Final
STAFF SUMMARY OF MEETING

VOCATIONAL REHABILITATION SERVICES FOR THE BLIND

Date: 08/12/2015

ATTENDANCE

Balmer X
Jahn E
Lundberg E
Primavera *
Windholz X

This Meeting was called to order by

Representative Danielson

This Report was prepared by
Katie Ruedebusch

X = Present, E = Excused, A = Absent, * = Present after roll call

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01:03 PM -- Opening Remarks

Representative Danielson, chair, called the meeting to order. Representative Danielson introduced the committee charge and discussed the meeting agenda. Committee discussion ensued regarding vocational rehabilitation services for the blind. Senator David Balmer was appointed vice-chair of the committee.

01:06 PM -- Overview of Committee Charge and Interim Committee Process

Mr. Bill Zepernick, Legislative Council Staff, came to the table to discuss the committee charge and the interim committee process. The committee received a binder containing several documents, including the committee request letter [Attachment A, Attachment B, Attachment C, Attachment D, Attachment E, and Attachment F]. Mr. Zepernick noted that the committee can have up to six meetings and propose up to three bills for approval by Legislative Council.
01:11 PM -- Stakeholder Remarks on Vocational Rehabilitation Services

Mr. Scott LaBarre, representing the National Federation of the Blind of Colorado (NFB), came to the table. Mr. LaBarre declared that the NFB views this committee as a historic opportunity to address vocational rehabilitation services for the blind in Colorado. He noted that vocational rehabilitation is an important part of giving blind individuals the skills, tools, and resources needed to live the life they want.

01:16 PM

Mr. LaBarre discussed the upcoming transition of vocational rehabilitation services from the Colorado Department of Human Services (DHS) to the Colorado Department of Labor and Employment (CDLE). He informed the committee that the federal government, through the United States Department of Education, provides 78.7 percent of the funding for vocational rehabilitation services in Colorado. He stated that the goal of the committee should be to maximize federal funds for vocational rehabilitation programs. He stated that blind/visually impaired persons in Colorado used to have a specific, separate offices and an identifiable line of funding. He addressed the 2014 National Federation of the Blind of Colorado resolution that called the for the creation of this committee. He hopes the blind community and stakeholders can provide additional advice and better guidance to the agencies involved during the transition.

01:22 PM

Mr. LaBarre continued by noting that his primary hope for this committee is to help connect blind/visually impaired persons with competitive employment. He discussed his personal experience as a blind person and discussed barriers facing blind persons in Colorado. He highlighted lack of access to education, to technology (specifically software-related issues), and, most importantly, to employment for persons who are blind. He stated that persons who are blind face a 63 to 75 percent unemployment rate, depending on the study referenced.

01:29 PM

Mr. LaBarre requested that the committee consider creating a completely separate state agency for the blind or consider a combined agency, such as a separate division or office dedicated to vocational rehabilitation for the blind within the appropriate state agency.

01:37 PM

In response to committee questions, Mr. LaBarre noted that training centers for the blind exist in Colorado, but that there is a lack of services outside of the Front Range. Mr. Labarre also discussed why some programs are moving to CDLE and others are staying with DHS.
01:46 PM

The committee discussed veterans that become blind because of their service and what services exist for those persons. Mr. Labarre noted that the United States Department of Veterans Affairs has a number of programs for blind veterans and discussed several federal contractor employment programs and opportunities. He noted the need to expand the Business Enterprise Program (BEP) beyond food service. In response to committee questions, he addressed school to work transitions for blind youth in Colorado.

01:55 PM -- Presentation on the Current Vocational Rehabilitation Program Operations

Mr. Steve Anton, Interim Director of the Colorado Division of Vocational Rehabilitation Services (DVR), came to the table. He noted that his charge when joining DVR included stabilizing the organization, ensuring that the recent audits findings are addressed and made part of day-to-day business practices, improving the organization's progress, and implementing a management process. His charge has been expanded to include improving relations with stakeholders and keeping DVR running during the transition to CDLE.

02:02 PM

Mr. Anton continued by stating that this time of transition is an opportunity for better vocational rehabilitation services. He noted that DVR is striving towards better results and making Colorado a leader in services. Mr. Anton stated that the biggest challenge facing DVR in the past was the waitlist. He noted that waitlist has been eliminated. Speaking to funding, he stated that DVR projected to spend about $8 million less than budgeted due to various factors.

02:08 PM

Mr. Anton continued by discussing the recommendations from the 2013 audit of DVR and the implementation of those recommendations. Mr. Anton stated that the DVR has implemented all the recommendations and currently include the recommendations in DVR's best business practices. He further discussed internal vacancy problems and retention issues. He addressed federal indicators and DVR's performance.

02:12 PM

Ms. Laverne Dell, State Coordinator for the Blind, Division of Vocational Rehabilitation, came to the table to discuss vocational services for the blind. She stated that DVR employes 15 counselors for the blind/visually impaired across the state, with one dedicated counselor serving blind individuals. She discussed the services DVR offers to both blind/visually impaired youth and adults. She described the process, services, and goals of DVR vocational services for the blind. She noted that blindness-related skills are critical to the program and they are included as part of individualized plans. She addressed services for youth and stated that the current focus on youth begins when students are ready to shift to employment.
02:20 PM

Ms. Dell then discussed the specifics of DVR programs, individualized plans, and costs to individual clients. She also discussed the two dedicated skills centers based in the Front Range. She also mentioned DVR's collaboration with organizations that work specifically with veterans.

02:23 PM

Ms. Dell continued by addressing DVR services for seniors. She discussed the Older Individuals Who Are Blind program and the funds available. She concluded by addressing several collaborations between DVR and other organizations serving the blind/visually impaired.

02:27 PM

Ms. Dell, in response to committee questions, discussed Poppy, her service dog and whether tax credits are available for businesses owned by blind individuals.

02:29 PM

In response to committee questions, Mr. Anton returned to the table to discuss the past waitlist and counselors' caseloads. He noted that the actual number of counselors is 110 and that the caseload peaked at 78 cases per counselors. He stated that DVR tracks time metrics moving persons from eligibility and into individualized plans.

02:30 PM

The committee took a brief recess.

02:47 PM

The committee came back to order.

02:49 PM -- Transition Planning and Future Plans for the Vocational Rehabilitation Program

Mr. Patrick Teegarden, Director of Policy and Legislation at CDLE, spoke about CDLE's work putting together a detailed transition process, which includes stakeholder interviews. A core team has been assembled at CDLE to manage the transition. CDLE is due to take over the DVR program on July 1, 2016. By the time the transition takes place, CDLE is expecting to have held 13 stakeholder outreach sessions across all areas of the state, two of which have taken place thus far. Mr. Teegarden explained that the CDLE transition steering committee includes several members who are actively involved in the disabled community.
Mr. Teegarden responded to questions from the committee regarding the importance of independent living centers and vocational rehabilitation counselors working together given the concern that CDLE is not a typical point of entry for persons with disabilities.

02:59 PM -- Public Comment

Karen Karsh, American Council of the Blind and A3 (Adapt, Adjust, Achieve), spoke about her background and experience as a singer/songwriter. Ms. Karsh introduced Jim Stevens and Barbara Boyer, Executive Director of A3, and spoke about their desire to present to the committee at a later date.

03:05 PM -- Planning for Future Committee Meetings

The committee discussed possible topics for future meetings, including coordinating state services with veterans services, growing BEP and entrepreneurial programs, and discussing when other states start youth in DVR programs. Representative Danielson asked committee members to submit ideas for future presenters/topics of interest.

The committee agreed to hold future meetings on the following dates: August 19, August 27, September 3, September 16 (where committee members will request legislation to be drafted), and October 28 (where the committee will vote on draft legislation).

03:14 PM

The committee continued to discuss topics of interest, including any incentives Colorado is offering to disabled Coloradans who start and own businesses and what businesses are on the cutting edge of what blind people are trying to move into and how the state can encourage this.

03:17 PM

The committee adjourned.
MEMORANDUM

August 7, 2015

TO: Members of the Vocational Rehabilitation Services for the Blind Interim Study Committee

FROM: Bill Zepernick, Principal Fiscal Analyst, 303-866-4777
Luisa Altmann, Research Analyst, 303-866-3518
Katie Ruedebusch, Research Analyst, 303-866-3001

SUBJECT: Committee Charge and Membership

Summary

This memorandum provides the following information regarding the Vocational Rehabilitation Services for the Blind Interim Study Committee:

• the origin and charge of the committee;
• committee membership; and
• the number of approved meeting dates and bill recommendations.

Origin and Charge of the Committee

The Vocational Rehabilitation Services for the Blind Interim Study Committee was created pursuant to Interim Committee Letter 2015-3. The purpose of the committee is to determine the most effective structure and delivery model for vocational rehabilitation services when Colorado’s vocational rehabilitation program is transferred to the Colorado Department of Labor and Employment (CDLE) on July 1, 2016, following the passage of Senate Bill 15-239. Specifically, the interim study committee is mandated to make recommendations based on the following:

• the findings and recommendations of the November 2013 Legislative Audit concerning oversight and accountability of the vocational rehabilitation program;
• an evaluation of delays in the delivery of vocational rehabilitative services for the blind;
• an assessment of the efficacy of the application, receipt, and use of the federal 1973 Rehabilitation Act "110" funding for the blind;
• the consideration of any and all issues identified in the National Federation of the Blind Colorado Resolution 2014-11-2 and Resolution 2014-1; and
• consideration of any other issues related to the effective delivery of vocational rehabilitative services to the blind to assist them in obtaining jobs skills and long-term high-paying jobs.
Committee Membership

In total, there are six members on the Vocational Rehabilitation Services for the Blind
Interim Study Committee. The chair is appointed by the Speaker of the House of Representatives
and the interim study committee must elect a vice-chair from its members. The six legislators
appointed to the interim study committee include:

<table>
<thead>
<tr>
<th>Representatives</th>
<th>Senators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Representative Jessie Danielson</strong></td>
<td>Senator David Balmer</td>
</tr>
<tr>
<td><strong>Chair</strong></td>
<td>Senator Cheri Jahn</td>
</tr>
<tr>
<td>Representative Dianne Primavera</td>
<td>Senator Kevin Lundberg</td>
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<tr>
<td>Representative Joann Windholz</td>
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</tbody>
</table>

The committee will not include any nonlegislative members; however, stakeholders and
members of the public are encouraged to provide information, testify, and work with the committee.

Meeting Dates

The committee has been approved to meet up to six times during the 2015 interim. The
following meeting dates have been set:

- Wednesday, August 12, 2015, at 1:00 p.m. in House Committee Room 112; and
- Wednesday, August 19, 2015, at 1:00 p.m. in House Committee Room 112.

Additional meetings dates will be discussed at the first committee meeting and set at the
discretion of the chair.

Committee Recommendations to Legislative Council

**Bill limits.** The committee may refer up to three bills to the Legislative Council. Bills
approved by the Legislative Council do not count against a member's five-bill limit for the regular
legislative session.¹

**Legislative Council review.** The Legislative Council must meet by November 15, 2015,
to approve draft legislation. Bills not approved by Legislative Council may be introduced during the
regular session, but such bills will count against a member's five bill limit. Interim committee bills
must have prime sponsors prior to consideration by the Legislative Council.² Legislative Council
Staff will apprise the committee of the date of the Legislative Council meeting once it is confirmed.

**Requirements for bill drafts.** Bills must be requested and must be approved at public
meetings of the committee. Generally, bills must be finalized 10 days prior to the Legislative
Council meeting. The Office of Legislative Legal Services generally requests that bills be
requested at least 31 days prior to the meeting at which the committee will approve legislation.
Therefore, any meeting at which the committee makes requests for legislation should be held no
later than October 2, 2015. The meeting at which the committee approves any draft legislation
should be held no later than November 2, 2015. Prior to voting on bills to report to the Legislative
Council, a fiscal analysis must be prepared.³ Bill drafts and fiscal notes will be sent to the
committee three days prior to the meeting at which the bills will be approved.

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¹ Joint Rule 24 (b) (1) (D).
² Joint Rule 24 (b) (1) (E).
³ As required by House Bill 15-1335.
Committee Staff and Website

Legislative Council Staff is charged with assisting the committee in its activities. If you have any questions or would like any additional information about the committee or issues concerning the committee, please send an email to blindvocservicescomm.ga@state.co.us, or call the Legislative Council Main Office at 303-866-352. In addition, individual staff member contact information is as follows:

- Bill Zepernick, Senior Fiscal Analyst, bill.zepernick@state.co.us, 303-866-4777
- Luisa Altmann, Research Analyst, luisa.altmann@state.co.us, 303-866-3518
- Katie Rudebusch, Research Analyst, katie.rudebusch@state.co.us, 303-866-3001

You may also visit the committee website at:

https://www.colorado.gov/pacific/cga-legislativecouncil/2015-vocational-rehabilitation-services-blind
This letter reflects the authorization for the committee as approved by Legislative Council at its meeting on April 24, 2015.

Requested by: Representative Lee
With support of: Senator Merrifield

Re: Request for interim study committee regarding vocational rehabilitative services for the blind

Date: 04/24/2015

Information Required Pursuant to Section 2-3-303.3, C.R.S.

The Legislative Council approves the creation of an interim study committee to study vocational rehabilitative services for the blind through the Division of Vocational Rehabilitation (DVR) during the interim between the 2015 and 2016 legislative sessions. The interim study committee is named the “Interim Committee to Study Vocational Rehabilitative Services for the Blind.”

The Joint Budget Committee (JBC) is sponsoring Senate Bill 15-239, which concerns the transfer of vocational rehabilitation programs, including the business enterprise program, from the Department of Human Services (DHS) to the Department of Labor and Employment (CDLE), effective July 1, 2016. The sponsors commend the commitment, evidenced by this move, on placing people with disabilities into competitive employment. However, in view of concerns about DVR’s operations and delivery of vocational rehabilitative services for the blind, the sponsors requested the interim study committee be created, as described below. The interim study committee is to augment the quarterly reports from CDLE to the JBC, as required by Senate Bill 15-239. The work of the interim study committee is in addition to the other stakeholder outreach being done by the CDLE concerning the transfer of the DVR to the CDLE.
Scope of the policy issues to be studied. In order to build a strong foundation for DVR in CDLE and improve accountability and the delivery of vocational rehabilitative services for the blind, the sponsors requested the creation of an interim committee to study the vocational rehabilitative services for the blind is appropriate. The interim study committee will determine the most effective structure and delivery model for vocational rehabilitative services and supports for the blind from the DVR within CDLE. Specifically, the interim study committee is mandated to make recommendations based on the following:

- the findings and recommendations of the November 2013 Legislative Audit, as those findings and recommendations concern the blind, including identification of “…pervasive problems in the Program that raise questions about the Division’s oversight, system of internal controls, and culture of accountability”;
- evaluation of the delays in delivery of vocational rehabilitative services to the blind;
- assessment of the efficacy of the application, receipt, and use of federal 1973 Rehabilitation Act “110” funding for the blind;
- consideration of any and all issues identified in the National Federation of the Blind Colorado Resolution 2014-11-2, Resolution 2014-01 (Attachment A); and
- consideration of any other issues related to the effective delivery of vocational rehabilitative services to the blind to assist them in obtaining job skills and long-term high paying jobs.

Committee meeting requirements and structure. The interim study committee should meet as determined by the interim study committee, but may hold up to 6 meetings during July through November and report to Legislative Council by November 15, 2015. The interim study committee should hold a meeting on the Western Slope, possibly Grand Junction, or arrange for remote testimony. The interim study committee can refer up to 3 bills to Legislative Council.

The interim study committee consists of 6 members:

- 3 members of the Senate, with 2 appointed by the President of the Senate and 1 appointed by the minority leader of the Senate; and
- 3 members of the House of Representatives, with 2 appointed by the Speaker of the House of Representatives and 1 appointed by the minority leader of the House of Representatives; and

When appointing the legislative members, consideration should be given to the membership of the committees of reference responsible for business, employment, and human services. The appointments must be made by July 1, 2015. The chair shall be appointed by the Speaker of the House of Representatives, and the sponsors suggest Representative Jessie Danielson be appointed as the chair of the interim study committee. The interim study committee shall elect a vice-chair from its members.

Nonlegislative members will not be appointed to the interim committee, but are encouraged to provide information, testify, and work with the committee. It is critical for stakeholders and activists in the blind community participate with the interim study committee. A task force is not necessary because of the work being done by the CDLE pursuant to Senate Bill 15-239.
Other Information Related to the Interim Study Committee

Other agencies that may be called upon to provide assistance or information include: DHS; CDLE; Colorado Department of Education; Colorado Department of Higher Education; National Federation of the Blind; business advocates, such as the Colorado Association of Commerce and Industry, National Federation of Independent Business, and various chambers of commerce; and others entities as determined by the interim study committee.
National Federation of the Blind of Colorado Resolution 2014-11-2
Resolution 2014-01

Regarding a Request that the State Legislature Convene an Interim Committee to Study Services for the Blind

WHEREAS, a robust economy and healthy tax base require the inclusion of all Colorado citizens, who are willing and able to work, actively participate in civic life, and pay their fair share, and

WHEREAS, the opportunity to take part in the social and economic fabric of our state is no less sought after by people who are blind than any other group of citizens, and

WHEREAS, our unique Colorado culture requires equality of opportunity for all, and

WHEREAS, such a requirement demands a variety of programs and services, which exist to bring appropriate regulation, the fostering of entrepreneurship, education, training and rehabilitation, and job placement to a diverse number of Colorado citizens, and

WHEREAS, people who are blind must have effective training in a discreet and specialized skill set in order to be successfully employed and integrated into the economic fabric of the state and nation, and

WHEREAS, state vocational rehabilitation programs are mandated by Federal and state law, and designated and monitored by the United States Department of Education Rehabilitation Services Administration to provide such services, and

WHEREAS, effective vocational rehabilitation requires that administrators, supervisors, and counselors providing these necessary services to the blind absolutely must have a belief in the capacity of the blind, and possess a thorough understanding of the nonvisual and low vision strategies and adaptive technologies necessary for successful rehabilitation of their clients, and

WHEREAS, Colorado's Division of Vocational Rehabilitation has only a handful of counselors serving blind clients, and no distinct entity providing services to blind Coloradans, no supervisors specifically charged with providing services to the blind, and

WHEREAS, the extensive services often necessary for blind clients are rarely understood by Colorado Division of Vocational Rehabilitation supervisors and managers despite federal and state requirements for individualized services, leading to pernicious delays and unjust, immoral, and illegal denials of legitimate services, and the exercise of federally mandated Informed Choice, and

WHEREAS, a Division of Vocational Rehabilitation working group recently created new policies in answer to a Legislative Audit recommendation regarding time limits in which services must be
provided, but admitted that no consideration was given to clients who are blind or the policy's impact on those blind clients when developing these arbitrary and capricious restrictions, and

WHEREAS, unlike almost every other single state in the nation, the Colorado Department of Human Services, which houses the Division of Vocational Rehabilitation has time and time, and time again submitted a budget, which does not allow the state to take full advantage of significant Federal "110" dollars, which can be drawn down in direct support of adjustment, training, and job placement for people who are blind, and

WHEREAS, the blind of Colorado can no longer stand by while inadequate services are delivered through the current administrative structure, and

WHEREAS, there is irrefutable evidence from the many states which have separate identifiable services for the blind that greater outcomes and reduced costs result from a separate state agency model. Now, therefore,

BE IT RESOLVED by the National Federation of the Blind of Colorado in convention assembled, this 2nd day of November, 2014 that this organization calls upon the President of the Colorado Senate and the Speaker of the Colorado House of Representatives to convene a special interim committee of the General Assembly to consider how best to address the woeful service delivery system of the Colorado Division of Vocational Rehabilitation, and

BE IT FURTHER RESOLVED that this committee be instructed to give strong consideration to the establishment of a separate, dedicated unit within state government to provide the targeted expertise necessary to enhance quality of life and improve employment outcomes for Colorado’s blind citizens.
MEMORANDUM

TO: Members of the Executive Committee of Legislative Council

FROM: Dan Cartin, Director, Office of Legislative Legal Services

DATE: May 6, 2015

SUBJECT: Recommended Timeline and Guidelines for 2015 Interim Committees

For the 2015 interim, the Office of Legislative Legal Services (OLLS) requests that the Executive Committee adopt the below recommended guidelines and deadlines for the operation of interim committees, task forces, and statutory committees that are authorized to propose legislation.¹ The guidelines and deadlines are intended to allow adequate time for OLLS attorneys to draft bills requested by the committees and task forces, for the committees and task forces to thoroughly consider any proposed bill drafts, for Legislative Council Staff (LCS) to prepare fiscal notes for consideration by the committees and task forces before taking a final vote on proposed bills², and for Legislative Council to review proposed interim committee and task force bills before its annual fall meeting at which it considers whether to approve the proposed bills for introduction in the next legislative session. Please let me know by Wednesday, May 6, 2015, if you approve these proposed deadlines and guidelines.

I) Deadlines for Interim Committee Bills
   A) By July 31, 2015, or the first meeting of the committee or task force, whichever is later, the committee/task force chair shall:

¹ The recommended deadlines are based on the assumptions that the Legislative Council will meet on or around November 12, 2015, to consider whether to approve interim committee bills in accordance with Joint Rule 24 (b)(1)(D).
² Pursuant to HB15-1335, Legislative Council Staff is required to prepare and provide to interim committees, before a final vote on proposed interim committee bills, fiscal notes on the proposed bills being considered by the committees.
i) Set a date for a single meeting at which the committee may request bills for drafting by OLLS, which date must be **at least 31 days before** the committee will consider the proposed bills, or **no later than October 2, 2015.**

ii) Set a date by which committee members must finalize bill drafts for distribution to the committee and release to LCS for purposes of preparing fiscal notes on proposed bill drafts, which date must be **at least 11 days before** the committee's subsequent meeting to consider and take final action on proposed bill drafts, or **no later than October 22, 2015.**

iii) Set a date for at least one subsequent meeting at which the committee will consider and take final action on bill drafts, which meeting must be set **at least 31 days after** the meeting at which bills were requested and **at least 10 days before** the Legislative Council meeting;

B) Committee members should have drafting information available at the meeting at which the members request bills. If drafting information is not available at the meeting, the requesting member shall submit drafting information to the OLLS drafter **within 3 days after the meeting.** Failure to timely submit drafting information may result in the inability of OLLS to draft the requested bill for consideration by the committee.

II) **Procedures & Guidelines for Requesting Bills and Amendments and for Fiscal Note Preparation**

A) The committee/task force chair shall establish specific procedures and guidelines for members to follow in making bill requests, including:

   i) A guideline specifying that OLLS will only draft bills that are:
      (a) Requested **during the single committee meeting set for requesting legislation; and**
      (b) **Approved by a majority** of the legislative committee members; and

   ii) A guideline specifying that bills and amendments may be **requested and approved only by legislative members** of the committee/task force.

B) With regard to the preparation of fiscal notes on proposed bill drafts:

   i) A guideline specifying that when a bill sponsor finalizes a bill draft, the sponsor is thereby authorizing LCS to share the bill draft with affected state agencies for fiscal note preparation purposes; and

   ii) A guideline specifying that once a sponsor finalizes a bill draft for distribution to the interim committee and release for fiscal analysis, the **sponsor may not modify the bill draft** and must present any proposed changes to the bill draft as an amendment to the proposed bill draft at the committee meeting at which the proposed bill draft is considered.

The suggested timeline, procedures, and guidelines are designed to ensure that interim committees and task forces have sufficient time to fully debate proposed legislation, review the actual wording of bill drafts, review and consider the fiscal impact of proposed bills, and satisfy themselves that the interim committee bills that are approved accurately reflect the conclusions and recommendations adopted by the committees. These recommended timelines and guidelines will also assist the OLLS in providing the highest degree of professional drafting and advice and allow time for Legislative Council staff to prepare fiscal notes and distribute the bill drafts and fiscal notes to the interim committees.

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3 See table below, which sets forth key dates for requesting and finalizing bills based on when the committee meetings are scheduled.
committee members and the final approved bills to the Legislative Council in advance of their meetings.

With your approval, and with the assistance of Legislative Council staff, we will prepare and deliver a memorandum from the Executive Committee to the chairpersons of the 2015 interim committees, task forces, and statutory committees that are authorized to propose legislation, directing those chairpersons to implement the above timeline and guidelines for the 2015 interim.

Please contact Dan Cartin or Christy Chase at (303) 866-2045 if you have any questions about the recommended deadlines and guidelines.

**Key Dates For Interim Committees & Task Forces**

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<thead>
<tr>
<th>Description</th>
<th>Applicable Deadlines</th>
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<tbody>
<tr>
<td>Last date for meeting to request bills</td>
<td><em>Friday, October 2</em></td>
</tr>
<tr>
<td>Deadline for submitting drafting information to OLLS</td>
<td><em>Monday, October 5</em> (if meeting to request bills is held on October 2), or <em>by 3 days after</em> meeting when bills are requested for drafting</td>
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<tr>
<td>Deadline to finalize bill drafts for distribution to interim committee and release for fiscal analysis</td>
<td><em>Thursday, October 22</em></td>
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<tr>
<td>Deadline for distributing bill drafts and fiscal notes to interim committee</td>
<td><em>Friday, October 30</em> (if final meeting is held November 2), or <em>3 days before</em> final meeting at which committee will take final action on bills</td>
</tr>
<tr>
<td>Last date for meeting to approve final bill drafts</td>
<td><em>Monday, November 2</em></td>
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MEMORANDUM

August 7, 2015

TO: Vocational Rehabilitation Services for the Blind Interim Study Committee

FROM: Bill Zepernick, Principal Fiscal Analyst, (303) 866-4777
Luisa Altmann, Research Analyst, (303) 866-3518
Katie Ruedebusch, Research Analyst, (303) 866-3001

SUBJECT: Vocational Rehabilitation Services and Funding

Summary

This memorandum provides an overview of vocational rehabilitation programs in Colorado, including services for the blind. It also discusses the current appropriations and funding sources for these programs.

Overview

The Division of Vocational Rehabilitation (DVR) in the Colorado Department of Human Services (CDHS) provides a range of services to help persons with disabilities prepare for, find, and maintain employment. Services are provided through the state’s Vocational Rehabilitation Program, as well as through with several other related programs in the DVR.

The Vocational Rehabilitation Program serves persons with intellectual, developmental, and physical disabilities whose impairments constitute a substantial impediment to employment. Services are provided at 43 offices throughout the state. To participate, an individual must be evaluated by a rehabilitation counselor to determine that he or she requires vocational rehabilitation services in order to meet his or her individual employment goals.

Program transfer. Beginning July 1, 2016, the Vocational Rehabilitation Program, along with several related programs in the DVR, will be transferred to the Colorado Department of Labor and Employment (CDLE). Pursuant to Senate Bill 15-239, the CDLE and CDHS must prepare a transition plan by December 1, 2015, concerning the transfer of vocational rehabilitation programs.

Vocational Rehabilitation Programs and Funding

For FY 2015-16, the Division of Vocational Rehabilitation is appropriated $55.0 million and 231.2 FTE. Of this amount, $34.8 million and 223.7 FTE are for the Vocational Rehabilitation Program. Federal funds and General Fund are the primary funding sources for programs in the
Division of Vocational Rehabilitation, along with cash funds and transfers of education funding. The main source of federal funding for vocational rehabilitation is through a formula grant to states under Section 110 of the federal Rehabilitation Act of 1973.¹ Federal grant funding is also available for training of vocational rehabilitation personnel such as counselors, trainers, and interpreters and for other state projects.

Table 1 below highlights the programs and funding in the Division of Vocational Rehabilitation, and indicates which programs will be transferred to the Department of Labor and Employment and which will remain in the Department of Human Services. Descriptions of the programs are also included below.

### Table 1
**Funding for Programs in the Division of Vocational Rehabilitation, FY 2015-16**

<table>
<thead>
<tr>
<th>Program</th>
<th>General Fund</th>
<th>Cash Funds</th>
<th>Reappropriated Funds</th>
<th>Federal Funds</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Programs Being Transferred to CDLE</strong></td>
<td></td>
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<tr>
<td>Vocational Rehabilitation Program</td>
<td>$4,376,828</td>
<td>$0</td>
<td>$3,028,441</td>
<td>$27,371,256</td>
<td>$34,776,525</td>
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<td>School to Work Alliance</td>
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<td>7,188,372</td>
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<td>$752,176</td>
<td>0</td>
<td>1,197,946</td>
<td>1,950,122</td>
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<td><strong>Subtotal</strong></td>
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<td>$4,939,313</td>
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<td><strong>Programs Remaining in DHS</strong></td>
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<td>Independent Living Centers</td>
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<td>3,221,066</td>
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<td>Older Blind Grants</td>
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<td>Brain Injury Program</td>
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<td>Federal Social Security Reimbursements</td>
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**School to Work Alliance.** The School to Work Alliance Program (SWAP) provides year-round services to assist young people with disabilities to become employed and self-sufficient. Services include counseling and guidance, job development, job placement, on-the-job training, and job site support. SWAP operates through cooperative agreements between the Division of Vocational Rehabilitation and local school districts.

**Business Enterprise Program.** The Business Enterprise Program (BEP) places qualified legally blind business persons as managers of food service operations, primarily in state-owned buildings and facilities. The BEP operates under the federal Randolph-Sheppard Act. A prior memorandum by Legislative Council Staff with additional detail on the BEP and the state and federal law concerning blind vendor programs is provided as Attachment A.

¹See 29 U.S.C. §730. The funding formula to states is based on population weighted by per capita income. This federal funding requires a 21.3 percent non-federal match and is subject to a state maintenance-of-effort requirement.
Independent living centers. The Division of Vocational Rehabilitation contracts with ten independent living centers statewide to provide services, support, and advocacy to help persons with disabilities live independently. These centers, which are private, nonprofit organizations, provide a range of services, including information and referrals, individual and systems advocacy, independent living skills training, and cross-disability peer counseling.

Brain Injury Program The Brain Injury Program is funded through the Traumatic Brain Injury (TBI) Trust Fund. The fund receives surcharges on violations for speeding, driving under the influence, driving while ability impaired, and the children's helmet law. The Brain Injury Program provides case management, services, and supports to eligible adults and youths with brain injuries.

Services for the Blind

In addition to the Business Enterprise Program described above, the Vocational Rehabilitation Program also includes programs specifically for persons who are blind or have visual impairments. These programs are discussed below.

The Personal Adjustment Training (PAT) Program offers specialized training to help persons who have vision loss to become independent at home, in the community, and in employment. The program offers center-based and field-based training in the areas of adaptive communications, assistive technology, orientation and mobility, daily living skills, and adapting to low vision.

The Older Individuals who are Blind Program serves persons age 55 and older who are blind or visually impaired. Individuals served in this program typically have become blind or visually impaired later in life. The program provides services to help older adults adapt to vision loss and live independently.
MEMORANDUM

June 5, 2015

FROM: Julia Jackson, Senior Research Analyst, 303-866-4788

SUBJECT: Colorado Business Enterprise Program

Summary

This memorandum responds to your request for information about Colorado's Business Enterprise Program (BEP) and the federal Randolph-Sheppard Vending Stand Act (RSA). Specifically, you asked about the origins of the requirement that blind vendors operate food services in state facilities. This requirement is found in both state and federal law. The memorandum provides a description and brief legislative history of both the BEP and the RSA.

Randolph-Sheppard Vending Stand Act

The Randolph-Sheppard Vending Stand Act (RSA)¹ was adopted in 1936 and updated and amended in 1954 and 1974. It is administered by the Rehabilitation Services Administration in the Department of Education (DOE), with state licensing agencies licensing vendors in each state. The RSA requires that blind individuals receive priority for the operation of vending facilities on federal property. Vending facilities are defined as automatic vending machines, cafeterias, snack bars, and carts. They should allow for the sale of newspapers, periodicals, confections, tobacco products, foods, beverages, lottery tickets, and "other articles or services." The RSA also protects against direct competition from other vending operations selling similar products.

State licensing agencies. The RSA requires an agency to be designated in each state to issue licenses to people who are blind to participate in the program. Colorado's licensing agency is the Business Enterprise Program, discussed in more detail below. Licenses are issued for an indefinite period but may be terminated if facilities are not operated properly. Licensing guidelines are set by the DOE. State licensing agencies are also charged with determining where vending facilities will be located, providing initial equipment for those facilities, and providing an opportunity to resolve grievances under the program.

¹ 20 U.S.C. § 107, et seq.

Open records requirements: Pursuant to Section 24-72-202 (6.5)(b), C.R.S., research memoranda and other final products of Legislative Council Staff are considered public records and subject to public inspection unless: a) the research is related to proposed or pending legislation; and b) the legislator requesting the research specifically asks that the research be permanently considered “work product” and not subject to public inspection. If you would like to designate this memorandum to be permanently considered “work product” not subject to public inspection, or if you think additional research is required and this is not a final product, please contact the Legislative Council Librarian at (303) 866-4011 within seven days of the date of the memorandum.
Eligibility. A person who is blind is defined as someone with no more than 20/200 central visual acuity in the better eye with correcting lenses, or a field of vision in the better eye limited to no more than a 20 degree angle. RSA participants must also be U.S. citizens at least 18 years of age.

Operations. In practice, RSA operators often work with a "teaming partner," which is generally a large food service provider like Sodexo, to run the facilities. Though contract arrangements sometimes require the teaming partner to hire people who are blind, this is not a requirement of the RSA. In 2007, RSA vendors operated at 888 federal and 1,657 non-federal locations nationwide. According the Congressional Research Service, operators earned an average of $46,753 per year.

Legislative history. A bill was introduced in 2008 to modernize the RSA and other federal programs designed to provide vocational services for people who are blind or severely disabled. This bill never had a hearing, and there have been no changes to the RSA since the 1974 amendments. Arbitration and court challenges regarding the program's contracts are not uncommon.

Business Enterprise Program

First established in 1977, the BEP is Colorado's law governing food and vending services in state government office buildings and facilities. In addition to being the state licensing agency under the RSA, the BEP gives the same RSA priority to vending facilities in state buildings. The BEP is run by the Division of Vocational Rehabilitation (division) in the Department of Human Services (CDHS). Pursuant to Senate Bill 15-239, the division and the BEP will be transferred from CDHS to the Department of Labor and Employment (CDLE) effective July 1, 2016.

The BEP's definitions of people who are blind and vending facilities mirror federal law, except that the definition of what may be sold at a BEP vending facility under state law also includes novelties, souvenirs, and notions.

Operation. The BEP trains and places qualified legally blind business persons to manage food and vending services in state buildings. The division describes the program as follows:

The BEP purchases the initial merchandise and supply inventory and purchases and maintains the equipment at these food service locations as prescribed by the federal law. The managers must buy their own replenishment inventory and supplies, and hire, train, and pay personnel plus all related business and employment taxes and insurance. At the end of a given accounting period, the blind business manager enjoys a profit or suffers a loss. The managers are not employees of this program and do not receive a wage or salary from the program. Profits earned are the manager's income. Managers must pay a franchise-like fee based on their net profit to be in the BEP.

An individual [participant] must be currently working with a Division of Vocational Rehabilitation counselor. The counselor refers the person to the BEP to begin a comprehensive evaluation and training program in Denver. The evaluation determines the student’s aptitude towards business. The training program begins with an on-site job shadowing experience, which allows the student to assess the program as well as the agency to assess the student. Upon graduation, the student is licensed by the agency and given the opportunity to bid on a location.

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2 Article 8.5 of Title 26, C.R.S.

3 New statutory citation will be Section 8-84-201, et seq., C.R.S.
According to CDHS, 17 operators currently participate in the BEP, with four to five more potential operators in training. Average annual income is $56,500 per operator.

**Participating sites.** Any state building must have a satisfactory site for operating a vending facility, unless there are not enough people using the building to support such a facility. The law also exempts institutions of higher education, including the Auraria Campus, and the Colorado State Fair. According to CDHS, the BEP currently oversees more than 150 state and federal sites statewide, including the provision of janitorial services at state rest areas and the operation of cafeterias at Buckley Air Force Base, the National Renewable Energy Laboratory, and the Capitol Complex.

**Legislative history.** Aside from SB 15-239, no legislation changing the BEP has been introduced in the last 20 years. However, issues with the Capitol cafeteria, which extend beyond BEP operation, as well as the lack of a full service Capitol gift shop, have resulted in occasional discussions with the Capitol Building Advisory Committee about the program. Vocational rehabilitative services for the blind, including the BEP, will be addressed by an interim committee during the 2015 interim. The Interim Committee to Study Vocational Rehabilitation Services for the Blind was proposed by Representative Pete Lee and will include six members of the General Assembly. The committee can meet up to six times and introduce up to three bills.