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Tuesday  
April 14, 1998

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**Part IV**

**Department of  
Education**

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**National Institute on Disability and  
Rehabilitation Research; Notice of  
Proposed Funding Priorities for Fiscal  
Years 1998–1999 for Rehabilitation  
Research and Training Centers; Notice**

## DEPARTMENT OF EDUCATION

**National Institute on Disability and Rehabilitation Research; Notice of Proposed Funding Priorities for Fiscal Years 1998–1999 for Rehabilitation Research and Training Centers**

**SUMMARY:** The Secretary proposes funding priorities for five Rehabilitation Research and Training Centers (RRTCs) under the National Institute on Disability and Rehabilitation Research (NIDRR) for fiscal years 1998–1999. The Secretary takes this action to focus research attention on areas of national need. These priorities are intended to improve rehabilitation services and outcomes for individuals with disabilities.

**DATES:** Comments must be received on or before May 14, 1998.

**ADDRESSES:** All comments concerning these proposed priorities should be addressed to Donna Nangle, U.S. Department of Education, 600 Maryland Avenue, S.W., room 3418, Switzer Building, Washington, D.C. 20202–2645. Comments may also be sent through the Internet: [comments@ed.gov](mailto:comments@ed.gov).

You must include the term “Disability and Rehabilitation Research—Employment” in the subject line of your electronic message.

**FOR FURTHER INFORMATION CONTACT:** Donna Nangle. Telephone: (202) 205–5880. Individuals who use a telecommunications device or the deaf (TDD) may call the TDD number at (202) 205–2742. Internet: [Donna\\_Nangle@ed.gov](mailto:Donna_Nangle@ed.gov).

Individuals with disabilities may obtain this document in an alternate format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed in the preceding paragraph.

**SUPPLEMENTARY INFORMATION:****Invitation to Comment**

Interested persons are invited to submit comments and recommendations regarding these proposed priorities.

All comments submitted in response to this notice will be available for public inspection, during and after the comment period, in Room 3424, Switzer Building, 330 C Street S.W., Washington, D.C., between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday of each week except Federal holidays.

The purpose of this notice is to invite interested parties to participate in a pre-application meeting to discuss the funding priorities and receive technical assistance through individual consultation and information about the funding priorities.

**Pre-Application Meeting**

Monday, June 8, 1998. Interested parties are invited to participate in a pre-application meeting to discuss the funding priorities for the employment-related RRTCs included in this notice and to receive technical assistance through individual consultation and information about the funding priorities. The pre-application meeting to discuss these funding priorities will be held at the Department of Education, Office of Special Education and Rehabilitative Services, Switzer Building, Room 1002, 330 C St. SW, Washington, DC between 10:00 a.m. and 12:00 a.m. NIDRR staff will also be available at this location from 1:30 p.m. to 5:00 p.m. on that same day to provide technical assistance through individual consultation and information about the funding priority. NIDRR will make alternate arrangements to accommodate interested parties who are unable to attend the pre-application meeting in person.

**FOR FURTHER INFORMATION CONTACT:**

In order to obtain further information about the funding priorities and the pre-application meeting contact Donna Nangle, U.S. Department of Education, Room 3423 Switzer Building, 600 Maryland Avenue, S.W., Washington, D.C. 20202. Telephone: (202) 205–5880. Individuals who use a telecommunications device for the deaf (TDD) may call the TDD number at (202) 205–2742.

**Background**

This notice contains proposed priorities under the Disability and Rehabilitation Research Projects and Centers Program for five RRTCs related to: Disability and employment policy, State service systems, community rehabilitation programs (CRPs), workplace supports, and educational supports.

These proposed priorities support the National Education Goal that calls for every adult American to possess the skills necessary to compete in a global economy.

The authority for the Secretary to establish research priorities by reserving funds to support particular research activities is contained in sections 202(g) and 204 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 761a(g) and 762).

The Secretary will announce the final priorities in a notice in the **Federal Register**. The final priorities will be determined by responses to this notice, available funds, and other considerations of the Department. Funding of a particular project depends

on the final priority, the availability of funds, and the quality of the applications received. The publication of these proposed priorities does not preclude the Secretary from proposing additional priorities, nor does it limit the Secretary to funding only these priorities, subject to meeting applicable rulemaking requirements.

**Note:** This notice of proposed priorities does *not* solicit applications. A notice inviting applications under this competition will be published in the **Federal Register** concurrent with or following the publication of the notice of final priorities.

*Rehabilitation Research and Training Centers*

The authority for RRTCs is contained in section 204(b)(2) of the Rehabilitation Act of 1973, as amended (29 U.S.C. 760–762). Under this program, the Secretary makes awards to public and private organizations, including institutions of higher education and Indian tribes or tribal organizations, for coordinated research and training activities. These entities must be of sufficient size, scope, and quality to effectively carry out the activities of the Center in an efficient manner consistent with appropriate State and Federal laws. They must demonstrate the ability to carry out the training activities either directly or through another entity that can provide that training.

The Secretary may make awards for up to 60 months through grants or cooperative agreements. The purpose of the awards is for planning and conducting research, training, demonstrations, and related activities leading to the development of methods, procedures, and devices that will benefit individuals with disabilities, especially those with the most severe disabilities.

*Description of Rehabilitation Research and Training Centers*

RRTCs are operated in collaboration with institutions of higher education or providers of rehabilitation services or other appropriate services. RRTCs serve as centers of national excellence and national or regional resources for providers and individuals with disabilities and the parents, family members, guardians, advocates or authorized representatives of the individuals.

RRTCs conduct coordinated, integrated, and advanced programs of research in rehabilitation targeted toward the production of new knowledge to improve rehabilitation methodology and service delivery systems, to alleviate or stabilize disabling conditions, and to promote

maximum social and economic independence of individuals with disabilities.

RRTCs provide training, including graduate, pre-service, and in-service training, to assist individuals to more effectively provide rehabilitation services. They also provide training including graduate, pre-service, and in-service training, for rehabilitation research personnel.

RRTCs serve as informational and technical assistance resources to providers, individuals with disabilities, and the parents, family members, guardians, advocates, or authorized representatives of these individuals through conferences, workshops, public education programs, in-service training programs and similar activities.

RRTCs disseminate materials in alternate formats to ensure that they are accessible to individuals with a range of disabling conditions.

NIDRR encourages all Centers to involve individuals with disabilities and individuals from minority backgrounds as recipients of research training, as well as clinical training.

The Department is particularly interested in ensuring that the expenditure of public funds is justified by the execution of intended activities and the advancement of knowledge and, thus, has built this accountability into the selection criteria. Not later than three years after the establishment of any RRTC, NIDRR will conduct one or more reviews of the activities and achievements of the Center. In accordance with the provisions of 34

CFR 75.253(a), continued funding depends at all times on satisfactory performance and accomplishment.

**Proposed General RRTC Requirements**

The Secretary proposes that the following requirements apply to these RRTCs pursuant to these absolute priorities unless noted otherwise. An applicant's proposal to fulfill these proposed requirements will be assessed using applicable selection criteria in the peer review process. The Secretary is interested in receiving comments on these proposed requirements:

The RRTC must provide: (1) Applied research experience; (2) training on research methodology; and (3) training to persons with disabilities and their families, service providers, and other appropriate parties in accessible formats on knowledge gained from the Center's research activities.

The RRTC must develop and disseminate informational materials based on knowledge gained from the Center's research activities, and disseminate the materials to persons with disabilities, their representatives, service providers, and other interested parties.

The RRTC must involve individuals with disabilities and, if appropriate, their representatives, in planning and implementing its research, training, and dissemination activities, and in evaluating the Center.

The RRTC must conduct a state-of-the-science conference in the third year of the grant and publish a comprehensive report on the final

outcomes of the conference in the fourth year of the grant.

**Priorities**

Under 34 CFR 75.105(c)(3), the Secretary proposes to give an absolute preference to applications that meet the following priorities. The Secretary proposes to fund under this competition only applications that meet one of these absolute priorities.

**Research Priorities in Employment of Persons With Disabilities**

*Issues in the Employment of Persons With Disabilities*

Unemployment and underemployment among working-age Americans with disabilities are ongoing problems. Data from the U.S. Census Bureau on the labor force status of persons ages 16 to 64 in fiscal year 1996 highlight the magnitude of this problem (see Table 1). While four-fifths of working-age Americans were in the labor force and over three-fourths were working, less than one-third of persons with disabilities were in the labor force, and only one-quarter of them were working. Fully two-thirds of working-age persons with disabilities were not in the labor force, a statistic suggesting that many who may want to work have given up looking for a job. Finally, among those in the labor force, the unemployment rate for persons with disabilities is more than double that of nondisabled workers (12.6 percent versus 5.7 percent).

TABLE 1.—LABOR FORCE PARTICIPATION OF WORKING-AGE ADULTS WITH DISABILITIES

Working-age Americans	In labor force	Employed	Not in labor force (percent)	
			Total (percent)	Full time (percent)
All working-age persons .....	81.3	76.7	62.6	18.7
Working-age persons with disabilities .....	31.8	27.8	17.7	68.2

Recent analyses of data from the Survey of Income and Program Participation (SIPP) (McNeil, J., Americans with Disabilities: 1994-99, Current Population Reports, P70-61, U.S. Census Bureau, 1997) describe earnings discrepancies among working adults based on disability status. As shown in Table 2, median monthly earnings of working males without a disability (\$2,190) are nearly \$1,000 higher than those of workers with a severe disability (\$1,262). Working females without a disability earn \$500 more in median monthly earnings than

do females with a severe disability (\$1,470 versus \$1,000).

Recent trends in the nation's labor market exacerbate the difficulties experienced by persons with disabilities in their attempts to gain employment and even in their motivation to seek employment. Downsizing, for example, has led to a reduction in the percentage of individuals in the labor force with stable, long-term jobs that offer employee benefits. There has been an increase in the use of contingent labor as business and industry move to other configurations that fill labor needs without requiring a long-term

commitment to workers. This "contingent" workforce takes many forms, including on-call workers, temporary help agency workers, workers provided by contract firms, and independent contractors paid wages or salaries directly from the company (Uchitelle, L., "More Downsized Workers Are Returning as Rentals," New York Times, December 8, 1996; Clark, R., "Planning for the Future Environmental Scanning Forum: Final Report," Office of Special Education and Rehabilitative Services (OSERS), Washington, DC, 1997). Many of these types of jobs lack the security and

benefits, particularly health insurance, that most persons with disabilities require in order to participate in the labor force. Further, some individuals believe that the nation's political climate is such that government supports for underemployed persons are likely to decline in the future (Clark, R., *ibid.*; Conlan, T., Planning for the Future Environmental Scanning Forum: Final Report, OSERS, Washington, DC, 1997).

TABLE 2.—MONTHLY EARNINGS OF NONDISABLED AND DISABLED WORKING ADULTS, 1994–95

Gender	Median monthly earnings		
	No disability	Non-severe disability	Severe disability
Male .....	\$2,190	\$1,857	\$ 1,262
Female .....	1,470	1,200	1,000

In addition, while many of the nation's business and education communities point to the need for highly educated, highly skilled workers if the nation is to succeed in the increasingly competitive global economy, the reality is more complex. On the one hand, availability of high-skilled jobs combined with rapid advances in technology may in fact improve the employment prospects of persons with disabilities as well as other workers, through such work arrangements as telecommuting and expanding the market for self-employment or small business. On the other hand, a sizable segment of the labor market includes low-skilled, low-paying jobs, in which persons with disabilities are disproportionately represented (Hayward, B., and Tashjian, M., "A Longitudinal Study of the

Vocational Rehabilitation Service Program: Second Interim Report, "Characteristics and Perspectives of Vocational Rehabilitation Consumers," Research Triangle Institute, 1996).

Researchers have suspected a relationship between changes in the configuration of the nation's labor market and growth in the number of persons with disabilities who are recipients of disability benefits, but such a relationship is hard to demonstrate empirically (Rupp, K. and Stapleton, D., "Economic and Noneconomic Determinants of the Growth in the Social Security Administration's (SSA's) Disability Programs—Overview of Theories and Evidence," Social Security Bulletin, 58(4), pgs. 43–70, 1995). In the past ten years, the number of persons who receive cash benefits through Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) has increased by two-thirds, with SSA paying out approximately \$72 billion annually to eight million recipients. Including Medicare and Medicaid benefits, the annual Federal expenditure exceeds \$110 billion, and policymakers expect the costs of cash benefits alone will exceed \$110 billion annually by the end of the current administration (Coelho, T., "Keynote Speech: Employment Post the Americans with Disabilities Act," Conference sponsored by the SSA, Washington, DC, 1997).

In addition to the changing macroeconomic work world, there are important changes in the conceptualization of disability. In this "new" disability paradigm, there is increased emphasis on the environment's role in creating barriers to an individual with disability's participation in society. NIDRR will support research that focuses on how

the individual interacts with society. In terms of employment, this interaction may focus on environmental barriers to employment, including transportation, accommodations, attitudes, or programmatic barriers such as health insurance.

Recent investigations into the explosive growth of the disability benefit rolls and the inability of the existing service delivery system to return greater numbers of beneficiaries to employment have identified a wide variety of issues that merit further research. For example, data available from the Longitudinal Study of the Title I Vocational Rehabilitation Program indicate that the current structure of SSA benefits and work incentives is not adequate to address consumer concerns about income security (Hayward, B. and Tashjian, M., *op. cit.*). As shown in Table 3, when asked to identify reasons for not working, a substantially higher percentage of beneficiaries identified concern about a loss of total income or medical coverage than did nonbeneficiaries.

Addressing the issue of medical coverage is especially critical, since less than half (43.7 percent) of all persons aged 22 to 64 years old with a severe disability have private health insurance (McNeil, J., *op. cit.*). Under the current benefit structure, availability of medical benefits is tied to eligibility for cash benefits. Loss of medical coverage associated with a return to work is the major concern for many beneficiaries contemplating employment. As the data also suggest, many beneficiaries, who have little to no work history, are concerned that the income they might receive from available employment will not match the combined value of cash benefits and medical coverage they receive through SSA.

TABLE 3.—SELF-REPORTED REASONS FOR NOT WORKING

Issues preventing consumers from obtaining employment or working regularly	SSI/DI beneficiaries (percent)	Nonbeneficiaries with severe disabilities (percent)
I am afraid I would lose my medical insurance .....	48.3	26.5
I am afraid I could not get back on benefits if I lost the job .....	50.8	26.1
I do not think I could earn as much working as I get from my benefits .....	42.1	19.8

A number of public and private initiatives target employment for persons with disabilities. These include the State-Federal Vocational Rehabilitation Program, community rehabilitation program services, school-to-work programs, and employer sponsored programs primarily targeted

at individuals already in the work force. For the past 75 years, the chief avenue of publicly funded employment-related services to improve the employment status of persons with disabilities has been the State-Federal Vocational Rehabilitation Program, currently authorized under the Rehabilitation Act

of 1973, as amended. Funded at \$2.3 billion in Federal funds for fiscal year 1998 and a 22 percent State match for a total of an estimated \$3 billion annually, the State-Federal Vocational Rehabilitation Program is designed to assist States in providing state-of-the-art, comprehensive and coordinated

vocational rehabilitation services. State Vocational Rehabilitation agency staff assist persons with disabilities to establish vocational goals that are consistent with their strengths, resources, priorities, concerns, abilities, and capabilities in order that they may prepare for and engage in gainful employment. The program is authorized to provide an array of services that are intended to facilitate the employment of persons with disabilities, such as assessment, counseling and guidance, vocational or other training, physical and mental restoration, maintenance, and other necessary services and supports.

Reform of the current rehabilitation service delivery system is underway, and the possible effects of changes in the system require investigation. The State-Federal Vocational Rehabilitation Program is increasing consumers' control and expanding their role in policy development, implementing program performance standards, and streamlining the vocational rehabilitation process. In addition to these and other changes in the State-Federal Vocational Rehabilitation Program, a host of other ongoing reforms in the broader service delivery environment are occurring. In particular, the recent growth in the number of SSI/SSDI beneficiaries has sparked considerable Congressional interest in reforming the system of employment services that target persons with disabilities. Congressional interest includes revising existing SSA work incentives and expanding consumer choice in the selection of a vocational rehabilitation service provider through return-to-work tickets or vouchers for some or all recipients of disability benefits. Implementation of a return-to-work ticket program may have significant implications for current and future SSI/SSDI beneficiaries, including the level of control they will have over decisions about whether to participate in such a program, the selection of an employment goal and specific rehabilitation services, and changes in service providers or employers over time.

There are nearly 7,000 CRPs serving approximately 800,000 individuals with disabilities each day with funding from State vocational rehabilitation agencies, Job Training Partnership Act (JTPA) programs, Workman's Compensation, Medicaid, private insurance, and other sources (Menz, F., "Vocational Rehabilitation Research in the United States of America," Vocational Rehabilitation in Europe, p. 107, 1997). The role of CRPs in the overall service delivery environment may increase even

further if Federal employment programs devolve to States and communities. CRPs may need to be prepared to offer a full range of vocational-related services, or highly specialized services to an increasingly heterogeneous consumer population. If return-to-work programs in which provider payments are based on successful consumer outcomes are among the new service delivery models implemented, new relationships between service providers and funding sources may emerge over the next few years. These new relationships are likely to require CRPs to adapt their current structure and operations in significant ways.

A number of questions about how these changes may potentially influence and affect CRPs remain unanswered. For instance, more needs to be known about the impact of consumer choice on different service delivery models and the efficacy of different models to maximize competitive employment outcomes for persons with severe disabilities or with specific types of disabilities. Finally, whether new funding mechanisms will promote increased competition and innovation in service delivery by CRPs is a major question. Knowledge about these and related areas is essential to validating assumptions around which pending reforms are predicated and to help shape the future direction of initiatives designed to increase the numbers of persons with severe disabilities who obtain and retain meaningful employment.

Workplace supports are programs or interventions provided in the workplace to enable persons with disabilities to be successful in securing and maintaining employment. Some workplace supports may be provided through formal mechanisms established by vocational rehabilitation programs, such as supported employment. Supported employment programs usually provide onsite assistance, provided by a job coach who works with the person with the disability as well as with co-workers and supervisors to ease the transition to the competitive employment setting ("Evaluating the Effectiveness and Efficiency of Supported Employment Programs," Policy Research Brief, Volume 5, No. 2, Center on Residential Services and Community Living, College of Education, University of Minnesota, 1993).

In addition, employers have developed a number of support mechanisms in the form of return-to-work programs and related disability management programs. These programs use case management strategies to ensure communication among medical

providers, supervisors, and employees to prevent disability; or, when accidents or disease occur, to foster early return-to-work. Particularly important to these programs is the establishment of a framework that sends a clear message that the employer wants the employee to continue working or to return to work as quickly as appropriate. Workplace supports also include employer willingness to implement accommodations and to encourage supervisors to work to integrate the person with disability back into the workforce. Often the reintegration process requires that treatment personnel understand job requirements and essential job functions in order to assess the ability of the employee to perform the job adequately. Finally, incentives embedded in employee benefit plans must be used to encourage the worker to maintain employment.

In addition to workplace supports, employees are protected under Title I of the Americans with Disabilities Act (ADA) which prohibits discrimination on the basis of disability in employment. This law requires that employers with 15 or more employees provide qualified persons with disabilities an equal opportunity to benefit from the full range of employment-related opportunities available to others. The ADA prohibits employers from discriminating against workers with disabilities and applies to individuals with disabilities who are seeking employment, as well as to those who are employed. Employers must provide reasonable accommodations to workers to overcome disability-related barriers to performing essential job functions. In addition, various government programs have experimented with strategies to improve employer receptivity to workers with disabilities, including tax credits and partial support of health benefits to encourage employers to hire persons with disabilities. Given the role that workplace supports can play in assisting employers to expand and improve employment opportunities for persons with disabilities, investigation of issues related to the development and implementation of innovative workplace supports is essential.

Over the past 20 years, changes in the nation's labor market have increased the importance of post-high school education in terms of employment success. Gingerich reported unemployment rates of persons with disabilities by level of education as follows: 12 percent among individuals with less than a high school diploma, 6.3 percent among those with a diploma, 4.2 percent among persons

with some postsecondary education, and 2.5 percent among persons with at least four years of college. In 1992, earnings of college graduates were 50 percent higher than those of persons with only a high school diploma (Gingerich, J., "Vast Spaces and Stone Walls: Overcoming Barriers to Postsecondary Education for Rural Students with Disabilities," American Council on Rural Special Education Conference, 1996).

Concurrently, the percentage of postsecondary students reporting a disability has tripled, from less than 3 percent in 1978 to over 9 percent (about 140,000) in 1994. The largest growth has been students reporting a learning disability, representing about one-third of all postsecondary students reporting a disability, double the 1988 figure of 15 percent (Henderson, C., "College Freshmen with Disabilities: A Statistical Profile," American Council on Education, Washington, DC, 1995). Ongoing research sponsored by the Office of Special Education Programs (OSEP), U.S. Department of Education, is testing a methodology to determine the types of services youth exiting secondary school can be expected to require in their transition to adulthood ("Services Anticipated to Be Needed by Exiting Students with Disabilities: Results of the Second PASS Field Test," OSEP, 1996). While case management is the most frequently needed service (up to 80 percent of exiting youth require this service), over half will reportedly require services to support their participation in postsecondary education, including two- and four-year colleges and various forms of adult literacy programs (e.g., General Equivalency Diploma preparation, adult high schools, and adult basic education) (OSEP, *ibid.*).

Most of the nation's 3,000 postsecondary institutions offer support services to students with disabilities. Such services vary widely and may include: (1) Individual academic accommodations (e.g., note taking, library and typing assistance, alternative testing arrangements, books on tape, readers, interpreters, tutors, and waivers of course requirements); (2) adaptive equipment (portable wheelchair-accessible desks, voice-activated computers, speech synthesizer-equipped computers); (3) case management and coordination (liaison with vocational rehabilitation, independent living, and other community resources); (4) advocacy; and (5) personal counseling, academic and career advising.

Given that such disability-related services are a relatively new addition to

the postsecondary environment, a number of issues associated with their provision merit investigation, including: (1) Whether the requirement that a person disclose his disability in order to obtain services is a deterrent to postsecondary enrollment and completion; (2) accessibility of vocational rehabilitation or other funding sources of funds for services not covered under ADA or Section 504 of the Rehabilitation Act of 1973, as amended, but necessary for a student's continued enrollment; (3) the impact of such services on students' completion of postsecondary education; and (4) the extent to which the institution provides transitional support to graduates as they attempt to enter the labor force.

To accommodate the changing nature of the nation's employment environment, along with anticipated policy changes that will affect all segments of the employment and training delivery system, NIDRR intends to apply new approaches and rigorous methods to research about the employment of persons with disabilities. Fundamental to these approaches and methods is NIDRR's intent to support research that is outcome based and has a high likelihood of making significant contributions to the advancement of knowledge and improved service delivery. NIDRR proposes a research agenda that emphasizes collaborative, interdisciplinary studies that contribute to knowledge about problems and issues related to the employment of persons with disabilities.

#### *Proposed Priority 1: Disability and Employment Policy Background*

The effect of macroeconomic trends on the employment of persons with disabilities and public policy responses to these trends merit increased investigation. A coordinated research effort must examine issues, (e.g., the changing structure of the workforce, economic trends, labor market changes, new skill requirements, incentives and disincentives to work, devolution of responsibility for employment training to State and local levels, and new service delivery patterns that necessitate changes in Vocational Rehabilitation Program configurations) to improve employment and economic self-sufficiency for persons with disabilities. Of particular interest are implications of cross-agency and multiple agency developments and initiatives, including welfare reform, workforce development, changes in Social Security benefits and disability determination policies, Medicare and Medicaid changes, and the U.S. Department of Education—U.S.

Department of Labor school-to-work program. Investigative studies that are national in scope and test alternative models for financing services, and infrastructure changes that may yield increased opportunities for persons with disabilities are essential.

#### *Proposed Priority 1*

The Secretary proposes to establish an RRTC on disability and employment policy for the purpose of improving our understanding of public policy and its relationship to improving employment outcomes for persons with disabilities. The RRTC shall:

- (1) Develop predictive models for national macroeconomic trends affecting employment of persons with disabilities;
- (2) Identify and analyze the relationship between select Federal and State policies including, but not limited to, welfare reform and innovations in Social Security programs affecting persons with disabilities, the Executive order on "Increasing Employment for Adults with Disabilities", and issues of contingent workforce and accompanying changes (e.g., part-time benefits and demands for new and flexible skills), upon the employment of persons with disabilities;
- (3) Using existing data, conduct a comprehensive analysis of the employment status of persons with disabilities, identifying gaps in current data availability and collection methodologies;
- (4) Identify and analyze the factors, such as pre- and post-disability earnings, education, type of job, personal assistance service, and benefit design, that predict return-to-work;
- (5) Analyze the policy implications of outcome-based reimbursement on the delivery of employment and rehabilitation services to persons with disabilities;
- (6) Identify and analyze the effect of civil rights protections and environmental factors (e.g., barriers to transportation and employer attitudes) on significantly promoting or depressing the employment status of persons with disabilities; and
- (7) Identify and analyze policies and resource availability issues that foster or impede the participation of transitioning students in rehabilitation training or employment services programs.

#### *Proposed Priority 2: State Service Systems Background*

The public vocational rehabilitation service system is in the midst of major reform. The 1992 amendments to the Rehabilitation Act mandated: (1)

Expanded consumer choice in the selection of goals, services, and providers; (2) implementation of program performance standards for State vocational rehabilitation agencies; and (3) an expanded consumer role in policy developed through the Rehabilitation Advisory Councils. The influence of these and other changes, such as a streamlined vocational rehabilitation process, on employment outcomes for persons with disabilities is unknown. Moreover, the current and future impact of recent reforms in the broader service delivery system, such as workforce development consolidation and return-to-work programs employing vouchers or "tickets," merit investigation.

#### *Proposed Priority 2*

The Secretary proposes to establish an RRTC for the purpose of improving the effectiveness of State service systems on promoting employment outcomes for persons with disabilities. The RRTC shall:

(1) Describe the State systems that deliver employment services to persons with disabilities, including transitioning students. Identify how and to what extent the different components of the system, such as State vocational rehabilitation agencies, disability determination services, JTPA's Private Industry Councils, one-stop shops, and schools, coordinate their efforts;

(2) Analyze existing State and Federal data sets, including client and service provider characteristics, to determine different employment outcomes for persons with disabilities;

(3) Describe how State vocational rehabilitation agencies and other agencies within the State service delivery system overcome environmental barriers (e.g., using assistive technology, jobsite modifications, and personal assistance services) in order to improve employment outcomes;

(4) Evaluate the success of State service system efforts to address the unique employment-related needs of SSDI and SSI beneficiaries and identify State systems that have implemented demonstrably effective employment programs in assisting recipients of disability benefits to achieve a successful return-to-work; and

(5) Describe the progress of State and Federal initiatives to consolidate workforce development programs and identify policies and procedures that have been successful in ensuring the availability and provision of services to persons with the most severe disabilities.

#### *Proposed Priority 3: Community Rehabilitation Programs Background*

Proposed restructuring of the financing of employment-related services for persons with disabilities assumes a major role for CRPs. The capacity and potential contributions of an estimated 7,000 CRPs across the nation require thorough investigation. Further, the potential of this system to assume greater responsibility for service delivery under contractual or other agreements (e.g., return-to-work "ticket" systems for SSDI and SSI recipients) merits study.

#### *Proposed Priority 3*

The Secretary proposes to establish an RRTC on CRPs to improve their role in promoting employment outcomes for persons with disabilities. The RRTC shall:

(1) Describe the CRPs service delivery system, including the characteristics of providers, funding sources, nature and extent of the services provided, and individuals served, and identify the relative contributions of the programs to providing rehabilitation and employment services.

(2) Identify how services delivered by CRPs to State vocational rehabilitation agency consumers differ in quality, timeliness, quantity, costs, or outcomes from those delivered to consumers through other payor sources;

(3) Investigate the extent to which CRPs provide consumers with choices in the selection of employment goals and specific rehabilitation services;

(4) Analyze the impact of Federal and State policies on the structure and operation of CRPs, including management approaches, staffing configurations and staff training, outreach to underserved populations, and emerging service configurations; and

(5) Evaluate the nature and success of employment outcomes of persons who obtain services from CRPs.

#### *Proposed Priority 4: Workplace Supports Background*

The work environment for persons with disabilities, including both the physical environment (as represented by job requirements, job site accommodations, and technological aids), and the roles of employers, supervisors, and co-workers, has received insufficient attention in past research. An improved understanding of the work environment and employer needs and preferences is necessary to improve employment outcomes. Employer disability management and return-to-work programs are one

potential source of information on effective employer accommodation strategies for employees with disabilities. NIDRR will support research that investigates employer roles, collaboration between education and rehabilitation professionals and employers, strategies to improve employer receptivity to workers with disabilities, and the impact of incentives, such as tax credits and partial support of health benefits, to encourage employers to hire persons with disabilities. In addition, this research will examine the viability of new work structures, including telecommuting, flexible work hours and self-employment, for persons with disabilities.

#### *Proposed Priority 4*

The Secretary proposes to establish an RRTC on workplace supports for the purpose of identifying and evaluating effective workplace supports that improve employment outcomes for persons with disabilities. The RRTC shall:

(1) Analyze the potential of existing or new employer incentives, such as tax credits or Medicare buydowns to improve labor force participation of persons with disabilities;

(2) Develop and test financial analysis methodologies analyses, such as return on investment or economic value added to measure effectiveness of employer workplace supports and their contribution to employer profitability;

(3) Identify and evaluate effective employer disability management, return-to-work, or other strategies that affect hiring, retention, and advancement of workers with disabilities;

(4) Evaluate the impact of workplace support on changes in the employment status of persons with disabilities in terms of job types, career advancement, and other outcomes important to meaningful employment of persons with disabilities;

(5) Conduct research to determine how changes in work structure will affect hiring, retention, advancement, and job satisfaction for persons with disability; and

(6) Examine perspectives of employers to determine their needs (e.g., for information, training, and resources) that will facilitate the employment of individuals with disabilities with necessary work support.

#### *Proposed Priority 5: Educational Supports Background*

The U.S. Department of Education Strategic Plan, 1998-2002, describes

postsecondary education as "America's traditional gateway to the professions, more challenging jobs, and higher wages." Insufficient information exists about the use and impact of educational supports for persons with disabilities in postsecondary environments. Of particular interest are the types of educational and transition assistance that postsecondary institutions make available to improve the educational and subsequent labor market success of students with disabilities. Systemic and environmental barriers to full participation in postsecondary programs by individuals with disabilities must be studied as well. In addition, promising postsecondary educational practices important to the career mobility and success of individuals with disabilities must be investigated, at a minimum, to determine whether educational supports are available as needed, and whether they are effective in improving the educational performance of individuals with disabilities.

#### *Proposed Priority 5*

The Secretary proposes to establish an RRTC on educational supports to increase access and improve outcomes for individuals with disabilities in

postsecondary education programs. The RRTC shall:

- (1) Identify the nature and range of educational supports that are available to students with disabilities in postsecondary educational programs by type of program (e.g., colleges, vocational and technical institutes, adult educational programs), and type of disability;
- (2) Examine the contributions of technological advances to the effectiveness of student support systems at the postsecondary level;
- (3) Investigate the effectiveness of educational supports in terms of educational outcomes and labor force participation; and
- (4) Investigate the extent to which institutional supports extend to the employment environment, with particular emphasis on the special needs of persons with severe disabilities.

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**Note:** The official version of this document is the document published in the **Federal Register**.

*Applicable Program Regulations:* 34 CFR Part 350.

**Program Authority:** 29 U.S.C. 760-762. (Catalog of Federal Domestic Assistance Numbers 84.133B, Rehabilitation Research and Training Centers)

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**Judith E. Heumann,**

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