



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 400

PRINTERS NO. 1957

PRIME SPONSOR: Gingrich

COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
General Fund	See "Fiscal Impact"	See "Fiscal Impact"
Vocational Rehabilitation Fund	\$0	\$0

SUMMARY: Establishes the "Work Experience for High School Students with Disabilities Act". This legislation would take effect upon a sufficient appropriation by the General Assembly.

ANALYSIS: This legislation establishes a freestanding act known as the "Work Experience for High School Students with Disabilities Act", as follows:

Pertinent Definitions: The term "competitive integrated employment" is defined as:

- Work in the competitive labor market
- Performed on a full-time or part-time basis in an integrated setting
- The worker is compensated at or above the minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by persons who do not have disabilities.

The term "integrated setting" is defined as an employment situation in the community where an applicant/eligible individual interacts with individuals who do not have disabilities.

Powers and Responsibilities of OVR: The legislation requires the Office of Vocational Rehabilitation (OVR) to facilitate the process of job and career development between local education agencies and public/private employers to ensure the successful transition of high school students with disabilities into competitive integrated employment.

In collaboration with local education agencies and other relevant public agencies, OVR shall do the following:

- Provide information for the development of individual education plans for high school students with disabilities and ensure that job skill training is included in such plans when appropriate.
- When possible, attend individual education plan meetings in person or by alternative means (i.e. video conference, conference calls) when invited by local education agencies.

- Arrange for word-based learning experiences, which may include in-school or after-school opportunities or experience outside the traditional setting, including internships, at competitive wages in integrated settings with public/private sector employers.
- Provide professional guidance relative to job coaching services included in an individualized plan for employment by OVR.
- Provide counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs at institutions of higher learning.
- Publish the following information on its public website within 45 days after each calendar quarter:
 - The number of individualized education meetings attended by OVR staff
 - The number of individual education plans that include new or significantly modified goals and specific steps toward the attainment of competitive integrated employment
 - The number of job referrals made to employers on behalf of students with disabilities while still in high school
 - The number of high school students with disabilities working in part-time and summer jobs as a result of referrals made by OVR staff
 - The number of high school students with disabilities working in part-time or summer jobs who are receiving job coaching services
 - The number of high school students with disabilities who enter competitive integrated employment within 3 months of their graduation
- Submit a quarterly report on the implementation of this act to the following entities:
 - The Secretary of Labor and Industry
 - The Pennsylvania Rehabilitation Council
 - The State Board of Vocational Rehabilitation
 - The Secretary of Education

Powers and Responsibilities of the State Board of Vocational Rehabilitation: The state Board of Vocational Rehabilitation is responsible for reviewing the aforementioned information and providing advice to OVR officials on achieving the objectives of this act. The Board's report must be electronically published, publically accessible, and must be made available to:

- The President Pro Tempore of the Senate
- The Majority and Minority Leaders of the Senate
- The Majority and Minority Chairmen of the Senate Labor and Industry Committee
- The Majority and Minority Chairmen of the Senate Public Health and Welfare Committee
- The Speaker of the House of Representatives
- The Majority and Minority Leaders of the House of Representatives
- The Majority and Minority Chairmen of the House Labor and Industry Committee
- The Majority and Minority Chairmen of the House Human Services Committee

The State Board of Vocational Rehabilitation must review and approve all policies and procedures necessary for the implementation of this act. The PA Rehabilitation Council must be afforded the opportunity to comment on such policies and procedures prior to their consideration by the Board.

Notice of Funding: The legislation requires the provisions of this act to take effect upon an initial appropriation that sufficiently covers the costs of the program. When that appropriation is enacted, the Office of Vocational Rehabilitation shall publish notice in the Pennsylvania Bulletin that the act shall be in effect.

FISCAL IMPACT: According to the Department of Labor and Industry, this legislation would cost approximately \$8.5 million annually for 82 additional employees and travel expenses throughout the Commonwealth.

Under federal law, federal vocational rehabilitation funding is provided to the states utilizing a formula that considers population, per capita income and an original base allotment. Vocational rehabilitation grants require a match from the states. The Commonwealth utilizes the Vocational Rehabilitation Fund to hold monies appropriated from the General Fund as well as its share of Federal funding. The federal share is 78.7%, with the state providing the remaining 21.3%. Therefore, at a total program cost of \$8.5 million, the state share of the program would be approximately \$1.8 million annually and the federal share would total approximately \$6.7 million annually.

The legislation provides that the provisions of this legislation shall not take effect until the General Assembly appropriates sufficient funding. Act 10A of 2015 appropriated an additional \$5 million for the Office of Vocational Rehabilitation which will draw down approximately \$18.5 million in additional federal funding. These funds would cover the full cost of the legislation, thus allowing it to be fully implemented.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: April 29, 2016

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.