

UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF SPECIAL EDUCATION AND  
REHABILITATIVE SERVICES  
REHABILITATION SERVICES ADMINISTRATION  
WASHINGTON, D.C. 20202

POLICY DIRECTIVE

RSA-PD-96-01

DATE: October 23, 1995

TO: STATE VOCATIONAL REHABILITATION AGENCIES (GENERAL)  
STATE VOCATIONAL REHABILITATION AGENCIES (BLIND)  
CLIENT ASSISTANCE PROGRAMS  
PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS  
REGIONAL CONTINUING EDUCATION PROGRAMS  
RSA SENIOR MANAGEMENT TEAM

SUBJECT: Provision of Financial Assistance to Community Rehabilitation Programs  
by State VR Agencies Through The Use of the Establishment Authority

BACKGROUND: This addresses the provision of financial assistance to community  
rehabilitation programs (CRPs) by State vocational rehabilitation (VR)  
agencies through the use of the establishment authority. It clarifies that the  
purpose of such support must be to promote integration and competitive  
employment for individuals with disabilities.

Section 103(b)(2) of the Rehabilitation Act of 1973, as amended, authorizes the use of VR funds to support "the establishment, development, or improvement of community rehabilitation programs, including under special circumstances, the construction of a facility, and the provision of other services (including services offered at community rehabilitation programs) which promise to contribute substantially to the rehabilitation of a group of individuals but which are not related directly to the individualized written rehabilitation program of any one individual with a disability. Such programs shall be used to provide services that promote integration and competitive employment." (emphasis added).

The above-emphasized statutory language, contained in the Rehabilitation Act Amendments of 1992 (Public Law 102-569), amended the statutory authority for State VR agencies to provide financial support to CRPs to establish or develop service programs, or improve them. The purpose of such support must be to promote the integration and competitive employment of individuals with disabilities.

The legislative history related to the Rehabilitation Act Amendments of 1992 clearly reinforces the plain meaning of this statutory language. The provision came from the House Bill (H.R. 5482) and in the report that accompanied the bill the following explanation is provided:

"Section 103(b)(2) is amended by 'community rehabilitation programs'. Funds must be used to provide services that promote integration and competitive employment." (emphasis added) [H.R. Rep. No. 822, 102d Cong., 2d sess., 101 (1992)].

The language of the Conference Report (H.R. Rep. No. 973, 102d Cong., 2d sess., 177 (1992)) is as follows:

"The House bill, but not the Senate amendment, adds that under section 103(b), the sums providing community rehabilitation program services shall be used to provide services that promote integration and competitive employment. The Senate recedes."

This focus on integration and competitive employment reflects the policy enunciated in section 100(a)(3)(B) of the Act, namely, individuals with disabilities must be provided the opportunities to obtain gainful employment in integrated settings.

**POLICY  
STATEMENT:**

In providing financial assistance under section 103(b)(2) to establish, develop or improve CRPs, State VR agencies must ensure that the purpose of such support is to promote the integration and competitive employment of individuals with disabilities.

For example, for those CRPs that have extended employment programs, State VR agencies can provide funds under the establishment authority to such CRPs to facilitate the movement of individuals with disabilities from extended employment in non-integrated settings into competitive employment in integrated settings within the community. Such services may be provided in nonintegrated settings if the services promote competitive employment in integrated settings.

Examples of the types of activities that may be funded under section 103(b)(2) at a CRP having an extended employment program include, but are not limited, to --

(1) Program conversion - activities designed to convert an extended employment program or other program that does not

promote competitive employment in integrated settings into one that focuses on competitive employment in the integrated labor market;

(2) Establishment, Improvement, or Development of Services - activities designed to establish, improve, or develop services that assist individuals with disabilities to obtain competitive employment in an integrated setting in the labor market, such as the development of appropriate assessment procedures and methods to determine the interests, priorities and needs of the individuals and the development of those services necessary to assist the individuals to achieve competitive employment outcomes; or

(3) Acquisition of Equipment and Staff - the purchase of equipment or the hiring of staff for a program of services in a nonintegrated setting that is designed to assist individuals with disabilities to acquire appropriate skills for competitive employment in an integrated setting in the labor market.

The establishment authority can only be used for costs that are related to promoting integration and competitive employment in the community for groups of individuals with disabilities. The fact that a CRP conducts other activities that do not promote competitive employment in integrated settings does not disqualify the CRP from receiving funds under the establishment authority as long as the funds are only used consistent with section 103(b)(2) of the Act.

CITATIONS  
IN LAW:

Section 103(b)(2) of the Rehabilitation Act of 1973, as amended

EFFECTIVE  
DATE:

Upon Issuance

EXPIRATION  
DATE:

None

INQUIRIES:

RSA Regional Commissioners

---

Fredric K. Schroeder  
Commissioner

CC: CSAVR  
NAPAS