

CHAPTER 268A

VOCATIONAL REHABILITATION

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268A.01 DEFINITIONS.

Subdivision 1. **General.** For the purposes of this chapter, the terms defined in this section shall have the meanings given them.

Subd. 2. **Department.** "Department" means the Department of Employment and Economic Development.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of employment and economic development.

Subd. 4. **Vocational rehabilitation services.** "Vocational rehabilitation services" means those services and goods so defined in the federal Rehabilitation Act of 1973, as amended, and section 268A.03, clause (b).

Subd. 5. **Person with a disability.** "Person with a disability" means an "individual with a disability" as defined in the federal Rehabilitation Act of 1973, as amended.

Subd. 6. **Rehabilitation facility.** "Rehabilitation facility" means an entity which meets the definition of community rehabilitation program in the federal Rehabilitation Act of 1973, as amended. However, for the purposes of sections 268A.03, paragraph (a), 268A.06, and 268A.15, rehabilitation facility means an entity which is operated for the primary purpose of providing or facilitating employment for persons with a severe disability.

Subd. 7. [Repealed, 1995 c 224 s 126]

Subd. 8. **Center for independent living.** "Center for independent living" means a private nonprofit organization incorporated under Minnesota law and operated for the purpose of providing independent living services to persons with disabilities. Boards of directors for the center for independent living are composed of community representatives. Fifty-one percent of the board members must be individuals with disabilities.

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. 10. **Extended employment program.** "Extended employment program" means the center-based employment and supported employment subprograms.

Subd. 11. [Repealed, 1995 c 224 s 126]

Subd. 12. [Repealed, 1995 c 224 s 126]

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

(1) the person engages in paid work in a position removed from the service vendor's site where individuals without disabilities who do not require public subsidies also may be employed;

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

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

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

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.

History: 1976 c 332 s 1; 1977 c 430 s 9; 1984 c 627 s 1; 1Sp1985 c 9 art 2 s 3; 1Sp1985 c 14 art 9 s 75; 1987 c 369 s 1; 1988 c 689 art 2 s 16-18,268; 1989 c 106 s 1; 1990 c 363 s 1-3; 1994 c 483 s 1; 1995 c 224 s 80-84; 1Sp2003 c 14 art 6 s 67; 2004 c 206 s 48,52; 2007 c 135 art 2 s 27,28

268A.02 COMMISSIONER; REHABILITATION COUNCIL, STAFF.

Subdivision 1. **Commissioner.** The commissioner is the chief executive officer of the Department of Employment and Economic Development and is the successor to the powers and duties of the former assistant commissioner of vocational rehabilitation.

Subd. 2. **Rehabilitation council.** The commissioner shall establish a State Rehabilitation Council and a Statewide Independent Living Council consistent with the federal Rehabilitation Act of 1973, Public Law 93-112, as amended. Members of the councils shall be compensated as provided in section 15.059, subdivision 3.

Subd. 3. **Electronic or telephonic meetings.** (a) Notwithstanding section 13D.01, the State Rehabilitation Council and the Statewide Independent Living Council may conduct a meeting of its members by telephone or other electronic means so long as the following conditions are met:

(1) all members of the council participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the council can hear all discussion and testimony and all votes of members of the council;

(3) at least one member of the council is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

(b) Each member of the council participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

(c) If telephone or other electronic means is used to conduct a meeting, the council, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The council may require the person making such a connection to pay for documented marginal costs that the council incurs as a result of the additional connection.

(d) If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the council shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and of the provisions of paragraph (c). The timing and method of providing notice is governed by section 13D.04.

History: 1976 c 332 s 2; 1977 c 305 s 22; 1Sp1985 c 14 art 9 s 7; 1986 c 444; 1988 c 689 art 2 s 19; 1993 c 97 s 2; 1994 c 483 s 1; 1995 c 82 s 12,16; 2001 c 161 s 52; 2003 c 128 art 12 s 2; 2004 c 206 s 52

268A.03 POWERS AND DUTIES.

The commissioner shall:

(a) certify the rehabilitation facilities to offer extended employment programs, grant funds to the extended employment programs, and perform the duties as specified in section 268A.15;

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

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

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

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

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

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

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

(i) cooperate with other public or private agencies or organizations for the purpose of vocational rehabilitation or independent living. Money received from school districts, governmental subdivisions, mental health centers or boards, and private nonprofit organizations is appropriated to the commissioner for conducting joint or cooperative vocational rehabilitation or independent living programs;

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

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

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

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

History: 1975 c 359 s 23; 1976 c 332 s 3; 1983 c 312 art 1 s 15; 1Sp1985 c 9 art 2 s 4; 1987 c 369 s 2; 1988 c 689 art 2 s 20; 1991 c 292 art 2 s 69; art 10 s 3; 1995 c 82 s 13; 1995 c 224 s 85; 2004 c 206 s 52

268A.04 DISABILITY DETERMINATIONS; PRIVILEGED INFORMATION.

No communication or statement furnished by a physician or other professional person to the department or any other agency of the state for use in connection with an agreement or contractual relationship as contemplated in section 268A.03, clause (d), shall be made the subject of any slander, libel or defamation action.

History: 1976 c 332 s 4

268A.05 REPORTS, DISCLOSURE.

Subdivision 1. **Public records; access.** The employees of the department specifically authorized by the commissioner shall have the right to receive from any public records the names, addresses and information pertinent to their vocational rehabilitation of persons injured or otherwise disabled. Except as provided in subdivision 2, no information obtained from these reports, nor any copy of the same, nor any of the contents thereof, nor other confidential information as defined by the commissioner shall be open to the public, nor shall be disclosed in any manner by any official or clerk or other employee of the state having access thereto, but the same may be used, except as provided in subdivision 2, solely to enable the department to offer the benefits of vocational rehabilitation to the persons injured or otherwise disabled.

Subd. 2. [Repealed, 1991 c 292 art 10 s 4]

History: 1975 c 359 s 23; 1976 c 134 s 78; 1976 c 332 s 5

268A.06 REHABILITATION FACILITIES.

Subdivision 1. **Application.** Any city, town, county, nonprofit corporation, regional treatment center, or any combination thereof, may apply to the commissioner for assistance in establishing or operating a community rehabilitation facility. Application for assistance shall be on forms prescribed by the commissioner. Each applicant shall annually submit to the commissioner its plan and budget for the next fiscal year. No applicant shall be eligible for a grant hereunder unless its plan and budget have been approved by the commissioner.

Subd. 2. **Funding.** In order to provide the necessary funds for extended employment

programs offered by a rehabilitation facility, the governing body of any city, town, or county may expend money which may be available for such purposes in the general fund, and may levy a tax on the taxable property in the city, town, or county. Any city, town, county, or nonprofit corporation may accept gifts or grants from any source for the rehabilitation facility. Any money appropriated, taxed, or received as a gift or grant may be used to match funds available on a matching basis.

Subd. 3. [Repealed, 2001 c 77 s 4]

History: 1976 c 332 s 6; 1978 c 522 s 1; 1987 c 369 s 3; 1988 c 689 art 2 s 21,268; 1Sp1989 c 1 art 5 s 5; 1991 c 292 art 3 s 39; 1994 c 505 art 3 s 6; 1995 c 224 s 86; 2001 c 77 s 1

268A.07 REQUIREMENTS FOR CERTIFICATION.

Subdivision 1. **Benefits.** A rehabilitation facility must, as a condition for receiving program certification, provide employees in center-based employment with personnel benefits prescribed in rules adopted by the commissioner of the Department of Employment and Economic Development.

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

History: 1Sp1985 c 9 art 2 s 5; 1Sp1985 c 14 art 9 s 75; 1988 c 689 art 2 s 268; 1994 c 483 s 1; 1995 c 224 s 87; 2004 c 206 s 52

268A.08 [Repealed, 1Sp2003 c 14 art 6 s 68]

268A.085 REHABILITATION FACILITY BOARDS.

Subdivision 1. **Appointment; membership.** Every city, town, county, nonprofit corporation, or combination thereof establishing a rehabilitation facility shall appoint a rehabilitation facility board of no fewer than seven voting members before becoming eligible for the assistance provided by sections 268A.06 to 268A.15. When any city, town, or county singly establishes such a rehabilitation facility, the board shall be appointed by the chief executive officer of the city or the chair of the governing board of the county or town. When any combination of cities, towns, counties, or nonprofit corporations establishes a rehabilitation facility, the chief executive officers of the cities, nonprofit corporations, and the chairs of the governing bodies of the counties or towns shall appoint the board. If a nonprofit corporation singly establishes a rehabilitation facility, the corporation shall appoint the board of directors. Membership on a board shall be representative of the community served and shall include a person with a disability. If a county establishes an extended employment program and manages the program with county employees, the governing board shall be the county board of commissioners, and other provisions

of this chapter pertaining to membership on the governing board do not apply.

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

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

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

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

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

History: 2004 c 206 s 49; 2007 c 135 art 2 s 29

268A.09 [Repealed, 1995 c 224 s 126]

268A.10 EXPENDITURE OF FEDERAL FUNDS.

Any additional federal funds which become available to the state of Minnesota for vocational rehabilitation or independent living purposes as a result of a reallocation of funds returned by other states or release of additional funds may be carried over and expended in the next fiscal year.

History: 1976 c 332 s 11; 1988 c 689 art 2 s 27

268A.11 INDEPENDENT LIVING SERVICES.

Subdivision 1. **Purposes and services.** The purposes of independent living services and the services that are to be provided are those that are consistent with Code of Federal Regulations, title 34, parts 365 to 367.

Subd. 2. **Administration.** This section shall be administered by the Department of Employment and Economic Development through rehabilitation services. The department may employ staff as reasonably required to administer this section and may accept and receive funds from nonstate sources for the purpose of effectuating this section.

Subd. 3. **Certification.** No applicant center for independent living may receive funding under this section unless it has received certification from rehabilitation services.

Rehabilitation services shall review the programs of centers for independent living receiving funds from this section to determine their adherence to standards adopted by rule and if the standards are substantially met, shall issue appropriate certifications.

Subd. 4. **Application of centers for independent living.** Rehabilitation services shall require centers for independent living to complete application forms, expenditure reports, and proposed plans and budgets. These reports must be in the manner and on the form prescribed by rehabilitation services. When applying, the center for independent living shall agree to provide reports and records, and make available records for audit as may be required by rehabilitation services.

The applicant center for independent living shall be notified in writing by rehabilitation services concerning the approval of budgets and plans.

History: *1Sp1985 c 9 art 2 s 8; 1Sp1985 c 14 art 9 s 75; 1988 c 689 art 2 s 28; 1994 c 483 s 1; 1995 c 82 s 14,15; 2004 c 206 s 52*

268A.12 [Repealed, 1995 c 82 s 17]

268A.13 EMPLOYMENT SUPPORT SERVICES FOR PERSONS WITH MENTAL ILLNESS.

The commissioner of employment and economic development, in cooperation with the commissioner of human services, shall develop a statewide program of grants as outlined in section 268A.14 to provide services for persons with mental illness in supported employment. Projects funded under this section must: (1) assist persons with mental illness in obtaining and retaining employment; (2) emphasize individual community placements for clients; (3) ensure interagency collaboration at the local level between vocational rehabilitation field offices, county service agencies, community support programs operating under the authority of section 245.4712, and community rehabilitation providers, in assisting clients; and (4) involve clients in the planning, development, oversight, and delivery of support services. Project funds may not be used to provide services in segregated settings such as the center-based employment subprograms as defined in section 268A.01.

The commissioner of employment and economic development, in consultation with the commissioner of human services, shall develop a request for proposals which is consistent with the requirements of this section and section 268A.14 and which specifies the types of services that must be provided by grantees. Priority for funding shall be given to organizations with experience in developing innovative employment support services for persons with mental illness. Each applicant for funds under this section shall submit an evaluation protocol as part of the grant application.

History: *1994 c 483 s 1; 1994 c 632 art 4 s 71; 1995 c 224 s 90; 1999 c 223 art 2 s 40;*

2004 c 206 s 52

268A.14 STATEWIDE REIMBURSEMENT SYSTEM FOR EMPLOYMENT SUPPORT SERVICES.

Subdivision 1. **Employment support services and programs.** The commissioner of employment and economic development, in cooperation with the commissioner of human services, shall operate a statewide system to reimburse providers for employment support services for persons with mental illness. The system shall be operated to support employment programs and services where:

(1) services provided are readily accessible to all persons with mental illness so they can make progress toward economic self-sufficiency;

(2) services provided are made an integral part of all treatment and rehabilitation programs for persons with mental illness to ensure that they have the ability and opportunity to consider a variety of work options;

(3) programs help persons with mental illness form long-range plans for employment that fit their skills and abilities by ensuring that ongoing support, crisis management, placement, and career planning services are available;

(4) services provided give persons with mental illness the information needed to make informed choices about employment expectations and options, including information on the types of employment available in the local community, the types of employment services available, the impact of employment on eligibility for governmental benefits, and career options;

(5) programs assess whether persons with mental illness being serviced are satisfied with the services and outcomes. Satisfaction assessments shall address at least whether persons like their jobs, whether quality of life is improved, whether potential for advancement exists, and whether there are adequate support services in place;

(6) programs encourage persons with mental illness being served to be involved in employment support services issues by allowing them to participate in the development of individual rehabilitation plans and to serve on boards, committees, task forces, and review bodies that shape employment services policies and that award grants, and by encouraging and helping them to establish and participate in self-help and consumer advocacy groups;

(7) programs encourage employers to expand employment opportunities for persons with mental illness and, to maximize the hiring of persons with mental illness, educate employers about the needs and abilities of persons with mental illness and the requirements of the Americans with Disabilities Act;

(8) programs encourage persons with mental illness, vocational rehabilitation professionals, and mental health professionals to learn more about current work incentive provisions in governmental benefits programs;

(9) programs establish and maintain linkages with a wide range of other programs and services, including educational programs, housing programs, economic assistance services, community support services, and clinical services to ensure that persons with mental illness can obtain and maintain employment;

(10) programs participate in ongoing training across agencies and service delivery systems so that providers in human services systems understand their respective roles, rules, and responsibilities and understand the options that exist for providing employment and community support services to persons with mental illness; and

(11) programs work with local communities to expand system capacity to provide access to employment services to all persons with mental illness who want them.

Subd. 2. **Report.** Before preparing a biennial budget request, the commissioner of employment and economic development, in cooperation with the commissioner of human services, must report on the status and evaluation of the grants currently funded under section 268A.14 to the chairs of the policy and finance committees of the legislature having jurisdiction. The report must also include a determination of the unmet needs of persons with mental illness who require employment services and provide recommendations to expand the program to meet the identified needs.

History: 1994 c 483 s 1; 1994 c 632 art 4 s 72; 1999 c 223 art 2 s 41; 2004 c 206 s 52

268A.15 EXTENDED EMPLOYMENT PROGRAM.

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

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. 2. **Program purpose.** The extended employment program shall have two categories of clients consisting of those with severe disabilities and those with severe impairment to employment. The purpose of the extended employment program for persons with severe

disabilities is to provide the ongoing services necessary to maintain and advance the employment of persons with severe disabilities. The purpose of the extended employment program for persons with severe impairment to employment is to provide the ongoing support services necessary to secure, maintain, and advance in employment. Employment must encompass the broad range of employment choices available to all persons and promote an individual's self-sufficiency and financial independence.

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

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. 4. **Evaluation.** The commissioner of employment and economic development shall evaluate the extended employment program to determine whether the purpose of extended employment as defined in subdivision 2 is being achieved. The evaluation must include an assessment of whether workers in the extended employment program are satisfied with their employment. A written report of this evaluation must be prepared at least every two years and made available to the public.

Subd. 5. **Technical assistance.** The commissioner of employment and economic development shall provide technical assistance within available resources to rehabilitation facilities.

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

(1) expand and improve employment opportunities for persons with severe disabilities or severe impairment to employment who are unserved or underserved by the extended employment program; and

(2) increase the ability of persons with severe disabilities or severe impairment to employment to use new and emerging technologies in employment settings, and foster the capacity of rehabilitation facilities and employers to promote the integration of individuals with severe disabilities and severe impairment to employment into the workplace and the mainstream of community life.

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

Subd. 7. **Withdrawal of funds.** The commissioner may withdraw funds from a rehabilitation facility that is not being administered in accordance with its approved plan and budget unless a modified plan and budget is submitted to and approved by the commissioner, and implemented within a reasonable time. The commissioner may withdraw funds from a rehabilitation facility not being administered according to department rules, or not meeting mandatory standards for certification, unless a plan bringing the rehabilitation facility into compliance with the rules and standards is submitted to and approved by the commissioner, and implemented within a reasonable time. Funds withdrawn shall, after reasonable notice and opportunity for hearing, be reallocated by the commissioner to other rehabilitation facilities.

Subd. 8. **Funding authority.** State grant funds under this section and section 268A.13 shall be available for 24 months following the end of a fiscal year to allow for the submission of final grant data reports, the completion of audit adjustments of payments to grantees including grantee appeals of final audit adjustments, and the redistribution of remaining balances in grant accounts to other grantees who meet or exceed their contracts with the department for that fiscal year.

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.

History: 1995 c 224 s 91; 1997 c 200 art 1 s 66-70; 2004 c 206 s 52; 2007 c 135 art 2 s 30