State  
2 plan has been approved under section 706 of an  
3 amount bearing the same ratio to such remain-  
4 der as the population of the State bears to the  
5 population of all States.

6 “(B) MAINTENANCE OF 1992 AMOUNTS.—

7 Subject to the availability of appropriations to  
8 carry out this part, the amount of any allot-  
9 ment made under subparagraph (A) to a State  
10 for a fiscal year shall not be less than the  
11 amount of financial assistance received by cen-  
12 ters for independent living in the State for fis-  
13 cal year 1992 under part B of this title, as in  
14 effect on the day before the date of enactment  
15 of the Rehabilitation Act Amendments of 1992.

16 “(C) MINIMUMS.—Subject to the availabil-

17 ity of appropriations to carry out this part and  
18 except as provided in subparagraph (B), for a  
19 fiscal year in which the amounts appropriated  
20 to carry out this part exceed the amounts ap-  
21 propriated for fiscal year 1992 to carry out part  
22 B of this title, as in effect on the day before the  
23 date of enactment of the Rehabilitation Act  
24 Amendments of 1992—

1           “(i) if such excess is not less than  
2           \$8,000,000, the allotment to any State  
3           under subparagraph (A) shall be not less  
4           than \$450,000 or one-third of one percent  
5           of the sums made available for the fiscal  
6           year for which the allotment is made,  
7           whichever is greater, and the allotment of  
8           any State under this section for any fiscal  
9           year that is less than \$450,000 or one-  
10          third of one percent of such sums shall be  
11          increased to the greater of the two  
12          amounts;

13          “(ii) if such excess is not less than  
14          \$4,000,000 and is less than \$8,000,000,  
15          the allotment to any State under subpara-  
16          graph (A) shall be not less than \$400,000  
17          or one-third of one percent of the sums  
18          made available for the fiscal year for which  
19          the allotment is made, whichever is great-  
20          er, and the allotment of any State under  
21          this section for any fiscal year that is less  
22          than \$400,000 or one-third of one percent  
23          of such sums shall be increased to the  
24          greater of the two amounts; and

1           “(iii) if such excess is less than  
2           \$4,000,000, the allotment to any State  
3           under subparagraph (A) shall approach, as  
4           nearly as possible, the greater of the two  
5           amounts described in clause (ii).

6           “(2) CERTAIN TERRITORIES.—

7           “(A) IN GENERAL.—For the purposes of  
8           paragraph (1)(C), Guam, American Samoa, the  
9           United States Virgin Islands, and the Common-  
10          wealth of the Northern Mariana Islands shall  
11          not be considered to be States.

12          “(B) ALLOTMENT.—Each jurisdiction de-  
13          scribed in subparagraph (A) shall be allotted  
14          under paragraph (1)(A) not less than one-  
15          eighth of one percent of the remainder for the  
16          fiscal year for which the allotment is made.

17          “(3) ADJUSTMENT FOR INFLATION.—For any  
18          fiscal year, beginning in fiscal year 1999, in which  
19          the total amount appropriated to carry out this part  
20          exceeds the total amount appropriated to carry out  
21          this part for the preceding fiscal year, the Commis-  
22          sioner shall increase the minimum allotment under  
23          paragraph (1)(C) by a percentage that shall not ex-  
24          ceed the percentage increase in the total amount ap-

1       appropriated to carry out this part between the preced-  
2       ing fiscal year and the fiscal year involved.

3               “(4) PROPORTIONAL REDUCTION.—To provide  
4       allotments to States in accordance with paragraph  
5       (1)(B), to provide minimum allotments to States (as  
6       increased under paragraph (3)) under paragraph  
7       (1)(C), or to provide minimum allotments to States  
8       under paragraph (2)(B), the Commissioner shall  
9       proportionately reduce the allotments of the remain-  
10      ing States under paragraph (1)(A), with such ad-  
11      justments as may be necessary to prevent the allot-  
12      ment of any such remaining State from being re-  
13      duced to less than the amount required by para-  
14      graph (1)(B).

15           “(d) REALLOTMENT.—Whenever the Commissioner  
16      determines that any amount of an allotment to a State  
17      for any fiscal year will not be expended by such State for  
18      carrying out the provisions of this part, the Commissioner  
19      shall make such amount available for carrying out the pro-  
20      visions of this part to one or more of the States that the  
21      Commissioner determines will be able to use additional  
22      amounts during such year for carrying out such provi-  
23      sions. Any amount made available to a State for any fiscal  
24      year pursuant to the preceding sentence shall, for the pur-  
25      poses of this section, be regarded as an increase in the

1 allotment of the State (as determined under the preceding  
2 provisions of this section) for such year.

3 **“SEC. 722. GRANTS TO CENTERS FOR INDEPENDENT LIV-**  
4 **ING IN STATES IN WHICH FEDERAL FUNDING**  
5 **EXCEEDS STATE FUNDING.**

6 “(a) ESTABLISHMENT.—

7 “(1) IN GENERAL.—Unless the director of a  
8 designated State unit awards grants under section  
9 723 to eligible agencies in a State for a fiscal year,  
10 the Commissioner shall award grants under this sec-  
11 tion to such eligible agencies for such fiscal year  
12 from the amount of funds allotted to the State  
13 under subsection (c) or (d) of section 721 for such  
14 year.

15 “(2) GRANTS.—The Commissioner shall award  
16 such grants, from the amount of funds so allotted,  
17 to such eligible agencies for the planning, conduct,  
18 administration, and evaluation of centers for inde-  
19 pendent living that comply with the standards and  
20 assurances set forth in section 725.

21 “(b) ELIGIBLE AGENCIES.—In any State in which  
22 the Commissioner has approved the State plan required  
23 by section 704, the Commissioner may make a grant  
24 under this section to any eligible agency that—



1           “(1) has the power and authority to carry out  
2           the purpose of this part and perform the functions  
3           set forth in section 725 within a community and to  
4           receive and administer funds under this part, funds  
5           and contributions from private or public sources that  
6           may be used in support of a center for independent  
7           living, and funds from other public and private pro-  
8           grams;

9           “(2) is determined by the Commissioner to be  
10          able to plan, conduct, administer, and evaluate a  
11          center for independent living consistent with the  
12          standards and assurances set forth in section 725;  
13          and

14          “(3) submits an application to the Commis-  
15          sioner at such time, in such manner, and containing  
16          such information as the Commissioner may require.

17          “(c) EXISTING ELIGIBLE AGENCIES.—In the admin-  
18          istration of the provisions of this section, the Commis-  
19          sioner shall award grants to any eligible agency that has  
20          been awarded a grant under this part by September 30,  
21          1997, unless the Commissioner makes a finding that the  
22          agency involved fails to meet program and fiscal standards  
23          and assurances set forth in section 725.

24          “(d) NEW CENTERS FOR INDEPENDENT LIVING.—

1           “(1) IN GENERAL.—If there is no center for  
2           independent living serving a region of the State or  
3           a region is underserved, and the increase in the al-  
4           lotment of the State is sufficient to support an addi-  
5           tional center for independent living in the State, the  
6           Commissioner may award a grant under this section  
7           to the most qualified applicant proposing to serve  
8           such region, consistent with the provisions in the  
9           State plan setting forth the design of the State for  
10          establishing a statewide network of centers for inde-  
11          pendent living.

12          “(2) SELECTION.—In selecting from among ap-  
13          plicants for a grant under this section for a new cen-  
14          ter for independent living, the Commissioner—

15               “(A) shall consider comments regarding  
16               the application, if any, by the Statewide Inde-  
17               pendent Living Council in the State in which  
18               the applicant is located;

19               “(B) shall consider the ability of each such  
20               applicant to operate a center for independent  
21               living based on—

22                       “(i) evidence of the need for such a  
23                       center;

1           “(ii) any past performance of such ap-  
2           plicant in providing services comparable to  
3           independent living services;

4           “(iii) the plan for satisfying or dem-  
5           onstrated success in satisfying the stand-  
6           ards and the assurances set forth in sec-  
7           tion 725;

8           “(iv) the quality of key personnel and  
9           the involvement of individuals with signifi-  
10          cant disabilities;

11          “(v) budgets and cost-effectiveness;

12          “(vi) an evaluation plan; and

13          “(vii) the ability of such applicant to  
14          carry out the plans; and

15          “(C) shall give priority to applications  
16          from applicants proposing to serve geographic  
17          areas within each State that are currently  
18          unserved or underserved by independent living  
19          programs, consistent with the provisions of the  
20          State plan submitted under section 704 regard-  
21          ing establishment of a statewide network of  
22          centers for independent living.

23          “(3) CURRENT CENTERS.—Notwithstanding  
24          paragraphs (1) and (2), a center for independent liv-  
25          ing that receives assistance under part B for a fiscal

1 year shall be eligible for a grant for the subsequent  
2 fiscal year under this subsection.

3 “(e) ORDER OF PRIORITIES.—The Commissioner  
4 shall be guided by the following order of priorities in allo-  
5 cating funds among centers for independent living within  
6 a State, to the extent funds are available:

7 “(1) The Commissioner shall support existing  
8 centers for independent living, as described in sub-  
9 section (c), that comply with the standards and as-  
10 surances set forth in section 725, at the level of  
11 funding for the previous year.

12 “(2) The Commissioner shall provide for a cost-  
13 of-living increase for such existing centers for inde-  
14 pendent living.

15 “(3) The Commissioner shall fund new centers  
16 for independent living, as described in subsection  
17 (d), that comply with the standards and assurances  
18 set forth in section 725.

19 “(f) NONRESIDENTIAL AGENCIES.—A center that  
20 provides or manages residential housing after October 1,  
21 1994, shall not be considered to be an eligible agency  
22 under this section.

23 “(g) REVIEW.—

24 “(1) IN GENERAL.—The Commissioner shall  
25 periodically review each center receiving funds under

1       this section to determine whether such center is in  
 2       compliance with the standards and assurances set  
 3       forth in section 725. If the Commissioner determines  
 4       that any center receiving funds under this section is  
 5       not in compliance with the standards and assurances  
 6       set forth in section 725, the Commissioner shall im-  
 7       mediately notify such center that it is out of compli-  
 8       ance.

9               “(2) ENFORCEMENT.—The Commissioner shall  
 10       terminate all funds under this section to such center  
 11       90 days after the date of such notification unless the  
 12       center submits a plan to achieve compliance within  
 13       90 days of such notification and such plan is ap-  
 14       proved by the Commissioner.

15   **“SEC. 723. GRANTS TO CENTERS FOR INDEPENDENT LIV-**  
 16                       **ING IN STATES IN WHICH STATE FUNDING**  
 17                       **EQUALS OR EXCEEDS FEDERAL FUNDING.**

18       “(a) ESTABLISHMENT.—

19               “(1) IN GENERAL.—

20                       “(A) INITIAL YEAR.—

21                               “(i) DETERMINATION.—The director  
 22       of a designated State unit, as provided in  
 23       paragraph (2), or the Commissioner, as  
 24       provided in paragraph (3), shall award  
 25       grants under this section for an initial fis-

1 cal year if the Commissioner determines  
2 that the amount of State funds that were  
3 earmarked by a State for a preceding fiscal  
4 year to support the general operation of  
5 centers for independent living meeting the  
6 requirements of this part equaled or ex-  
7 ceeded the amount of funds allotted to the  
8 State under subsection (c) or (d) of section  
9 721 for such year.

10 “(ii) GRANTS.—The director or the  
11 Commissioner, as appropriate, shall award  
12 such grants, from the amount of funds so  
13 allotted for the initial fiscal year, to eligible  
14 agencies in the State for the planning, con-  
15 duct, administration, and evaluation of  
16 centers for independent living that comply  
17 with the standards and assurances set  
18 forth in section 725.

19 “(iii) REGULATION.—The Commis-  
20 sioner shall by regulation specify the pre-  
21 ceding fiscal year with respect to which the  
22 Commissioner will make the determina-  
23 tions described in clause (i) and subpara-  
24 graph (B), making such adjustments as  
25 may be necessary to accommodate State

1 funding cycles such as 2-year funding cy-  
2 cles or State fiscal years that do not coin-  
3 cide with the Federal fiscal year.

4 “(B) SUBSEQUENT YEARS.—For each year  
5 subsequent to the initial fiscal year described in  
6 subparagraph (A), the director of the des-  
7 ignated State unit shall continue to have the  
8 authority to award such grants under this sec-  
9 tion if the Commissioner determines that the  
10 State continues to earmark the amount of State  
11 funds described in subparagraph (A)(i). If the  
12 State does not continue to earmark such an  
13 amount for a fiscal year, the State shall be in-  
14 eligible to make grants under this section after  
15 a final year following such fiscal year, as de-  
16 fined in accordance with regulations established  
17 by the Commissioner, and for each subsequent  
18 fiscal year.

19 “(2) GRANTS BY DESIGNATED STATE UNITS.—  
20 In order for the designated State unit to be eligible  
21 to award the grants described in paragraph (1) and  
22 carry out this section for a fiscal year with respect  
23 to a State, the designated State agency shall submit  
24 an application to the Commissioner at such time,  
25 and in such manner as the Commissioner may re-

1       quire, including information about the amount of  
2       State funds described in paragraph (1) for the pre-  
3       ceding fiscal year. If the Commissioner makes a de-  
4       termination described in subparagraph (A)(i) or (B),  
5       as appropriate, of paragraph (1), the Commissioner  
6       shall approve the application and designate the di-  
7       rector of the designated State unit to award the  
8       grant and carry out this section.

9               “(3) GRANTS BY COMMISSIONER.—If the des-  
10      ignated State agency of a State described in para-  
11      graph (1) does not submit and obtain approval of an  
12      application under paragraph (2), the Commissioner  
13      shall award the grant described in paragraph (1) to  
14      eligible agencies in the State in accordance with sec-  
15      tion 722.

16              “(b) ELIGIBLE AGENCIES.—In any State in which  
17      the Commissioner has approved the State plan required  
18      by section 704, the director of the designated State unit  
19      may award a grant under this section to any eligible agen-  
20      cy that—

21              “(1) has the power and authority to carry out  
22      the purpose of this part and perform the functions  
23      set forth in section 725 within a community and to  
24      receive and administer funds under this part, funds  
25      and contributions from private or public sources that



1       may be used in support of a center for independent  
2       living, and funds from other public and private pro-  
3       grams;

4           “(2) is determined by the director to be able to  
5       plan, conduct, administer, and evaluate a center for  
6       independent living, consistent with the standards  
7       and assurances set forth in section 725; and

8           “(3) submits an application to the director at  
9       such time, in such manner, and containing such in-  
10      formation as the head of the designated State unit  
11      may require.

12       “(c) EXISTING ELIGIBLE AGENCIES.—In the admin-  
13      istration of the provisions of this section, the director of  
14      the designated State unit shall award grants under this  
15      section to any eligible agency that has been awarded a  
16      grant under this part by September 30, 1997, unless the  
17      director makes a finding that the agency involved fails to  
18      comply with the standards and assurances set forth in sec-  
19      tion 725.

20       “(d) NEW CENTERS FOR INDEPENDENT LIVING.—

21           “(1) IN GENERAL.—If there is no center for  
22      independent living serving a region of the State or  
23      the region is unserved or underserved, and the in-  
24      crease in the allotment of the State is sufficient to  
25      support an additional center for independent living

1 in the State, the director of the designated State  
2 unit may award a grant under this section from  
3 among eligible agencies, consistent with the provi-  
4 sions of the State plan under section 704 setting  
5 forth the design of the State for establishing a state-  
6 wide network of centers for independent living.

7 “(2) SELECTION.—In selecting from among eli-  
8 gible agencies in awarding a grant under this part  
9 for a new center for independent living—

10 “(A) the director of the designated State  
11 unit and the chairperson of, or other individual  
12 designated by, the Statewide Independent Liv-  
13 ing Council acting on behalf of and at the direc-  
14 tion of the Council, shall jointly appoint a peer  
15 review committee that shall rank applications in  
16 accordance with the standards and assurances  
17 set forth in section 725 and criteria jointly es-  
18 tablished by such director and such chairperson  
19 or individual;

20 “(B) the peer review committee shall con-  
21 sider the ability of each such applicant to oper-  
22 ate a center for independent living, and shall  
23 recommend an applicant to receive a grant  
24 under this section, based on—

1 “(i) evidence of the need for a center  
2 for independent living, consistent with the  
3 State plan;

4 “(ii) any past performance of such ap-  
5 plicant in providing services comparable to  
6 independent living services;

7 “(iii) the plan for complying with, or  
8 demonstrated success in complying with,  
9 the standards and the assurances set forth  
10 in section 725;

11 “(iv) the quality of key personnel of  
12 the applicant and the involvement of indi-  
13 viduals with significant disabilities by the  
14 applicant;

15 “(v) the budgets and cost-effectiveness  
16 of the applicant;

17 “(vi) the evaluation plan of the appli-  
18 cant; and

19 “(vii) the ability of such applicant to  
20 carry out the plans; and

21 “(C) the director of the designated State  
22 unit shall award the grant on the basis of the  
23 recommendations of the peer review committee  
24 if the actions of the committee are consistent  
25 with Federal and State law.

1           “(3) CURRENT CENTERS.—Notwithstanding  
2 paragraphs (1) and (2), a center for independent liv-  
3 ing that receives assistance under part B for a fiscal  
4 year shall be eligible for a grant for the subsequent  
5 fiscal year under this subsection.

6           “(e) ORDER OF PRIORITIES.—Unless the director of  
7 the designated State unit and the chairperson of the Coun-  
8 cil or other individual designated by the Council acting  
9 on behalf of and at the direction of the Council jointly  
10 agree on another order of priority, the director shall be  
11 guided by the following order of priorities in allocating  
12 funds among centers for independent living within a State,  
13 to the extent funds are available:

14           “(1) The director of the designated State unit  
15 shall support existing centers for independent living,  
16 as described in subsection (c), that comply with the  
17 standards and assurances set forth in section 725,  
18 at the level of funding for the previous year.

19           “(2) The director of the designated State unit  
20 shall provide for a cost-of-living increase for such ex-  
21 isting centers for independent living.

22           “(3) The director of the designated State unit  
23 shall fund new centers for independent living, as de-  
24 scribed in subsection (d), that comply with the  
25 standards and assurances set forth in section 725.

1       “(f) NONRESIDENTIAL AGENCIES.—A center that  
2 provides or manages residential housing after October 1,  
3 1994, shall not be considered to be an eligible agency  
4 under this section.

5       “(g) REVIEW.—

6           “(1) IN GENERAL.—The director of the des-  
7 ignated State unit shall periodically review each cen-  
8 ter receiving funds under this section to determine  
9 whether such center is in compliance with the stand-  
10 ards and assurances set forth in section 725. If the  
11 director of the designated State unit determines that  
12 any center receiving funds under this section is not  
13 in compliance with the standards and assurances set  
14 forth in section 725, the director of the designated  
15 State unit shall immediately notify such center that  
16 it is out of compliance.

17           “(2) ENFORCEMENT.—The director of the des-  
18 ignated State unit shall terminate all funds under  
19 this section to such center 90 days after—

20                   “(A) the date of such notification; or

21                   “(B) in the case of a center that requests  
22 an appeal under subsection (i), the date of any  
23 final decision under subsection (i),

1 unless the center submits a plan to achieve compli-  
2 ance within 90 days and such plan is approved by  
3 the director, or if appealed, by the Commissioner.

4 “(h) ~~ON-SITE~~ *ONSITE* COMPLIANCE REVIEW.—The  
5 director of the designated State unit shall annually con-  
6 duct onsite compliance reviews of at least 15 percent of  
7 the centers for independent living that receive funding  
8 under this section in the State. Each team that conducts  
9 ~~on-site~~ *onsite* compliance review of centers for independent  
10 living shall include at least one person who is not an em-  
11 ployee of the designated State agency, who has experience  
12 in the operation of centers for independent living, and who  
13 is jointly selected by the director of the designated State  
14 unit and the chairperson of or other individual designated  
15 by the Council acting on behalf of and at the direction  
16 of the Council. A copy of this review shall be provided to  
17 the Commissioner.

18 “(i) ADVERSE ACTIONS.—If the director of the des-  
19 ignated State unit proposes to take a significant adverse  
20 action against a center for independent living, the center  
21 may seek mediation and conciliation to be provided by an  
22 individual or individuals who are free of conflicts of inter-  
23 est identified by the chairperson of or other individual des-  
24 ignated by the Council. If the issue is not resolved through  
25 the mediation and conciliation, the center may appeal the

1 proposed adverse action to the Commissioner for a final  
2 decision.

3 **“SEC. 724. CENTERS OPERATED BY STATE AGENCIES.**

4 “A State that receives assistance for fiscal year 1993  
5 with respect to a center in accordance with subsection (a)  
6 of this section (as in effect on the day before the date  
7 of enactment of the Rehabilitation Act Amendments of  
8 1998) may continue to receive assistance under this part  
9 for fiscal year 1994 or a succeeding fiscal year if, for such  
10 fiscal year—

11 “(1) no nonprofit private agency—

12 “(A) submits an acceptable application to  
13 operate a center for independent living for the  
14 fiscal year before a date specified by the Com-  
15 missioner; and

16 “(B) obtains approval of the application  
17 under section 722 or 723; or

18 “(2) after funding all applications so submitted  
19 and approved, the Commissioner determines that  
20 funds remain available to provide such assistance.

21 **“SEC. 725. STANDARDS AND ASSURANCES FOR CENTERS**  
22 **FOR INDEPENDENT LIVING.**

23 “(a) IN GENERAL.—Each center for independent liv-  
24 ing that receives assistance under this part shall comply  
25 with the standards set out in subsection (b) and provide

1 and comply with the assurances set out in subsection (c)  
2 in order to ensure that all programs and activities under  
3 this part are planned, conducted, administered, and evalu-  
4 ated in a manner consistent with the purposes of this  
5 chapter and the objective of providing assistance effec-  
6 tively and efficiently.

7 “(b) STANDARDS.—

8 “(1) PHILOSOPHY.—The center shall promote  
9 and practice the independent living philosophy of—

10 “(A) consumer control of the center re-  
11 garding decisionmaking, service delivery, man-  
12 agement, and establishment of the policy and  
13 direction of the center;

14 “(B) self-help and self-advocacy;

15 “(C) development of peer relationships and  
16 peer role models; and

17 “(D) equal access of individuals with sig-  
18 nificant disabilities to society and to all serv-  
19 ices, programs, activities, resources, and facili-  
20 ties, whether public or private and regardless of  
21 the funding source.

22 “(2) PROVISION OF SERVICES.—The center  
23 shall provide services to individuals with a range of  
24 significant disabilities. The center shall provide serv-  
25 ices on a cross-disability basis (for individuals with



1 all different types of significant disabilities, includ-  
2 ing individuals with significant disabilities who are  
3 members of populations that are unserved or under-  
4 served by programs under this title). Eligibility for  
5 services at any center for independent living shall be  
6 determined by the center, and shall not be based on  
7 the presence of any one or more specific significant  
8 disabilities.

9 “(3) INDEPENDENT LIVING GOALS.—The center  
10 shall facilitate the development and achievement of  
11 independent living goals selected by individuals with  
12 significant disabilities who seek such assistance by  
13 the center.

14 “(4) COMMUNITY OPTIONS.—The center shall  
15 work to increase the availability and improve the  
16 quality of community options for independent living  
17 in order to facilitate the development and achieve-  
18 ment of independent living goals by individuals with  
19 significant disabilities.

20 “(5) INDEPENDENT LIVING CORE SERVICES.—  
21 The center shall provide independent living core  
22 services and, as appropriate, a combination of any  
23 other independent living services.

24 “(6) ACTIVITIES TO INCREASE COMMUNITY CA-  
25 PACITY.—The center shall conduct activities to in-

1       crease the capacity of communities within the service  
2       area of the center to meet the needs of individuals  
3       with significant disabilities.

4           “(7) RESOURCE DEVELOPMENT ACTIVITIES.—  
5       The center shall conduct resource development ac-  
6       tivities to obtain funding from sources other than  
7       this chapter.

8           “(c) ASSURANCES.—The eligible agency shall provide  
9       at such time and in such manner as the Commissioner  
10      may require, such satisfactory assurances as the Commis-  
11      sioner may require, including satisfactory assurances  
12      that—

13           “(1) the applicant is an eligible agency;

14           “(2) the center will be designed and operated  
15      within local communities by individuals with disabili-  
16      ties, including an assurance that the center will  
17      have a Board that is the principal governing body of  
18      the center and a majority of which shall be com-  
19      posed of individuals with significant disabilities;

20           “(3) the applicant will comply with the stand-  
21      ards set forth in subsection (b);

22           “(4) the applicant will establish clear priorities  
23      through annual and 3-year program and financial  
24      planning objectives for the center, including overall  
25      goals or a mission for the center, a work plan for

1 achieving the goals or mission, specific objectives,  
2 service priorities, and types of services to be pro-  
3 vided, and a description that shall demonstrate how  
4 the proposed activities of the applicant are consist-  
5 ent with the most recent 3-year State plan under  
6 section 704;

7 “(5) the applicant will use sound organizational  
8 and personnel assignment practices, including taking  
9 affirmative action to employ and advance in employ-  
10 ment qualified individuals with significant disabil-  
11 ities on the same terms and conditions required with  
12 respect to the employment of individuals with dis-  
13 abilities under section 503;

14 “(6) the applicant will ensure that the majority  
15 of the staff, and individuals in decisionmaking posi-  
16 tions, of the applicant are individuals with disabil-  
17 ities;

18 “(7) the applicant will practice sound fiscal  
19 management, including making arrangements for an  
20 annual independent fiscal audit, notwithstanding  
21 section 7502(a)(2)(A) of title 31, United States  
22 Code;

23 “(8) the applicant will conduct annual self-eval-  
24 uations, prepare an annual report, and maintain  
25 records adequate to measure performance with re-

1       spect to the standards, containing information re-  
2       garding, at a minimum—

3               “(A) the extent to which the center is in  
4       compliance with the standards;

5               “(B) the number and types of individuals  
6       with significant disabilities receiving services  
7       through the center;

8               “(C) the types of services provided through  
9       the center and the number of individuals with  
10      significant disabilities receiving each type of  
11      service;

12              “(D) the sources and amounts of funding  
13      for the operation of the center;

14              “(E) the number of individuals with sig-  
15      nificant disabilities who are employed by, and  
16      the number who are in management and deci-  
17      sionmaking positions in, the center; and

18              “(F) a comparison, when appropriate, of  
19      the activities of the center in prior years with  
20      the activities of the center in the most recent  
21      year;

22              “(9) individuals with significant disabilities who  
23      are seeking or receiving services at the center will be  
24      notified by the center of the existence of, the avail-

1 ability of, and how to contact, the client assistance  
2 program;

3 “(10) aggressive outreach regarding services  
4 provided through the center will be conducted in an  
5 effort to reach populations of individuals with sig-  
6 nificant disabilities that are unserved or underserved  
7 by programs under this title, especially minority  
8 groups and urban and rural populations;

9 “(11) staff at centers for independent living will  
10 receive training on how to serve such unserved and  
11 underserved populations, including minority groups  
12 and urban and rural populations;

13 “(12) the center will submit to the Statewide  
14 Independent Living Council a copy of its approved  
15 grant application and the annual report required  
16 under paragraph (8);

17 “(13) the center will prepare and submit a re-  
18 port to the designated State unit or the Commis-  
19 sioner, as the case may be, at the end of each fiscal  
20 year that contains the information described in para-  
21 graph (8) and information regarding the extent to  
22 which the center is in compliance with the standards  
23 set forth in subsection (b); and

24 “(14) an independent living plan described in  
25 section 704(e) will be developed unless the individual

1       who would receive services under the plan signs a  
2       waiver stating that such a plan is unnecessary.

3   **“SEC. 726. DEFINITIONS.**

4       “As used in this part, the term ‘eligible agency’  
5       means a consumer-controlled, community-based, cross-dis-  
6       ability, nonresidential private nonprofit agency.

7   **“SEC. 727. AUTHORIZATION OF APPROPRIATIONS.**

8       “There are authorized to be appropriated to carry out  
9       this part such sums as may be necessary for each of the  
10      fiscal years 1998 through 2004.

11   **“CHAPTER     2—INDEPENDENT     LIVING**  
12       **SERVICES FOR OLDER INDIVIDUALS**  
13       **WHO ARE BLIND**

14   **“SEC. 751. DEFINITION.**

15      “For purposes of this chapter, the term ‘older indi-  
16      vidual who is blind’ means an individual age 55 or older  
17      whose significant visual impairment makes competitive  
18      employment extremely difficult to attain but for whom  
19      independent living goals are feasible.

20   **“SEC. 752. PROGRAM OF GRANTS.**

21      “(a) IN GENERAL.—

22           “(1) AUTHORITY FOR GRANTS.—Subject to sub-  
23      sections (b) and (c), the Commissioner may make  
24      grants to States for the purpose of providing the

1 services described in subsection (d) to older individ-  
 2 uals who are blind.

3 “(2) DESIGNATED STATE AGENCY.—The Com-  
 4 missioner may not make a grant under subsection  
 5 (a) unless the State involved agrees that the grant  
 6 will be administered solely by the agency described  
 7 in section 101(a)(2)(A)(i).

8 “(b) CONTINGENT COMPETITIVE GRANTS.—Begin-  
 9 ning with fiscal year 1993, in the case of any fiscal year  
 10 for which the amount appropriated under section 753 is  
 11 less than \$13,000,000, grants made under subsection (a)  
 12 shall be—

13 “(1) discretionary grants made on a competitive  
 14 basis to States; or

15 “(2) grants made on a noncompetitive basis to  
 16 pay for the continuation costs of activities for which  
 17 a grant was awarded—

18 “(A) under this chapter; or

19 “(B) under part C, as in effect on the day  
 20 before the date of enactment of the Rehabilita-  
 21 tion Act Amendments of 1992.

22 “(c) CONTINGENT FORMULA GRANTS.—

23 “(1) IN GENERAL.—In the case of any fiscal  
 24 year for which the amount appropriated under sec-  
 25 tion 753 is equal to or greater than \$13,000,000,

1 grants under subsection (a) shall be made only to  
2 States and shall be made only from allotments under  
3 paragraph (2).

4 “(2) ALLOTMENTS.—For grants under sub-  
5 section (a) for a fiscal year described in paragraph  
6 (1), the Commissioner shall make an allotment to  
7 each State in an amount determined in accordance  
8 with subsection (j), and shall make a grant to the  
9 State of the allotment made for the State if the  
10 State submits to the Commissioner an application in  
11 accordance with subsection (i).

12 “(d) SERVICES GENERALLY.—The Commissioner  
13 may not make a grant under subsection (a) unless the  
14 State involved agrees that the grant will be expended only  
15 for purposes of—

16 “(1) providing independent living services to  
17 older individuals who are blind;

18 “(2) conducting activities that will improve or  
19 expand services for such individuals; and

20 “(3) conducting activities to help improve public  
21 understanding of the problems of such individuals.

22 “(e) INDEPENDENT LIVING SERVICES.—Independent  
23 living services for purposes of subsection (d)(1) include—

24 “(1) services to help correct blindness, such  
25 as—



1                   “(A) outreach services;

2                   “(B) visual screening;

3                   “(C) surgical or therapeutic treatment to  
4           prevent, correct, or modify disabling eye condi-  
5           tions; and

6                   “(D) hospitalization related to such serv-  
7           ices;

8                   “(2) the provision of eyeglasses and other visual  
9           aids;

10                  “(3) the provision of services and equipment to  
11           assist an older individual who is blind to become  
12           more mobile and more self-sufficient;

13                  “(4) mobility training, ~~Braille~~ *braille* instruc-  
14           tion, and other services and equipment to help an  
15           older individual who is blind adjust to blindness;

16                  “(5) guide services, reader services, and trans-  
17           portation;

18                  “(6) any other appropriate service designed to  
19           assist an older individual who is blind in coping with  
20           daily living activities, including supportive services  
21           and rehabilitation teaching services;

22                  “(7) independent living skills training, informa-  
23           tion and referral services, peer counseling, and indi-  
24           vidual advocacy training; and

25                  “(8) other independent living services.

1 “(f) MATCHING FUNDS.—

2 “(1) IN GENERAL.—The Commissioner may not  
3 make a grant under subsection (a) unless the State  
4 involved agrees, with respect to the costs of the pro-  
5 gram to be carried out by the State pursuant to  
6 such subsection, to make available (directly or  
7 through donations from public or private entities)  
8 non-Federal contributions toward such costs in an  
9 amount that is not less than \$1 for each \$9 of Fed-  
10 eral funds provided in the grant.

11 “(2) DETERMINATION OF AMOUNT CONTRIB-  
12 UTED.—Non-Federal contributions required in para-  
13 graph (1) may be in cash or in kind, fairly evalu-  
14 ated, including plant, equipment, or services.  
15 Amounts provided by the Federal Government, or  
16 services assisted or subsidized to any significant ex-  
17 tent by the Federal Government, may not be in-  
18 cluded in determining the amount of such non-Fed-  
19 eral contributions.

20 “(g) CERTAIN EXPENDITURES OF GRANTS.—A State  
21 may expend a grant under subsection (a) to carry out the  
22 purposes specified in subsection (d) through grants to  
23 public and nonprofit private agencies or organizations.

24 “(h) REQUIREMENT REGARDING STATE PLAN.—The  
25 Commissioner may not make a grant under subsection (a)

1 unless the State involved agrees that, in carrying out sub-  
 2 section (d)(1), the State will seek to incorporate into the  
 3 State plan under section 704 any new methods and ap-  
 4 proaches relating to independent living services for older  
 5 individuals who are blind.

6 “(i) APPLICATION FOR GRANT.—

7 “(1) IN GENERAL.—The Commissioner may not  
 8 make a grant under subsection (a) unless an appli-  
 9 cation for the grant is submitted to the Commis-  
 10 sioner and the application is in such form, is made  
 11 in such manner, and contains such agreements, as-  
 12 surances, and information as the Commissioner de-  
 13 termines to be necessary to carry out this section  
 14 (including agreements, assurances, and information  
 15 with respect to any grants under subsection (j)(4)).

16 “(2) CONTENTS.—An application for a grant  
 17 under this section shall contain—

18 “(A) an assurance that the agency de-  
 19 scribed in subsection (a)(2) will prepare and  
 20 submit to the Commissioner a report, at the  
 21 end of each fiscal year, with respect to each  
 22 project or program the agency operates or ad-  
 23 ministers under this section, whether directly or  
 24 through a grant or contract, which report shall  
 25 contain, at a minimum, information on—

1 “(i) the number and types of older in-  
2 dividuals who are blind and are receiving  
3 services;

4 “(ii) the types of services provided  
5 and the number of older individuals who  
6 are blind and are receiving each type of  
7 service;

8 “(iii) the sources and amounts of  
9 funding for the operation of each project  
10 or program;

11 “(iv) the amounts and percentages of  
12 resources committed to each type of service  
13 provided;

14 “(v) data on actions taken to employ,  
15 and advance in employment, qualified indi-  
16 viduals with significant disabilities, includ-  
17 ing older individuals who are blind; and

18 “(vi) a comparison, if appropriate, of  
19 prior year activities with the activities of  
20 the most recent year;

21 “(B) an assurance that the agency will—

22 “(i) provide services that contribute to  
23 the maintenance of, or the increased inde-  
24 pendence of, older individuals who are  
25 blind; and

1 “(ii) engage in—

2 “(I) capacity-building activities,  
3 including collaboration with other  
4 agencies and organizations;

5 “(II) activities to promote com-  
6 munity awareness, involvement, and  
7 assistance; and

8 “(III) outreach efforts; and

9 “(C) an assurance that the application is  
10 consistent with the State plan for providing  
11 independent living services required by section  
12 704.

13 “(j) AMOUNT OF FORMULA GRANT.—

14 “(1) IN GENERAL.—Subject to the availability  
15 of appropriations, the amount of an allotment under  
16 subsection (a) for a State for a fiscal year shall be  
17 the greater of—

18 “(A) the amount determined under para-  
19 graph (2); or

20 “(B) the amount determined under para-  
21 graph (3).

22 “(2) MINIMUM ALLOTMENT.—

23 “(A) STATES.—In the case of the several  
24 States, the District of Columbia, and the Com-  
25 monwealth of Puerto Rico, the amount referred

1 to in subparagraph (A) of paragraph (1) for a  
2 fiscal year is the greater of—

3 “(i) \$225,000; or

4 “(ii) an amount equal to one-third of  
5 one percent of the amount appropriated  
6 under section 753 for the fiscal year and  
7 available for allotments under subsection  
8 (a).

9 “(B) CERTAIN TERRITORIES.—In the case  
10 of Guam, American Samoa, the United States  
11 Virgin Islands, and the Commonwealth of the  
12 Northern Mariana Islands, the amount referred  
13 to in subparagraph (A) of paragraph (1) for a  
14 fiscal year is \$40,000.

15 “(3) FORMULA.—The amount referred to in  
16 subparagraph (B) of paragraph (1) for a State for  
17 a fiscal year is the product of—

18 “(A) the amount appropriated under sec-  
19 tion 753 and available for allotments under  
20 subsection (a); and

21 “(B) a percentage equal to the quotient  
22 of—

23 “(i) an amount equal to the number  
24 of individuals residing in the State who are  
25 not less than 55 years of age; divided by

1                   “(ii) an amount equal to the number  
2                   of individuals residing in the United States  
3                   who are not less than 55 years of age.

4                   “(4) DISPOSITION OF CERTAIN AMOUNTS.—

5                   “(A) GRANTS.—From the amounts speci-  
6                   fied in subparagraph (B), the Commissioner  
7                   may make grants to States whose population of  
8                   older individuals who are blind has a substan-  
9                   tial need for the services specified in subsection  
10                  (d) relative to the populations in other States of  
11                  older individuals who are blind.

12                  “(B) AMOUNTS.—The amounts referred to  
13                  in subparagraph (A) are any amounts that are  
14                  not paid to States under subsection (a) as a re-  
15                  sult of—

16                   “(i) the failure of any State to submit  
17                   an application under subsection (i);

18                   “(ii) the failure of any State to pre-  
19                   pare within a reasonable period of time  
20                   such application in compliance with such  
21                   subsection; or

22                   “(iii) any State informing the Com-  
23                   missioner that the State does not intend to  
24                   expend the full amount of the allotment  
25                   made for the State under subsection (a).

1                   “(C) CONDITIONS.—The Commissioner  
 2                   may not make a grant under subparagraph (A)  
 3                   unless the State involved agrees that the grant  
 4                   is subject to the same conditions as grants  
 5                   made under subsection (a).

6   **“SEC. 753. AUTHORIZATION OF APPROPRIATIONS.**

7                   “There are authorized to be appropriated to carry out  
 8                   this chapter such sums as may be necessary for each of  
 9                   the fiscal years 1998 through 2004.”.

10   **SEC. 11. HELEN KELLER NATIONAL CENTER ACT.**

11                   (a) GENERAL AUTHORIZATION OF APPROPRIA-  
 12                   TIONS.—The first sentence of section 205(a) of the Helen  
 13                   Keller National Center Act (29 U.S.C. 1904(a)) is amend-  
 14                   ed by striking “1993 through 1997” and inserting “1998  
 15                   through ~~2000~~ 2004”.

16                   (b) HELEN KELLER NATIONAL CENTER FEDERAL  
 17                   ENDOWMENT FUND.—The first sentence of section  
 18                   208(h) of such Act (29 U.S.C. 1907(h)) is amended by  
 19                   striking “1993 through 1997” and inserting “1998  
 20                   through ~~2000~~ 2004”.

21                   (c) REGISTRY.—Such Act (29 U.S.C. 1901 et seq.)  
 22                   is amended by adding at the end the following:



1 **“SEC. 209. NATIONAL REGISTRY AND AUTHORIZATION OF**  
 2 **APPROPRIATIONS.**

3 “(a) *REGISTRY*.—The Center shall establish and  
 4 maintain a national registry of individuals who are deaf-  
 5 blind, using funds made available under subsection (b).

6 “(b) *AUTHORIZATION OF APPROPRIATIONS*.—There  
 7 are authorized to be appropriated to carry out subsection  
 8 (a) such sums as may be necessary for each of fiscal years  
 9 1998 through ~~2000~~ 2004.”.

10 **SEC. 12. PRESIDENT’S COMMITTEE ON NATIONAL EMPLOY**  
 11 **THE PHYSICALLY HANDICAPPED WEEK.**

12 Section ~~2(2)~~ of the Joint Resolution entitled “Joint  
 13 Resolution authorizing an appropriation for the work of  
 14 the President’s Committee on National Employ the Phys-  
 15 ically Handicapped Week”, approved July 11, 1949 (36  
 16 U.S.C. 155b(2)) is amended by inserting “solicit,” before  
 17 “accept,”.

18 **SEC. 12. PRESIDENT’S COMMITTEE ON EMPLOYMENT OF**  
 19 **PEOPLE WITH DISABILITIES.**

20 Section 2(2) of the joint resolution approved July 11,  
 21 1949 (63 Stat. 409, chapter 302; 36 U.S.C. 155b(2)) is  
 22 amended by inserting “solicit,” before “accept,”.

23 **SEC. 13. PEER REVIEW.**

24 Part B of title IV of the Department of Education  
 25 Organization Act (20 U.S.C. 3471 et seq.) is amended by  
 26 inserting before section 427 the following:

1 **~~“SEC. 426A. PEER REVIEW.~~**

2       ~~“The Federal Advisory Committee Act (5 U.S.C.~~  
3 ~~App.) shall not apply to peer review panels established by~~  
4 ~~the Secretary to evaluate applications for financial assist-~~  
5 ~~ance awarded on a competitive basis.”.~~

6 **SEC. 14. 13. CONFORMING AMENDMENTS.**

7       (a) PREPARATION.—After consultation with the ap-  
8 propriate committees of Congress and the Director of the  
9 Office of Management and Budget, the Secretary of Edu-  
10 cation shall prepare recommended legislation containing  
11 technical and conforming amendments to reflect the  
12 changes made by this Act.

13       (b) SUBMISSION TO CONGRESS.—Not later than 6  
14 months after the date of enactment of this Act, the Sec-  
15 retary of Education shall submit to Congress the rec-  
16 ommended legislation referred to under subsection (a).