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NATIONAL REHABILITATION ASSOCIATION
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BRIEF ANALYSIS OF THE REHABILITATION ACT OF 1957
(Based on H. R. 6981)

This bill has gone through several drafts, one of which was introduced by Representative Elliott of Alabama as H. R. 6981. The current draft embodies amendments voted by the NRA Rehabilitation Policy Committee at Minneapolis, September 29, 1957, as well as suggestions from other sources.

Section 1 - Purpose of Legislation

The purpose of the legislation is set forth in the first paragraph of the bill and in the "Finding of Fact and Declaration" that follows. Briefly stated, its purpose is: (1) to make eligible for rehabilitation services under the State-Federal Rehabilitation Program severely handicapped individuals who are not feasible for vocational rehabilitation services but who, as a result of rehabilitation services, can achieve such ability of independent living as to dispense with the need for expensive institutional care or the need of an attendant at home; (2) to enable the federal government to assist in the establishment of non-profit workshops and rehabilitation facilities; (3) to authorize the re-allotment of unused extension and improvement funds (Section 3 of Public Law 565) to states in a position to use such funds; and (4) to provide federal assistance to the states to enable them to operate comprehensive evaluation programs for individuals who may profit from vocational rehabilitation or independent living rehabilitation services.

Section 2 (a) - Re-Allotment of Section 3 Appropriations

The only substantive changes this Section makes in existing legislation is that it would direct the Secretary of HEW to re-allot unused Section 3 funds (Extension and Improvement) to states which are in a position to earn such additional funds, and provides that Section 2 funds cannot be used for evaluation services, if the state has received grants for such services under the new Title IV.

TITLE II - INDEPENDENT LIVING REHABILITATION SERVICES

Section 3 of the bill includes three new Titles, Public Law 565 of the 83rd Congress becomes Title I of the amended Act. The following provisions constitute Title II, which sets up the independent living rehabilitation program.

Section 201 - Appropriations

This Section authorizes appropriations to carry out the purposes of the Act. There are no limitations on appropriations except \$10,000,000 for the first year and \$20,000,000 for the second year.

Section 202 (a) - Allotments

This Section states the basis or formula upon which allotments to states will be made. The formula, based upon population and per capita income, is identical with that found in Public Law 565 for Section 2 allotments. A minimum allotment of \$25,000 (unless otherwise determined in an appropriation act) is provided, and re-allotment of unused funds to states in a position to earn such funds is provided. Allotments are distinct from allotments under existing law.

Section 202 (b) - Payments to States

This Section sets forth the matching provisions. The federal share of expenditures percentage-wise under the state plan, including administration, will be identical with the federal share under Section 2 of Public Law 565. Transition provisions of Public Law 565 are not included, so the formula is in full effect from the beginning of the new program.

Section 203 - State Plans

In the main, these provisions are self explanatory, but special attention should be called to a few items.

- (1) The state rehabilitation agency may "farm out" the administration of the program at the local level to other public agencies, although it must supervise its administration in such cases. This arrangement is allowed in Public Law 565. Provisions of existing law providing for separate agencies for the rehabilitation of the blind are maintained without change (1).
- (2) Specific provision is made for use of non-state appropriated funds to match federal funds (2).
- (3) Paragraphs (3), (4), (5), (6), (7) and paragraphs (b) (c) (d) are similar to provisions in practically all grant-in-aid bills and have no special significance.

Section 204 - Method of Computing and Making Payments

This Section is virtually identical with the comparable Section (6) of Public Law 565 and is the legal language in common use.

Section 205 - Administration

This Section is almost identical with comparable Section (7) of Public Law 565, except that the limitation upon the amount of training for one individual is removed.

Section 206 - Definitions

This Section contains definitions of independent living rehabilitation services, handicapped individual, and "State". We believe these definitions are self-explanatory.

TITLE III - WORKSHOPS AND REHABILITATION FACILITIES

The purpose of this Title is to assist the states in establishing workshops and other rehabilitation facilities.

Section 301 (a) - Grants

This Section authorizes appropriations for carrying out the purpose of the Title. The appropriations authority is unlimited, except to \$10,000,000 for 1959, \$12,500,000 for 1960, and \$15,000,000 for 1961.

Section 301 (b) - Method of Distribution

Except for area facilities, this Section directs the Secretary of Hew, so far as is practical, to distribute grants for projects among the states proportionate to their populations and limits grants to a state to one and one-half the amount it would receive on a population basis. There will not be allotments to the states as under Section 2 and Section 3 of Public Law 565 or as under Title II of this bill. All grants will be made on a project basis. After January 1 of each year, the Secretary may redistribute without regard to population funds apportioned to states for which approvable projects are not available. Area facilities are defined as facilities intended to serve areas which include all or parts of 2 or more states. The appropriation bill each year would designate the sum to be spent on area facilities. There would be no allotment or apportionment of such funds. Regulations of the Secretary would govern the distribution.

Section 302 (a) - Grants

This Section defines workshops and rehabilitation facilities for which grants will be available. The definition of a workshop is the one found in the regulations made pursuant of Public Law 565. An exception is that under this Title the definition of the workshop is broadened to include provisions for the employment of handicapped individuals confined to their homes. This should encourage development of homebound programs in connection with workshops established under the Title. The definition of a rehabilitation facility is similar to that found in

Section (11) of Public Law 565. Vocational training is added as one of the types of services that may be provided by facilities developed under the Title. It was felt that this type of service was not clearly enough spelled out in previous drafts. Grants may be made to cover administrative costs of states in performing their functions under the Act.

Section 302 (b) - Limitations on Grants

This Section specifies that grants can be made to construct or alter buildings, procure initial equipment, and for staffing for a period of two years. It also gives the Secretary authority to establish minimum standards for facilities and personnel under the Title and to establish a system of priorities for facilities to be approved under the Title.

Section 302 (c) - Federal Share

This Section limits the federal share of any project to two dollars for each one dollar which is otherwise obtained and used.

Section 302 (d) - Limitations on Secretary in Making Grants

This Section specifies that the Secretary shall not make grants under this Title unless--

1. applications have been submitted through and approved as feasible and necessary by the state rehabilitation agency,
2. he finds that facilities for which the grant is requested cannot be appropriately assisted by federal grants under other federal laws,
3. wages to be paid in a workshop meets federal wage and hour standards.

TITLE IV - REHABILITATION EVALUATION SERVICES

This Title is designed to assist the states in establishing comprehensive rehabilitation evaluation programs for all handicapped adults.

Section 401 - Authorization of Appropriations

This Section states the purpose for which federal grants are to be available: that is, to assist the states to provide comprehensive evaluation programs to determine the nature and extent of disabilities and the rehabilitation potential of individuals. Specific amounts are not authorized.

Section 402 (a) - Federal Share

The federal share is to be 2/3 of the sums the states expend for evaluation services under the Title. There is to be no limit on such reimbursement.

Sections 402 (b) (c) (d)

These Sections contain the routine provisions pertaining to payments to be made to the states under the Title.

Section 403 - Definitions

This Section contains a definition of rehabilitation evaluation services. This definition is, we believe, self-explanatory. Evaluation services, excepting maintenance, are to be provided without regard to need for financial assistance.

Under the Title, states would be able to develop comprehensive evaluation programs for all handicapped adults who come under the definition of "handicapped individual", whether or not the state rehabilitation agency might be expected to provide rehabilitation services following evaluation. This service should be of great value to all community rehabilitation agencies, many of whom are not able to provide, for various reasons, adequate diagnostic services for all who seek them. It should be a resource for public assistance agencies and for evaluations under the OASI Disability Benefits Program. It is contemplated that, in the main, existing rehabilitation evaluation facilities would be expanded to provide these services.