

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 1533**

(SENATE AUTHORS: HOFFMAN)

DATE	D-PG	OFFICIAL STATUS
03/09/2015	612	Introduction and first reading Referred to Jobs, Agriculture and Rural Development
03/18/2015		Comm report: To pass as amended Second reading

A bill for an act

1.1 relating to workforce development; modifying the extended employment  
 1.2 program for persons with disabilities; amending Minnesota Statutes 2014,  
 1.3 sections 268A.01, subdivisions 6, 10, 13, by adding subdivisions; 268A.03;  
 1.4 268A.06; 268A.07; 268A.085; 268A.15, subdivisions 1, 2, 3, 4, 5, 6, 7; repealing  
 1.5 Minnesota Statutes 2014, sections 268A.01, subdivisions 9, 14; 268A.15,  
 1.6 subdivisions 1a, 3a, 9.  
 1.7

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2014, section 268A.01, subdivision 6, is amended to read:

1.10 Subd. 6. **Community rehabilitation facility provider.** "Community rehabilitation  
 1.11 facility provider" means an entity which meets the definition of community rehabilitation  
 1.12 program in the federal Rehabilitation Act of 1973, as amended. However, for the  
 1.13 purposes of sections 268A.03, clause (1), 268A.06, 268A.085, and 268A.15, community  
 1.14 rehabilitation facility provider means ~~an a nonprofit or public entity which is operated for~~  
 1.15 ~~the primary purpose of providing or facilitating employment for persons with a severe~~  
 1.16 ~~disability that provides at least one extended employment subprogram for persons with~~  
 1.17 the most significant disabilities.

1.18 Sec. 2. Minnesota Statutes 2014, section 268A.01, subdivision 10, is amended to read:

1.19 Subd. 10. **Extended employment program.** "Extended employment program"  
 1.20 means the ~~center-based~~ noncompetitive employment and supported employment  
 1.21 subprograms.

1.22 Sec. 3. Minnesota Statutes 2014, section 268A.01, subdivision 13, is amended to read:

2.1 Subd. 13. **Supported employment.** (a) "Supported employment" means  
 2.2 competitive integrated employment of a person with a disability so severe that the person  
 2.3 needs ongoing training and support to get and keep a job in which:

2.4 (1) the person engages in ~~paid work in a position removed from the service vendor's~~  
 2.5 ~~site where individuals without disabilities who do not require public subsidies also may be~~  
 2.6 ~~employed;~~ that is performed on a full-time or part-time basis, including self-employment,  
 2.7 for which an individual is compensated at a rate that is not less than the higher rate  
 2.8 specified in the Fair Labor Standards Act of 1938, United States Code, title 29, section 206,  
 2.9 subsection (a)(1), or the rate specified in the applicable state or local minimum wage law;

2.10 (2)(i) is not less than the customary rate paid by the employer for the same or similar  
 2.11 work performed by other employees who are not individuals with disabilities and who  
 2.12 are similarly situated in similar occupations by the same employer who have similar  
 2.13 training, experience, and skills; or

2.14 (ii) in the case of an individual who is self-employed, yields an income that is  
 2.15 comparable to the income received by other individuals who are not individuals with  
 2.16 disabilities and who are self-employed in similar occupations or on similar tasks and who  
 2.17 have similar training, experience, and skills;

2.18 (3) is eligible for the level of benefits provided to other employees;

2.19 (4) is at a location where the employee interacts with other persons who are not  
 2.20 individuals with disabilities, not including supervisory personnel or individuals who  
 2.21 are providing services to the employee, to the same extent that individuals who are not  
 2.22 individuals with disabilities, and who are in comparable positions, interact with other  
 2.23 persons;

2.24 (5) as appropriate, presents opportunities for advancement that are similar to those  
 2.25 for other employees who are not individuals with disabilities and who have similar  
 2.26 positions; and

2.27 ~~(2) (6) public funds are necessary to provide ongoing training and support services~~  
 2.28 ~~throughout the period of the person's employment; and.~~

2.29 ~~(3) the person has the opportunity for social interaction with individuals who do not~~  
 2.30 ~~have disabilities and who are not paid caregivers.~~

2.31 ~~(b) If the commissioner has certified a rehabilitation facility setting as integrated,~~  
 2.32 ~~then employment at that site may be considered supported employment.~~

2.33 Sec. 4. Minnesota Statutes 2014, section 268A.01, is amended by adding a subdivision  
 2.34 to read:

3.1 Subd. 15. **Noncompetitive employment.** "Noncompetitive employment" means  
3.2 paid work that is performed:

3.3 (1) on a full-time or part-time basis, including self-employment, for which an  
3.4 individual is compensated at a rate that is less than the higher rate specified in the Fair  
3.5 Labor Standards Act of 1938, United States Code, title 29, section 206, subsection (a)(1),  
3.6 or the rate specified in the applicable state or local minimum wage law; and

3.7 (2) (i) is not less than the customary rate paid by the employer for the same or  
3.8 similar work performed by other employees who are not individuals with disabilities and  
3.9 who are similarly situated in similar occupations by the same employer and who have  
3.10 similar training, experience, and skills; or

3.11 (ii) is performed at a location where the employee does not interact with other  
3.12 persons who are not individuals with disabilities, not including supervisory personnel or  
3.13 individuals who are providing services to the employee, to the same extent that individuals  
3.14 who are not individuals with disabilities and who are in comparable positions interact  
3.15 with other persons.

3.16 Sec. 5. Minnesota Statutes 2014, section 268A.01, is amended by adding a subdivision  
3.17 to read:

3.18 Subd. 16. **Noncompetitive employment subprogram.** "Noncompetitive  
3.19 employment subprogram" means work and services for persons with a significant  
3.20 disability who are opposed to working in an integrated setting in the mainstream  
3.21 labor market and who, because of the nature and severity of the disabilities, require  
3.22 intensive ongoing employment support services. Services provided must include: (1)  
3.23 person-centered planning according to national best practice standards of the Commission  
3.24 on Accreditation of Rehabilitation Facilities (CARF); and (2) an annual informed  
3.25 choice process that assess an individual's appropriateness and desire for competitive  
3.26 employment based on the person's needs, abilities, and interests, as adopted in rules by the  
3.27 commissioner of employment and economic development.

3.28 Sec. 6. Minnesota Statutes 2014, section 268A.01, is amended by adding a subdivision  
3.29 to read:

3.30 Subd. 17. **Special minimum wage.** "Special minimum wage" means a wage paid to  
3.31 a worker with a disability that is commensurate with that worker's individual productivity  
3.32 as compared to the wage and productivity of experienced workers who do not have  
3.33 disabilities performing the same type, quality, and quantity of work in the vicinity where  
3.34 the worker with a disability is employed. The commensurate wage is below that required

4.1 by the Fair Labor Standards Act of 1938, section 64(a). Before a special minimum wage  
4.2 rate may be paid, the employer must obtain a certificate as required by the Fair Labor  
4.3 Standards Act of 1938, section 14(c).

4.4 Sec. 7. Minnesota Statutes 2014, section 268A.01, is amended by adding a subdivision  
4.5 to read:

4.6 Subd. 18. **Informed choice.** "Informed choice" means a voluntary decision made  
4.7 by a prospective or current person served in a noncompetitive employment subprogram, or  
4.8 that person's legal representative, after a reasonable and objective assessment process.

4.9 The assessment process steps shall:

4.10 (1) identify the individual's needs;

4.11 (2) consider whether individuals with similar needs are working and receiving  
4.12 services in integrated employment settings with appropriate supports;

4.13 (3) identify the supports and services necessary for the individual to succeed in an  
4.14 integrated setting;

4.15 (4) provide the individual with sufficient relevant written and verbal information  
4.16 about the benefits of employment in integrated settings, at an appropriate comprehension  
4.17 level and in a manner consistent with the appropriate mode of communication and primary  
4.18 language used by the individual or that person's legal representative;

4.19 (5) facilitate visits and other experiences in integrated employment settings;

4.20 (6) offer the individual opportunities to meet with other individuals with disabilities  
4.21 who are working and receiving services in integrated employment settings;

4.22 (7) offer the individual's family, if appropriate, opportunities to meet with families of  
4.23 other individuals with disabilities who are working and receiving services in integrated  
4.24 settings;

4.25 (8) offer the individual opportunities to meet with other service providers who are  
4.26 supporting individuals with disabilities in integrated employment settings;

4.27 (9) identify the objections and concerns expressed by the individual and family  
4.28 members, if applicable;

4.29 (10) identify remedies to address the individual's and family members' objections  
4.30 and concerns; and

4.31 (11) ask the individual if they are opposed to working in an integrated setting and,  
4.32 if not opposed, initiate the referral process, internally or externally, for competitive  
4.33 employment with ongoing employment support services.

5.1 Sec. 8. Minnesota Statutes 2014, section 268A.01, is amended by adding a subdivision  
5.2 to read:

5.3 Subd. 19. **Integrated setting.** "Integrated setting" means a setting that:

5.4 (1) provides individuals with disabilities opportunities to work and receive services  
5.5 in the greater community similar to individuals without disabilities;

5.6 (2) is located in mainstream society;

5.7 (3) offers access to community activities and opportunities at times, frequencies, and  
5.8 with persons of an individual's choosing;

5.9 (4) affords individuals with disabilities choice in their daily life activities; and

5.10 (5) provides individuals with disabilities the opportunity to interact with nondisabled  
5.11 persons who are not paid caregivers to the fullest extent possible based on the typical  
5.12 interactions of the type of job.

5.13 Sec. 9. Minnesota Statutes 2014, section 268A.01, is amended by adding a subdivision  
5.14 to read:

5.15 Subd. 20. **Segregated setting.** "Segregated setting" means:

5.16 (1) congregate settings populated exclusively or primarily by individuals with  
5.17 disabilities;

5.18 (2) congregate settings characterized by regimentation in activities, lack privacy or  
5.19 autonomy, policies limiting visitors, or limits on individuals' ability to engage freely in  
5.20 community activities and manage their own activities of daily living;

5.21 (3) settings that provide for daytime activities primarily with other individuals  
5.22 with disabilities;

5.23 (4) other settings where individuals with disabilities are assembled into a collective  
5.24 or work group, or constitute more than 50 percent of the direct labor force; or

5.25 (5) employment settings where individuals with disabilities contribute more than 50  
5.26 percent of the direct labor to the production of goods or services for government contracts,  
5.27 such as contracts authorized by the Javits-Wagner-O'Day Act mandating that qualifying  
5.28 organizations must receive at least 75 percent of their direct labor from individuals who  
5.29 are blind or have the most significant disabilities. No extended employment worker shall  
5.30 work in a segregated setting before the results of the informed choice process determine  
5.31 that the individual is inappropriate for integrated employment or the individual opposes  
5.32 work in an integrated setting. The informed choice process shall be conducted yearly  
5.33 prior to developing the individual's annual extended employment support plan or more  
5.34 frequently as changes occur in the work's circumstances.

6.1 Sec. 10. Minnesota Statutes 2014, section 268A.03, is amended to read:

6.2 **268A.03 POWERS AND DUTIES.**

6.3 The commissioner shall:

6.4 (1) certify the community rehabilitation facilities providers to offer extended  
6.5 employment programs, grant funds to the extended employment programs, and perform  
6.6 the duties as specified in section 268A.15;

6.7 (2) provide vocational rehabilitation services to persons with disabilities in  
6.8 accordance with the federal Rehabilitation Act of 1973, Public Law 93-112, as amended.  
6.9 Persons with a disability are entitled to free choice of vendor for any medical, dental,  
6.10 prosthetic, or orthotic services provided under this paragraph;

6.11 (3) expend funds and provide technical assistance for the establishment,  
6.12 improvement, maintenance, or extension of public and other nonprofit rehabilitation  
6.13 facilities or centers;

6.14 (4) maintain a contractual or regulatory relationship with the United States as  
6.15 authorized by the Social Security Act, as amended. Under this relationship, the state will  
6.16 undertake to make determinations referred to in those public laws with respect to all  
6.17 individuals in Minnesota, or with respect to a class or classes of individuals in this state that  
6.18 is designated in the agreement at the state's request. It is the purpose of this relationship to  
6.19 permit the citizens of this state to obtain all benefits available under federal law;

6.20 (5) provide an in-service training program for rehabilitation services employees by  
6.21 paying for its direct costs with state and federal funds;

6.22 (6) conduct research and demonstration projects; provide training and instruction,  
6.23 including establishment and maintenance of research fellowships and traineeships, along  
6.24 with all necessary stipends and allowances; disseminate information to persons with a  
6.25 disability and the general public; and provide technical assistance relating to vocational  
6.26 rehabilitation and independent living;

6.27 (7) receive and disburse pursuant to law money and gifts available from  
6.28 governmental and private sources including, but not limited to, the federal Department  
6.29 of Education and the Social Security Administration, for the purpose of vocational  
6.30 rehabilitation or independent living;

6.31 (8) design all state plans for vocational rehabilitation or independent living services  
6.32 required as a condition to the receipt and disbursement of any money available from  
6.33 the federal government;

6.34 (9) cooperate with other public or private agencies or organizations for the purpose  
6.35 of vocational rehabilitation or independent living. Money received from school districts,  
6.36 governmental subdivisions, mental health centers or boards, and private nonprofit

7.1 organizations is appropriated to the commissioner for conducting joint or cooperative  
7.2 vocational rehabilitation or independent living programs;

7.3 (10) enter into contractual arrangements with instrumentalities of federal, state, or  
7.4 local government and with private individuals, organizations, agencies, or facilities with  
7.5 respect to providing vocational rehabilitation or independent living services;

7.6 (11) take other actions required by state and federal legislation relating to vocational  
7.7 rehabilitation, independent living, and disability determination programs;

7.8 (12) hire staff and arrange services and facilities necessary to perform the duties  
7.9 and powers specified in this section; and

7.10 (13) adopt, amend, suspend, or repeal rules necessary to implement or make  
7.11 specific programs that the commissioner by sections 268A.01 to 268A.15 is empowered  
7.12 to administer.

7.13 Sec. 11. Minnesota Statutes 2014, section 268A.06, is amended to read:

7.14 **268A.06 COMMUNITY REHABILITATION FACILITIES PROVIDERS.**

7.15 Subdivision 1. **Application.** Any city, town, county, nonprofit corporation,  
7.16 ~~regional treatment center,~~ or any combination thereof, may apply to the commissioner for  
7.17 assistance in establishing or operating ~~a community rehabilitation facility~~ an extended  
7.18 employment program. Application for assistance must be on forms prescribed by the  
7.19 commissioner. ~~An applicant is not eligible for a grant under this section unless its audited~~  
7.20 ~~financial statements of the prior fiscal year have been approved by the commissioner.~~

7.21 Subd. 2. **Funding.** In order to provide the necessary funds for extended employment  
7.22 programs offered by a community rehabilitation facility provider, the governing body of  
7.23 any city, town, or county may expend money which may be available for such purposes in  
7.24 the general fund, and may levy a tax on the taxable property in the city, town, or county. Any  
7.25 city, town, county, or nonprofit corporation may accept gifts or grants from any source for  
7.26 the ~~rehabilitation facility~~ extended employment program. Any money appropriated, taxed,  
7.27 or received as a gift or grant may be used to match funds available on a matching basis.

7.28 Sec. 12. Minnesota Statutes 2014, section 268A.07, is amended to read:

7.29 **268A.07 REQUIREMENTS FOR CERTIFICATION.**

7.30 Subdivision 1. **Benefits.** A community rehabilitation facility provider must, as  
7.31 a condition for receiving program certification, provide employees in ~~center-based~~  
7.32 employment with personnel benefits prescribed in rules adopted by the commissioner of  
7.33 ~~the Department~~ of employment and economic development.

8.1 Subd. 2. **Grievance procedure.** A community rehabilitation facility provider must,  
 8.2 as a condition for receiving program certification, provide to employees in ~~center-based~~  
 8.3 noncompetitive employment subprograms, a grievance procedure which has as its final  
 8.4 step provisions for final and binding arbitration.

8.5 Subd. 3. **Informed choice.** A community rehabilitation provider must, as a condition  
 8.6 for receiving program certification, provide employees in a noncompetitive employment  
 8.7 with informed choice as described in administrative rules adopted by the commissioner.

8.8 Subd. 4. **Report on satisfaction and outcomes of extended employment**  
 8.9 **workers.** A community rehabilitation provider must, as a condition for receiving program  
 8.10 certification, submit an annual report to the commissioner of the outcomes of workers  
 8.11 served in extended employment during the provider's prior year, including:

8.12 (1) satisfaction of persons reported in the noncompetitive employment subprogram;

8.13 (2) satisfaction of persons reported in the competitive employment subprogram;

8.14 (3) access to competitive employment by persons in noncompetitive employment,  
 8.15 including local labor market information;

8.16 (4) effectiveness and efficiency measures and results for the noncompetitive  
 8.17 employment subprogram;

8.18 (5) effectiveness and efficiency measures and results for the competitive employment  
 8.19 subprogram; and

8.20 (6) plans for quality improvement in the next cycle.

8.21 Subd. 5. **Independent audited financial statements.** A community rehabilitation  
 8.22 provider must, as a condition for receiving program certification, submit its independently  
 8.23 audited financial statements of its prior fiscal year for approval by the commissioner.

8.24 Sec. 13. Minnesota Statutes 2014, section 268A.085, is amended to read:

8.25 **268A.085 COMMUNITY REHABILITATION FACILITY PROVIDER**  
 8.26 **GOVERNING BOARDS.**

8.27 Subdivision 1. **Appointment; membership.** Every city, town, county, nonprofit  
 8.28 corporation, or combination thereof establishing a ~~rehabilitation facility~~ an extended  
 8.29 employment program shall appoint a ~~rehabilitation facility~~ governing board of no fewer  
 8.30 than seven voting members before becoming eligible for the assistance provided by  
 8.31 sections 268A.06 to 268A.15. When any city, town, or county singly establishes ~~such a~~  
 8.32 ~~rehabilitation facility~~ an extended employment program, the governing board shall be  
 8.33 appointed by the chief executive officer of the city or the chair of the governing board  
 8.34 of the county or town. When any combination of cities, towns, counties, or nonprofit  
 8.35 corporations establishes a ~~rehabilitation facility~~ an extended employment program, the



9.1 chief executive officers of the cities, nonprofit corporations, and the chairs of the governing  
 9.2 bodies of the counties or towns shall appoint the board. If a nonprofit corporation singly  
 9.3 establishes ~~a rehabilitation facility~~ an extended employment program, the corporation  
 9.4 shall appoint the board of directors. Membership on a board shall be representative of  
 9.5 the community served and shall include a person with a disability. If a county establishes  
 9.6 an extended employment program and manages the program with county employees, the  
 9.7 governing board shall be the county board of commissioners, and other provisions of this  
 9.8 chapter pertaining to membership on the governing board do not apply.

9.9 Subd. 2. **Duties.** Subject to the provisions of sections 268A.06 to 268A.15 and the  
 9.10 rules of the department, each ~~rehabilitation facility~~ governing board shall:

9.11 (1) review and evaluate the need for extended employment programs ~~offered by the~~  
 9.12 ~~rehabilitation facility~~ provided under sections 268A.06 to 268A.15;

9.13 (2) recruit and promote local financial support for extended employment programs  
 9.14 from private sources including: the United Way; business, industrial, and private  
 9.15 foundations; voluntary agencies; and other lawful sources, and promote public support  
 9.16 for municipal and county appropriations;

9.17 (3) promote, arrange, and implement working agreements with other educational  
 9.18 and social service agencies, both public and private, and any other allied agencies; and

9.19 (4) when an extended employment program ~~offered by the rehabilitation facility~~ is  
 9.20 certified, act as the ~~its~~ administrator ~~of the rehabilitation facility and its programs~~ for  
 9.21 purposes of this chapter.

9.22 Sec. 14. Minnesota Statutes 2014, section 268A.15, subdivision 1, is amended to read:

9.23 Subdivision 1. **Administration.** The Department of Employment and Economic  
 9.24 Development shall administer this section through vocational rehabilitation services. The  
 9.25 department may employ staff as required to administer this section and may accept and  
 9.26 receive funds from nonstate sources for the purpose of implementing this section.

9.27 Sec. 15. Minnesota Statutes 2014, section 268A.15, subdivision 2, is amended to read:

9.28 Subd. 2. **Program purpose.** ~~The extended employment program shall have two~~  
 9.29 ~~categories of clients consisting of those with severe disabilities and those with severe~~  
 9.30 ~~impairment to employment.~~ The primary purpose of the extended employment program  
 9.31 ~~for persons with severe disabilities~~ is to provide residents of Minnesota with the most  
 9.32 significant disabilities with the ongoing employment support services necessary to  
 9.33 maintain ~~retain~~ and advance the in competitive employment of ~~persons with severe~~  
 9.34 ~~disabilities.~~ ~~The purpose of the extended employment program for persons with severe~~

10.1 ~~impairment to employment is to provide the ongoing support services necessary to secure,~~  
 10.2 ~~maintain, and advance in employment. Employment must encompass the broad range of~~  
 10.3 ~~employment choices available to all persons and promote an individual's self-sufficiency~~  
 10.4 ~~and financial independence. that is based on the person's needs, abilities, and interests.~~  
 10.5 Ongoing employment support services to eligible persons who are opposed to competitive  
 10.6 employment may be provided for work compensated under a United States Department  
 10.7 of Labor certificate for a special minimum wage or for work performed in sheltered,  
 10.8 congregate, or segregated settings provided that: (1) sufficient funds have been allocated  
 10.9 for the program's primary purpose; and (2) eligible persons have been provided with an  
 10.10 informed choice of employment options.

10.11 Sec. 16. Minnesota Statutes 2014, section 268A.15, subdivision 3, is amended to read:

10.12 Subd. 3. **Rule authority.** The commissioner shall adopt rules on an individual's  
 10.13 eligibility for the extended employment program, the certification of community  
 10.14 ~~rehabilitation facilities providers~~, and the methods, criteria, and units of distribution for  
 10.15 the allocation of state grant funds to certified ~~rehabilitation facilities~~ extended employment  
 10.16 program providers. In determining the allocation, the commissioner must consider the  
 10.17 economic conditions of the community and the performance of community rehabilitation  
 10.18 ~~facilities providers~~ relative to their impact on the economic status of workers in the  
 10.19 extended employment program.

10.20 Sec. 17. Minnesota Statutes 2014, section 268A.15, subdivision 4, is amended to read:

10.21 Subd. 4. **Evaluation.** The commissioner of employment and economic development  
 10.22 shall evaluate the extended employment program to determine whether the purpose of  
 10.23 extended employment as defined in subdivision 2 is being achieved. The evaluation  
 10.24 must include information for the preceding funding year derived from the independent  
 10.25 compliance audits of extended employment service providers submitted to the department  
 10.26 on or before October 31 of each year. ~~The evaluation must include an assessment~~  
 10.27 ~~of whether workers in the extended employment program are satisfied with their~~  
 10.28 ~~employment.~~ A written report of this evaluation must be prepared at least every two years  
 10.29 and made available to the public.

10.30 Sec. 18. Minnesota Statutes 2014, section 268A.15, subdivision 5, is amended to read:

10.31 Subd. 5. **Technical assistance.** The commissioner of employment and economic  
 10.32 development shall provide technical assistance within available resources to community  
 10.33 ~~rehabilitation facilities providers~~.

11.1 Sec. 19. Minnesota Statutes 2014, section 268A.15, subdivision 6, is amended to read:

11.2 Subd. 6. **Grants.** The commissioner may provide innovation and expansion  
11.3 grants to community rehabilitation facilities providers to encourage the development,  
11.4 demonstration, or dissemination of innovative business practices, training programs,  
11.5 and service delivery methods that:

11.6 (1) expand and improve competitive employment opportunities for persons with  
11.7 severe the most significant disabilities ~~or severe impairment to employment~~ who are  
11.8 unserved or underserved by the extended employment program; and

11.9 (2) increase the ability of persons with severe the most significant disabilities ~~or~~  
11.10 severe ~~impairment to employment~~ to use new and emerging technologies in competitive  
11.11 employment settings, and foster the capacity of community rehabilitation facilities  
11.12 providers and employers to promote the integration of individuals with severe the most  
11.13 significant disabilities and severe ~~impairment to employment~~ into the workplace and the  
11.14 mainstream of community life.

11.15 The grants must require collaboration at the local level among vocational  
11.16 rehabilitation field offices, county social service and planning agencies, community  
11.17 rehabilitation ~~facilities providers~~, and employers.

11.18 Sec. 20. Minnesota Statutes 2014, section 268A.15, subdivision 7, is amended to read:

11.19 Subd. 7. **Withdrawal of funds.** The commissioner may withdraw funds from a  
11.20 ~~rehabilitation facility~~ an extended employment provider that is not being administered  
11.21 in accordance with its ~~approved plan and budget~~ extended employment program grant  
11.22 contract, program rules, or certification requirements unless a ~~modified corrective action~~  
11.23 ~~plan and budget~~ is submitted to and approved by the commissioner, and implemented  
11.24 within a reasonable time. ~~The commissioner may withdraw funds from a rehabilitation~~  
11.25 ~~facility not being administered according to department rules, or not meeting mandatory~~  
11.26 ~~standards for certification, unless a plan bringing the rehabilitation facility into compliance~~  
11.27 ~~with the rules and standards is submitted to and approved by the commissioner, and~~  
11.28 ~~implemented within a reasonable time.~~ Funds withdrawn shall, after reasonable notice  
11.29 and opportunity for hearing, be reallocated by the commissioner to other ~~rehabilitation~~  
11.30 ~~facilities~~ extended employment program providers.

11.31 Sec. 21. **REPEALER.**

11.32 Minnesota Statutes 2014, sections 268A.01, subdivisions 9 and 14; and 268A.15,  
11.33 subdivisions 1a, 3a, and 9, are repealed.

**268A.01 DEFINITIONS.**

Subd. 9. **Center-based employment subprogram.** "Center-based employment subprogram" means employment which provides paid work on the premises of a rehabilitation facility and training services or other services necessary for employment on or off the premises of the rehabilitation facility.

Subd. 14. **Affirmative business enterprise employment.** "Affirmative business enterprise employment" means employment which provides paid work on the premises of an affirmative business enterprise as certified by the commissioner.

Affirmative business enterprise employment is considered community employment for purposes of funding under Minnesota Rules, parts 3300.1000 to 3300.2055, provided that the wages for individuals reported must be at or above customary wages for the same employer. The employer must also provide one benefit package that is available to all employees at the specific site certified as an affirmative business enterprise.

**268A.15 EXTENDED EMPLOYMENT PROGRAM.**

Subd. 1a. **Severe impairment to employment; definition.** For the purpose of this section, "severe impairment to employment" means profound limitations that dramatically restrict an individual's ability to seek, secure, and maintain employment due to an extended history of little or no employment, limited education, training, or job skills, and physical, intellectual, or emotional characteristics seriously impairing future ability to obtain and retain permanent employment.

Subd. 3a. **Severe impairment to employment; separate program.** The allocation of funds, eligibility criteria, and funding criteria for extended employment program funds for persons with severe disabilities shall be separate from the allocation of funds, eligibility criteria, and funding criteria for extended employment program funds for persons with severe impairment to employment. Extended employment program services for persons with severe disabilities shall be modified to the extent necessary to provide services to persons with severe impairment to employment.

The county agency must consider placing an individual who is on welfare and who has a severe impairment to employment, as defined in subdivision 1a, into an extended employment program under this section for job skills training or a job, or both, as part of the effort to move people from welfare to work as required under federal welfare reform.

Subd. 9. **Integrated setting.** At the commissioner's discretion, paid work on the premises of a rehabilitation facility may be certified as an integrated setting after a site review by the department.