IN THE HOUSE OF REPRESENTATIVES

April 17, 1957

Mr. Fogarty introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To provide rehabilitation services to handicapped individuals; to assist in the establishment of public and private non-profit workshops and rehabilitation facilities; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That this Act may be cited as the "Rehabilitation Act of 1957".

FINDING OF FACT AND DECLARATION

The Congress hereby finds and declares—

that there are many severely handicapped individuals who are not eligible for vocational rehabilitation services under the Vocational Rehabilitation Act,
because there is serious doubt that such individuals will be capable of remunerative employment following rehabilitation services;

that many of these presently ineligible individuals, who are being cared for in institutions, as a result of independent living rehabilitation services, can achieve a degree of independence which will enable them to dispense with the need for expensive institutional care;

that many presently ineligible severely handicapped individuals living at home may, as a result of such services, achieve a degree of independent living which will enable them to dispense with or largely dispense with an attendant;

that independent living rehabilitation services to such presently ineligible severely handicapped individuals will result in the conservation of both public and family resources and make a tremendous contribution to their dignity and self-respect;

that many such presently ineligible severely handicapped individuals as a result of independent living rehabilitation services will be found to be capable of vocational rehabilitation and will become wage earners and taxpayers;
that there is great need for additional workshops wherein the severely handicapped who cannot be readily absorbed in the competitive labor market may have their work potential evaluated, work capacity developed, and, in some instances, secure employment;

that the need for such workshops for the severely handicapped, including the mentally ill, the mentally retarded, and older people, is particularly acute;

that there is also great need for additional rehabilitation facilities wherein independent living and vocational rehabilitation services may be provided for severely disabled persons, such as speech and hearing centers, adjustment training centers, prevocational training facilities, facilities for fitting and training in the use of prosthetic devices; and

that the provision of the foregoing facilities and services is a necessary addition to rehabilitation now being provided under the Vocational Rehabilitation Act and will make such vocational rehabilitation more effective.

Sec. 2. (a) The Vocational Rehabilitation Act as amended by the Vocational Rehabilitation Amendments of 1954 (29 U. S. C., ch. 4) is amended (a) by inserting at
the beginning thereof the heading “TITLE I”, (b) by striking out the phrase “this Act” wherever it appears, and inserting in lieu thereof “this title”, and (c) by adding the following at the end of section 3:

“(c) In the event of failure of any State or States to qualify in a fiscal year for any payment under this section or to qualify for a payment in an amount less than the amount of the State’s allotment, the amount equal to the total of each such State’s allotment, or the difference between its allotment and its payment, as the case may be, shall be reallocated among the remaining States on the basis of their respective population.”

(b) Subsection (a) of section 4 of such Act is amended by adding after “two years” the following: “other than an individual pursuing a course of training which extends beyond that required for the degree of master of arts, master of science, or similar degree, and such an individual may be provided a course of training for a period not in excess of three years.”

Sec. 3. The Vocational Rehabilitation Act as amended by the Vocational Rehabilitation Amendments of 1954 is further amended by adding at the end thereof two new titles as follows:
“TITLE II

“INDEPENDENT LIVING REHABILITATION SERVICES

“AUTHORIZATION OF APPROPRIATIONS FOR GRANTS; PURPOSE FOR WHICH AVAILABLE

“Sec. 201. For the purpose of assisting the States in rehabilitating handicapped individuals who, as a result of such rehabilitation, may be expected to achieve such ability of independent living as to dispense with, or largely dispense with, the need for institutional care or, if not institutionalized, to dispense with, or largely dispense with, the need for an attendant, thereby reducing their burden upon others and contributing to their dignity and self-respect, there is hereby authorized for the fiscal year ending June 30, 1958, $5,000,000; for the fiscal year ending June 30, 1959, $10,000,000; and for each fiscal year thereafter, such sums as Congress may determine necessary to carry out the purposes of this title.

“GRANTS FOR INDEPENDENT LIVING REHABILITATION SERVICES

“Sec. 202. (a) From the sums made available under section 201 to assist States in meeting the costs of independent living rehabilitation services, each State shall be
entitled to an allotment of an amount which bears the same
ratio to such sums as the product of the population of the
State and the square of its allotment percentage (as defined
in section 11 (h) of title I) bears to the sum of the cor-
responding products for all the States. The allotment to any
State under an allotment for any year which is less than
$25,000, or in the case of the Virgin Islands is less than
$10,000 (or such other amount as may be specified as a
minimum allotment in the Act appropriating such sums for
such year) shall be increased to that amount, the total of
the increases thereby required being derived by proportion-
ately reducing the allotments to each of the remaining States,
but with such adjustments as may be necessary to prevent
the allotments of any of such remaining States from being
thereby reduced below that amount. In the event of fail-
ure of any State or States to qualify in a fiscal year for any
payment under this section or to qualify for a payment in
an amount less than the amount of the State’s allotment,
the amount equal to the total of each such State’s allotment,
or the difference between its allotment and its payment, as
the case may be, shall be reallocated among the remaining
States.

"(b) From each State’s allotment under this section,
the Secretary of Health, Education, and Welfare shall pay
to such State an amount equal to the Federal share (deter-
mined as provided in section 11 (1) of title I of this Act) of the cost, including cost of administration, of independent living rehabilitation services provided under the independent living rehabilitation plan approved under section 203 of this title, which such plan is incorporated in the State plan approved under section 5 of title I of this Act.

"STATE INDEPENDENT LIVING REHABILITATION PLANS"

"Sec. 203. (a) To be approved under this title a State plan for independent living rehabilitation services shall—

"(1) provide for needed rehabilitation of physically or mentally handicapped individuals who are receiving institutional care or attendance in their households continuously or for a very substantial portion of the time, but who can be reasonably expected as a result of such rehabilitation to achieve such ability of independent living that they will no longer require such institutional care or such attendance in their households; which rehabilitation services may include, but not be limited to, counseling, psychological, and social service, and diagnostic and related services, including transportation incidental to the determination of eligibility for and the nature and scope of further needed rehabilitation; and, an individual who is found to need financial assistance with respect thereto may be provided physical restoration services, including corrective surgery, therapeutic
treatment, and hospitalization, needed prosthetic appliances and other devices and training in the use thereof, and maintenance needed to assure maximum benefits from such services;

"(2) designate the State agency administering or supervising the administration of vocational education in the State, or a State rehabilitation agency (primarily concerned with vocational rehabilitation), as the sole State agency to administer the plan, or to supervise its administration by other public or private nonprofit agency or agencies, except that where under the State's law the State blind commission, or other agency which provides assistance or services to the adult blind, is authorized to provide them vocational rehabilitation services, such State blind commission or other State agency may be designated as the sole State agency to administer or supervise the administration of the part of the plan under which rehabilitation services under this title are provided for the blind;

"(3) provide that the plan will be in effect in all subdivisions of the State and for financial participation of the State, which may include non-State funds which the State plan specifies may be accepted by the State agency;

"(4) provide such methods of administration, other
than methods relating to the establishment and maintenance of personnel standards, as are found by the Secretary to be necessary for the proper and efficient administration of the plan;

“(5) contain (A) provisions relating to the establishment and maintenance of personnel standards, including provisions relating to the tenure, selection, appointment, and qualification of personnel, and (B) provisions relating to the establishment and maintenance of minimum standards governing the facilities and personnel utilized in the provision of independent living rehabilitation services, but the Secretary shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provisions;

“(6) show the plan, policies, and methods to be followed in carrying out the work under the State plan and in its administration and supervision, and in case independent living rehabilitation services cannot be provided all eligible physically handicapped individuals who apply for such services, show the order to be followed in selecting those to whom independent living rehabilitation services will be provided;

“(7) provide that the State agency will make such
reports, in such form and containing such information, 
as the Secretary may from time to time reasonably re-
quire to carry out his functions under this Act, and 
comply with such provisions as he may from time to time 
find necessary to assure the correctness and verification 
of such reports;

“(8) provide for cooperation by the State agency 
with, and the utilization of the services of, the State 
agencies administering the state’s public assistance and 
public health programs, and the Bureau of Old Age and 
Survivors Insurance (Department of Health, Educa-
tion, and Welfare) and of other Federal, State, and local 
public agencies providing services relating to independ-
ent living rehabilitation services.

“(b) The Secretary shall approve any plan which he 
finds fulfills the conditions specified in subsection (a) of 
this section which is submitted as an addition to a State plan 
for vocational rehabilitation approved by the Secretary under 
title I of this Act.

“(c) Whenever the Secretary, after reasonable notice 
and opportunity for hearing to the State agency adminis-
tering or supervising the administration of the State plan ap-
proved under this section, finds that—

“(1) the plan has been so changed that it no longer
complies with the requirements of subsection (a) of this section; or

"(2) in the administration of the plan there is a failure to comply substantially with any such provision; the Secretary shall notify such State agency that no further payments will be made to the State under this title, until he is satisfied that there is no longer any such failure. Until he is so satisfied the Secretary shall make no further payment to such State under this title.

"(d) If any State is dissatisfied with the Secretary's action under subsection (c) of this section, such State may appeal to the United States district court for the district where the capital of such State is located and judicial review of such action shall be on the record in accordance with the provisions of the Administrative Procedure Act.

"METHOD OF COMPUTING AND MAKING PAYMENTS

"SEC. 204. The method of computing and paying amounts pursuant to this title shall be as follows:

"(a) The Secretary shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State under the provisions of this title for such period, such estimate to be based on such records of the State and information fur-
nished by it, and such other investigation, as the Secretary
may find necessary.

"(b) The Secretary shall pay, from the allotment avail-
able therefor, the amount so estimated by him for such period,
reduced or increased, as the case may be, by any sum (not
previously adjusted under this paragraph) by which he
finds that his estimate of the amount to be paid the State
for any prior period under this title was greater or less than
the amount which should have been paid to the State for
such prior period under this title. Such payments shall be
made prior to audit or settlement by the General Accounting
Office, shall be made through the disbursing facilities of the
Treasury Department, and shall be made in such install-
ments as the Secretary may determine.

"ADMINISTRATION"

"Sec. 205. (a) In carrying out his duties under this
Act, the Secretary shall—

"(1) make studies, investigations, demonstrations,
and reports with respect to programs of independent liv-
ing rehabilitation services carried on under this title;

"(2) cooperate with and render technical assist-
ance to States in matters relating to the independent liv-
ing rehabilitation of physically and mentally handicapped
individuals;

"(3) provide short-term training and instruction
in technical matters relating to independent living rehabilitation services, including the establishment and maintenance of such research fellowships and traineeships, with such stipends and allowances (including travel and subsistence expenses), as he may deem necessary, except that no such training or instruction (or fellowship or scholarship) shall be provided any individual for any one course of study for a period in excess of two years other than an individual pursuing a course of training which extends beyond that required for the degree of master of arts, master of science, or similar degree, and such an individual may be provided a course of training for a period not in excess of three years;

"(4) disseminate information as to the studies, investigations, demonstrations, and reports referred to in paragraph (1) and other matters relating to independent living rehabilitation services.

"(b) The Secretary is authorized to make rules and regulations governing the administration of this Act, and to delegate to any officer or employee of the United States such of his powers and duties, except the making of rules and regulations, as he finds necessary in carrying out the purposes of this Act."
"TITLE III

"WORKSHOPS AND REHABILITATION FACILITIES

"AUTHORIZATION OF APPROPRIATIONS FOR GRANTS; PURPOSES FOR WHICH AVAILABLE

"Sec. 301. (a) For the purpose of encouraging and assisting in the establishment of public and other nonprofit workshops and rehabilitation facilities needed in rehabilitating physically and mentally handicapped individuals so they may prepare for and engage in remunerative employment to the extent of their capabilities, thereby increasing not only their social and economic well-being but also the productive capacity of the Nation, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1958, the sum of $2,000,000; for the fiscal year ending June 30, 1959, $4,000,000; for the fiscal year ending June 30, 1960, $6,000,000; and for each fiscal year thereafter such sums as Congress may determine, for grants to carry out the purpose of this title.

"(b) In making grants hereunder, the Secretary of Health, Education, and Welfare, hereinafter called the Secretary, shall, insofar as practical and consistent with the purposes of this Act, distribute grants for projects in the several States in aggregate amounts proportionate to their respective populations, and in no event shall grants hereunder to a State
exceed by more than 50 per centum the aggregate amount it
would receive on such population basis or $10,000, which-
ever is greater.

"GRANTS FOR ESTABLISHMENT OF WORKSHOPS AND
REHABILITATION FACILITIES

"Sec. 302. (a) From the sums made available pursuant
to section 301 of this title, the Secretary shall make grants
for paying part of the costs incurred in the establishment
of nonprofit workshops and rehabilitation facilities as here-
after defined and limited in subsections (b) and (c) hereof,
and subject to the conditions and requirements of section 303
of this title.

"(b) Nonprofit workshops and rehabilitation facilities
with respect to which grants may be made pursuant to
subsection (a) hereof, shall include but not be limited to:

"(1) nonprofit workshops where any manufacture
or handiwork is carried on, and which are operated for
the primary purpose of providing one or more of
the following:

"(A) remunerative employment to severely
handicapped individuals as an interim step in the
rehabilitation process for those who cannot readily
be absorbed in the competitive labor market, or
during such time as employment opportunities for
them in the competitive labor market do not exist;
“(B) an opportunity for evaluating the work potential and developing the work capacity of handicapped individuals; or,

“(C) employment for handicapped individuals confined to their homes.

“(2) nonprofit rehabilitation facilities operated for the primary purpose of assisting in the rehabilitation of physically and mentally handicapped individuals—

“(A) which provides one or more of the following types of services:

“(i) testing, fitting, or training in the use of prosthetic devices;

“(ii) prevocational or conditioning therapy;

“(iii) physical, occupational, or other medically supervised therapy;

“(iv) adjustment training; or

“(v) evaluation or control of special disabilities; or

“(B) through which is provided an integrated program of medical, psychological, social, and vocational evaluation and services under competent professional supervision: Provided, That the major portion of such evaluation and services is furnished within the facility and that all medical and related
health services are prescribed by, or are under the formal supervision of, persons licensed to practice medicine or surgery in the State.

"(b) Grants shall be made with respect to construction or alteration of buildings and procurement of installation of initial equipment necessary to establish or increase their effectiveness as workshops or rehabilitation facilities, and staffing for a period not to exceed two years. Grants shall be subject to such limitations and conditions as the Secretary of Health, Education, and Welfare shall prescribe.

"(c) The Federal share of cost of the workshop or rehabilitation facility established under this title shall not exceed two dollars for each one dollar which is otherwise obtained and used toward defraying such cost.

"(d) No grant shall be made under this title with respect to any workshop or rehabilitation facility unless—

"(1) application therefor in such form and containing such data and assurances as are required by the Secretary has been transmitted through and approved as feasible and necessary for vocational rehabilitation by the State agency designated pursuant to section 5 (a) (1) of title I of the State where such workshop or other rehabilitation facility is located or to be located;

"(2) the Secretary finds that the facility with respect to which such grant is requested is feasible, is
needed, and cannot be appropriately assisted by Federal
grants available under any other Federal law;

"(3) the Secretary finds that such facility, if a
workshop, meets wage and hour standards administered
by the United States Department of Labor;

"(4) the Secretary requires, and the applicant pro-
vides, such assurances, in such form and with such pro-
visions as the Secretary finds necessary to insure that
the purpose of such grant will be carried out and that
the conditions and limitations of such grant will be com-
plied with."