

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1359 Vocational Rehabilitation

SPONSOR(S): Fresen

TIED BILLS: **IDEN./SIM. BILLS:** SB 962

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Higher Education & Workforce Subcommittee	11 Y, 0 N	Banner	Bishop
2) Education Appropriations Subcommittee	12 Y, 0 N	deNagy	Heflin
3) Education Committee	16 Y, 0 N	Banner	Mizereck

SUMMARY ANALYSIS

The 2015-2016 General Appropriations Act (GAA) includes proviso language requiring the Division of Vocational Rehabilitation to report significant measurable quarterly progress on specific performance indicators related to the vocational rehabilitation (VR) program. This requirement will expire on July 1, 2016.

The bill requires the division to develop and implement a performance improvement plan by October 1, 2016 aimed at achieving specified performance goals.

The bill also codifies in law existing reporting requirements enacted in the 2015-2016 GAA. The performance metrics are modified to align with new federal requirements outlined in the Workforce Innovation and Opportunity Act of 2014.

The Division of Vocational Rehabilitation will establish the improvement plan and meet the reporting requirements within existing resources. See fiscal section.

The bill has an effective date of July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Vocational Rehabilitation (VR) is a federal-state program that assists individuals with disabilities prepare for, gain, or retain employment in meaningful careers.¹ The United States Department of Education's Rehabilitation Services Administration (RSA) oversees and administers the program and provides funds to state agencies for these services.² In Florida, the Division of Vocational Rehabilitation within the Department of Education is designated as the administrative unit responsible for ensuring compliance with federal and state laws.³

The Rehabilitation Act of 1973, as amended, provides that the purpose of VR services is to:

- Empower individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion and integration into society; and
- Ensure that the federal government plays a leadership role in promoting the employment of individuals with disabilities and in assisting states and providers of services fulfill gainful employment and independent living aspirations of individuals with disabilities.⁴

The RSA oversees grant programs that help individuals with disabilities obtain employment and live more independently through the provision of such supports as counseling, medical and psychological services, job training and other individualized services. The RSA's major Title I formula grant program provides funds to state vocational rehabilitation agencies to provide employment-related services for individuals with disabilities.⁵

The Workforce Innovation and Opportunity Act of 2014 (WIOA), enacted on July 22, 2014,⁶ aims to increase opportunities for individuals facing barriers to employment and increases the focus on the connection between education and career preparation. Beginning in March 2016, WIOA requires states to submit a unified plan to the U.S. Departments of Education and Labor outlining performance measures and benchmarks. Florida's unified plan will include the Department of Education's Divisions of Career and Adult Education, Vocational Rehabilitation and Blind Services, as well as CareerSource Florida. WIOA also requires state VR agencies to set aside a portion of federal funds for services related to youth beginning at age 15.⁷

Florida law defines a person with a disability as one that "has a physical or mental impairment that constitutes or results in substantial impediment to employment."⁸ Such a person is eligible for VR services if they require assistance in preparing for, engaging in, or retaining gainful employment.⁹ If an individual is deemed eligible for services by the division, then the division must:

- Complete an assessment for determining the eligibility and vocational rehabilitation needs, and

¹ Division of Vocational Rehabilitation, Florida Department of Education, *Frequently Asked Questions*, <http://www.rehabworks.org/faq.shtml> (last visited January 20, 2016).

² Section 413.202, F.S.

³ Office of Program Policy Analysis and Government Accountability, Presentation to the Florida Senate Appropriations Subcommittee on Education (Oct. 7, 2015), available at <http://www.oppaga.state.fl.us/Presentations.aspx>.

⁴ 29 U.S.C. s. 701(b); see also Pub. L. No. 93-112, 87 Stat. 355 (Sep. 26, 1973).

⁵ U.S. Department of Education, *Welcome to RSA*, <http://www2.ed.gov/about/offices/list/osers/rsa/index.html> (last visited January 19, 2016).

⁶ Pub. L. No. 113-128, 128 Stat. 1425 (July 22, 2014).

⁷ Office of Program Policy Analysis and Government Accountability, Presentation to the Florida Senate Appropriations Subcommittee on Education (Oct. 7, 2015), available at <http://www.oppaga.state.fl.us/Presentations.aspx>.

⁸ Section 413.20(7), F.S.

⁹ Section 413.30(1), F.S.

- Ensure that an individualized plan for employment (IPE)¹⁰ is prepared, which must be jointly developed and signed by VR counselor or coordinator and the eligible individual, or in an appropriate case, a parent, family member, guardian, advocate, or authorized representative of the individual.¹¹ Each IPE must be reviewed annually and revised, as needed.¹²

Based on the individual's needs, services may include things such as vocational evaluation and planning, career counseling and guidance, job-site assessment and accommodations, job placement and coaching, and on-the-job training.¹³

In the event that sufficient resources are not available to serve all eligible individuals, federal law requires that individuals be served based on their level of disability through an Order of Selection (OOS) process.¹⁴ The OOS categories include:

- Category 1 is comprised of individuals with the most significant disabilities;
- Category 2 is comprised of individuals with significant disabilities; and
- Category 3 is comprised of individuals with disabilities.¹⁵

The Rehabilitation Act of 1973 requires the RSA to develop evaluation standards and performance indicators, as well as establish minimum levels of performance for each.¹⁶ These measures include, but are not limited to:

- Change in employment outcomes;
- Closed cases with employment;
- Closed cases with competitive employment;
- Individuals with significant disabilities who are employed;
- Comparison of earnings to all employed individuals; and
- Use of income to self-support.¹⁷

Each state VR agency is required to report on these data to the RSA annually. Those states that fail to meet the minimum levels of performance are required to develop a Program Improvement Plan (PIP) outlining specific actions to improve program performance.¹⁸

The 2015-2016 General Appropriations Act (GAA), which will expire on July 1, 2016, includes quarterly reporting requirements on the following measures:

- Average wait list time;
- Number of active cases (persons currently receiving services);
- Number and percentage of customers receiving postsecondary education;
- Number and percentage of customers receiving Career and Professional Education (CAPE) industry certifications;
- Number and percentage of customers gainfully employed;
- Average earnings of customers at placement; and
- Number of students receiving preemployment transition services.¹⁹

¹⁰ Section 413.20(3), F.S.

¹¹ Section 413.30(5)(a), F.S.; Rule 6A-25.007, F.A.C.

¹² Section 413.30(5)(c), F.S.

¹³ Division of Vocational Rehabilitation, Florida Department of Education, *Frequently Asked Questions*, <http://www.rehabworks.org/faq.shtml> (last visited January 20, 2016).

¹⁴ U.S. Department of Education, *RSA – Frequently Asked Questions About RSA*, <http://www2.ed.gov/about/offices/list/osers/rsa/faq.html#services> (last visited Jan. 20, 2016).

¹⁵ Office of Program Policy Analysis and Government Accountability, Presentation to the Florida Senate Appropriations Subcommittee on Education (Oct. 7, 2015), available at <http://www.oppaga.state.fl.us/Presentations.aspx>.

¹⁶ U.S. Department of Education, *Evaluation Standards and Performance Indicators for the Vocational Rehabilitation Services Program*, <http://www2.ed.gov/rschstat/eval/rehab/standards.html> (last visited Jan. 20, 2016).

¹⁷ Office of Program Policy Analysis and Government Accountability, Presentation to the Florida Senate Appropriations Subcommittee on Education (Oct. 7, 2015), available at <http://www.oppaga.state.fl.us/Presentations.aspx>.

¹⁸ U.S. Department of Education, *Evaluation Standards and Performance Indicators for the Vocational Rehabilitation Services Program*, <http://www2.ed.gov/rschstat/eval/rehab/standards.html> (last visited Jan. 20, 2016).

¹⁹ Specific Appropriation 35, s. 2, ch. 2015-232, L.O.F.

Effect of Proposed Changes

The bill requires the Division of Vocational Rehabilitation to develop and implement, by October 1, 2016, a performance improvement plan (PIP) based on the measureable quarterly progress indicators outlined in the 2015-2016 GAA. The PIP must address plans to achieve the following goals:

- Decreasing the average wait list time for serving clients.
- Increasing the percentage of participants who:
 - Are in unsubsidized employment during the second and fourth quarters after exit from the program;
 - Obtain a recognized postsecondary credential or a secondary school diploma (or its equivalent) within 1 year of exiting the program;
 - Enroll in education or training programs that lead to a recognized postsecondary credential or employment while in the program.
- Increasing the number of individuals earning CAPE industry certifications and CAPE postsecondary industry certifications and receiving pre-employment transition services.
- Increasing the median earnings of those in unsubsidized employment during the second quarter after exiting the program.
- Increasing the percentage of youth receiving pre-employment transition services without applying for additional VR services and who obtained an educational credential within 1 year of exiting the program.
- Increasing the division's effectiveness in serving employers, as indicated in the WIOA.

The bill also requires the division to submit, by December 1 of each year, a performance report to the Governor, the President of the Senate and the Speaker of the House of Representatives that includes:

- Caseload data, including the number of individuals who apply for and receive services, by service type;
- Service use data, by service type, including the number of units provided;
- Financial data, including expenditures for administration and the provision of services; and
- Outcome data, including the number of cases closed with and without employment.

The performance report must include information for the five most recent fiscal years, reported statewide and by service area.

B. SECTION DIRECTORY:

Section 1. Amends s. 413.207, F.S., codifying 2015-2016 General Appropriations Act language in law requiring the development of a performance improvement plan for the Division of Vocational Rehabilitation within the Department of Education.

Section 2. Provides an effective date of July 1, 2016

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill does not appear to have any impact on state revenues.

2. Expenditures:

The Division of Vocational Rehabilitation will establish the improvement plan and meet the reporting requirements within existing resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill does not appear to have any impact on local government revenues.

2. Expenditures:

The bill does not appear to have any impact on local government revenues.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.