

SB934_ DORSFunding_KennedyKrieger_Support.pdf

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DATE: March 15, 2023 **COMMITTEE:** Senate Budget and Taxation
BILL NO: Senate Bill 934
BILL TITLE: State Department of Education - Division of Rehabilitation Services - Funding and Staffing
POSITION: Support

Kennedy Krieger Institute supports Senate Bill 934 - State Department of Education - Division of Rehabilitation Services - Funding and Staffing.

Bill Summary:

Senate Bill 934 mandates funding, beginning in fiscal year 2025, to the Division of Rehabilitation Services. This funding will employ 74 staff members in the Division.

Background:

Kennedy Krieger's Neurodiversity at Work program takes a multi-faceted approach to hiring and retaining individuals of all abilities as part of the workforce. The Neurodiversity at Work program fosters integrated workplace settings where all individuals can experience success and independence. Currently the program includes several specialty initiatives Project SEARCH, CORE Foundations a Developmental Disabilities Administration licensed agency, HR pathways hiring program, training and education services, legislative efforts, research, transition consultation services, and planning for a national conference and on-going events.

CORE Foundations at Kennedy Krieger Institute is a Community Rehabilitation Partner through the Division of Rehabilitation Services (DORS) and provides short-term employment services for individuals with disabilities including but not limited to, job development preparation, job development, and job coaching.

Rationale:

The Division of Rehabilitation Services (DORS) has crucial services for individuals with disabilities. These programs are the building blocks for a successful transition from school to meaningful employment and increasing independence. If utilized to maximum capacity, the range of services available can support students from as early as age 14 years through adulthood. Accessing services through DORS can be challenging for many individuals with disabilities and has become significantly more challenging due to the COVID-19 pandemic.

In 2022, DORS provided services to 6,815 youth with significant disabilities (DORS annual report, 2022). This number represents a relatively small fraction of the individuals in Maryland living with disabilities. According to the Center for Disease Control and Prevention's Disability and Health Data System there were 911,437 Marylanders living with a disability in 2020. According to the *Study of the Individualized Education Program (IEP) Process and the Adequate Funding Level for Students with Disabilities* completed by WestEd during the 2017-2018 school year there were 97,233 students with individualized education plans in the Maryland School Systems.

Increasing staff at DORS, as outlined in the legislation, will reduce the waitlist, reduce the caseloads, and expand training and services in community-based settings. This is critical in ensuring that more individuals can access important transition services that will lead them to meaningful employment.

Kennedy Krieger Institute requests a favorable report on Senate Bill 934.

Sources

Centers for Disease Control and Prevention, National Center on Birth Defects and Developmental Disabilities, Division of Human Development and Disability. Disability and Health Data System (DHDS) Data [online]. [accessed March 3 2023] URL: <https://dhds.cdc.gov>

Jason Willis, Sara Menlove Doutre, & Alex Berg Jacobson (2019). Study of the Individualized Education Program (IEP) Process and the Adequate Funding Level for Students with Disabilities. West Ed. [accessed Fe 20,2022]URL:<https://marylandpublicschools.org/Documents/IEPStudy/MDSpecialEdIEPAdequacyStudyConsolidatedReportFinal122019.pdf>.

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2023_SB934_MSDETestimony_Support_WRITTEN_Final.pdf

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Mohammed Choudhury
State Superintendent of Schools

BILL:	Senate Bill (HB) 934	DATE:	March 15, 2023
SUBJECT:	State Department of Education - Division of Rehabilitation Services - Funding and Staffing	COMMITTEE:	Budget and Taxation
POSITION:	Support		
CONTACT:	Justin Dayhoff 410-767-0439 Justin.dayhoff@maryland.gov		

Explanation

The Maryland State Department of Education (MSDE) respectfully submits this testimony in **support of Senate Bill 934** – State Department of Education - Division of Rehabilitation Services - Funding and Staffing.

The Division of Rehabilitation Services was established in 1929 as a Division of MSDE, under Senate Bill 174. The Division was called the Division of Vocational Rehabilitation (DVR) until the name was changed in the 1990's to its present name, DORS. At the time of its creation in 1929, DVR was responsible for providing Vocational Rehabilitation services under the Smith-Fess Act of 1920, which created a federal-state partnership to provide Vocational Rehabilitation services. However, services were limited to individuals with a physical disability.

At its creation DVR (DORS) had two employees and an annual operating budget of \$15,000. Today, DORS is responsible for two major disability programs that affect Marylanders with disabilities, as well as several smaller disability programs. The two major programs are the public Vocational Rehabilitation program, commonly referred to as DORS and DDS. DORS has 675 employees (PIN and contractual) across all its programs and an overall FY 2023 operating budget of over \$115 million. Of the \$115 million, \$98 million is from federal funding, \$15 million is from general funds, and \$2 million is from special funds. The majority of the federal funding comes from two federal agencies, the Rehabilitation Services Administration and the Social Security Administration (SSA). Over 87% of DORS funding is allocated for direct client services through the Vocational Rehabilitation (VR) and DDS programs.

Senate Bill 934

During the 2022 legislative session, House Bill 660, Commission to Study the Division of Rehabilitation Services (Student Job Training Reformation Act),¹ was passed and established a Commission to Study the Division of Rehabilitation Services (Commission) within MSDE. The intended purpose of the Commission is to study DORS and to evaluate and make recommendations on improving various aspects of DORS' programs and services.

¹ <https://mgaleg.maryland.gov/mgaweb/site/Legislation/Details/hb0660/?ys=2022rs>

Senate bill 934 will address two, key policy areas (and related recommendations) identified in the work of the Commission² that impact MSDE's Division of Rehabilitation Services' (DORS') ability to meet its service requirements. The bill will:

1. Provide the positions necessary to allow MSDE (and DORS) to directly tackle the long-standing, persistent waitlist of Marylanders awaiting determination and service delivery; and
2. Ensure Maryland can continue to provide necessary services by codifying in State law the requirement that Maryland maintain its current State/federal match rate.

The elimination of the DORS waitlist has been difficult to achieve because it is the result of a combination of factors. There are three main factors that have played a part in the continuing existence of the DORS waitlist, funding, staff reductions, and new workloads, as a result of the Workforce Innovation and Opportunities Act (WIOA).

Staffing

In the 1990's and early 2000's Maryland's VR federal grant increased each year at a fairly predictable rate. However, in the mid-2000's, the relative wealth in Maryland increased compared to other States. While at the same time the population in the State grew at a very slow rate compared to other States. This resulted in a decrease in Maryland's grant allotment for one year and a very small increase in the following year. By the end of the 2006 federal fiscal year, DORS was running out of federal funds and shut down all nonessential spending. By June of 2007, DORS had to close both categories one and two, and lay off approximately 30 individuals in order to bring spending in line with the Division's federal funding.

In addition to the approximate 30 PINs that VR program lost because of the federal funding issues in 2007, the State was also reducing the number of authorized PINS across all agencies. Between fiscal years 2008 to 2023, DORS has lost over 100 positions in the VR agency. The loss of this many positions has limited the flexibility of DORS to reallocate positions to areas of need, particularly in its ability to address the DORS waitlist and to handle the influx of students with disabilities under the Pre-Employment Transitioning Services program.

Absent additional positions, MSDE has already begun doing everything in its power with existing staffing. The public Vocational Rehabilitation Program, which is operated by the Division of Rehabilitation Services is broken into two separate programs. The Vocational Rehabilitation program focuses on training and employment of individuals with disabilities, 18 and older and seeking training and employment. The second program, the Pre-Employment Transitioning Services (Pre-ETS) program, a subset of the adult vocational program, is only available to individuals who are identified as a student with a disability, between the ages of 14 and less than 22 years of age, currently enrolled in school – public, private, home school, vocational or postsecondary –and has a disability as documented by an Individual Education Plan, 504 Plan, or other support medical documentation. Pre-ETS is an exploratory work program through the five allowable services, Counseling on postsecondary educational opportunities, instruction on self-advocacy, job exploration counseling, work readiness, and work-based learning experiences. There are no employment outcomes for this program.

MSDE and DORS implemented three strategic initiatives in FY 23 to increase employment outcomes. The first, a comprehensive review of DORS VR counselor position salaries, including a review of similar positions and salaries in comparable public organizations at the county, state, and federal level and in the private sector. MSDE developed a pay plan revision for VR counselor position classification that included a two grade and four step change equivalent to a 20% salary increase. The plan was reviewed and approved by DBM and went into effect in July 2022. MSDE's pay plan

² Interim Report (2022): Commission to Study the Division of Rehabilitation Services (DORS), https://marylandpublicschools.org/programs/Documents/Gov-Rel/Comm_Study_DORS_Interim%20Report%2012.15.22_A.pdf

revisions had an immediate, positive impact on DORS' ability to retain existing counselors and to fill vacant counselor positions. The vacancy rate for these positions went from more than 25% to under 10% and, based on the pipeline of those awaiting clearance, will soon be zero.

The second initiative was to increase the rates paid to Community Rehabilitation Program (CRP) Partners that provide the job development, search and placement of individuals in the VR program. A 16% rate increase went into effect in January 2023, and it is expected that the rate increase will assist CRP partners in stabilizing their workforce. Together, these initiatives will stabilize the VR services workforce and in turn, increase the number of people with disabilities obtaining competitive, integrated employment and increase the number of students with disabilities receiving pre-employment transitioning services.

The third initiative is a new grant partnership with the University of Maryland to investigate a fee-for-service model while allowing the University to directly qualify and serve families - where the initial programmatic data in DORS are promising: The DORS waitlist has stabilized; and DORS has actively reopened its category 2 waitlist for the first time since 2018 and, by the end of December 2022, had pulled all individuals off the waitlist from 2017.

To read more and to view more information about MSDE initiatives and related report recommendations, visit the link to the presentation for the seventh and final meeting of the DORS commission, held March 6, 2022.³

State Match

The positions provided in Senate Bill 934 will address the historical position changes identified above and MSDE's ability to directly address the long-standing and persistent DORS waitlist (and corresponding services for some of Maryland's highest-need individuals).

The approximately \$1.3M in additional annual funding associated with Senate Bill 934 is associated almost entirely with the State salary portion of the positions recommended via the DORS interim commission report and codified in the language of Senate Bill 934. These positions will count toward the State match requirements codified in the law, as drafted and would ensure MSDE (and DORS) meet federal match requirements. If a State fails to meet its federal Match, then the State will lose \$3,695 of federal funding for every \$1,000 the State falls below its match requirement, which would immediately reduce MSDE's ability to operate the Division's programs and services. When that occurs, the federal funds lost by a State are then redistributed to those States that did match the additional federal funds. This legislation codifies the 21.3% State Match requirement to assure full federal funding of the Vocational Rehabilitation program in Maryland and, consequently, uninterrupted evaluation and service delivery for Marylanders with significant disabilities.

In accordance with 34 CFR 361.60, the federal share of funding to a State's Public Vocational Rehabilitation Program is 78.7%, thus in order for a State to receive its fully allotted share of the Vocational Rehabilitation Grant, the State must contribute 21.3% in funding for the Vocational Program. Maryland has historically met the 21.3% requirement and has not lost federal funding due to the State's inability to meet its federal match requirements. Under WIOA, the Vocational Rehabilitation Program is considered a mandatory federal program, as such, the Vocational Rehabilitation grant is increased each year by the Consumer Price Index (29 U.S. Code 720.3 (b)). Thus, each federal fiscal year a State's allotment of the Vocational Rehabilitation grant increases along with the State's Match requirement if the State is to receive its full federal allotment of the Vocational Rehabilitation grant. If a State fails to meet its federal Match, then the State will lose \$3,695 of federal funding for every \$1,000 the State falls below its match requirement, which would immediately reduce MSDE's ability to operate the Division's programs and services. When that occurs, the federal funds lost by a State are then redistributed to those States that did match the additional federal funds. This legislation codifies the 21.3% State Match requirement to assure full federal funding of the Vocational Rehabilitation program in Maryland

³ https://marylandpublicschools.org/programs/Documents/Gov-Rel/HB%20660%20DORS%20-%20Session%207_A.pdf

and, consequently, uninterrupted evaluation and service delivery for Marylanders with significant disabilities. Maryland has traditionally placed the General Fund needed for the Vocational Rehabilitation program's match into one of two categories, staff salaries and in DORS' case services. Case services are the funds that are used by DORS's Vocational Rehabilitation program to purchase services on behalf of the consumers.

In short Maryland would lose \$3,695 for every \$1,000 the State does not add in the \$1.3M proposed in this legislation. Put simply, Maryland would, absent these funds, turn away \$4,803,500 annually in federal award -- money that would be distributed to other States' VR programs and could be used to reduce the DORS waitlist and provide services for high-need Marylanders.

MSDE respectfully urges a **favorable report on Senate Bill 934** from the Committee. Please contact Justin Dayhoff at 410-767-0439 or justin.dayhoff@maryland.gov for any additional information.

SB 934_FAV_ DORS funding_Howell.pdf

Uploaded by: Laura Howell

Position: FAV

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Laura Howell,
Executive Director

March 15, 2023

Senate Bill 934

State Department of Education – Division of Rehabilitation Services-

Funding and Staffing

Senate Budget and Tax Committee

Position: SUPPORT

The Maryland Association of Community Services (MACS) is a non-profit association of over 120 agencies across Maryland serving people with intellectual and developmental disabilities (IDD). MACS members provide residential, day and supported employment services to thousands of Marylanders, so that they can live, work and fully participate in their communities. The Division of Rehabilitative Services (DORS) is Maryland's vocational rehabilitation program and receives most of its funding from the federal government to assist people with disabilities to go to work, stay at a job, and prepare to go to work.

SB 934 requires the Governor to include a General Fund Appropriation for the required state match for the federal funds DORS receives. Under federal regulations, the federal share of funding for a state's public vocational rehabilitation program is 78.1%. The state must only fund the remaining 21.3% of the vocational program.

In addition, beginning in 2025, the bill requires the Governor to include funding in the budget in an amount sufficient to employ 74 staff members in DORS who will perform duties in DORS' Vocational Rehabilitation Program. In sum, this bill comprises two of the recommendations from the DORS workgroup that was created last year in Ch. 331 of 2022.

As an Employment First state, Maryland puts great effort into getting people with disabilities employed, and DORS plays a crucial role in this endeavor. This bill is critical to ensuring that the state receives its federal match from Congress and does not leave any funding on the table for these important vocational rehabilitation services. By securing this federal funding with a much lower percentage of state dollars in place and adding 74 more DORS staff, DORS can reduce its 2,777 person waitlist for employment services for people with disabilities, expand training opportunities offered to people with disabilities, and reduce the large caseloads carried by DORS counselors.

For all of these reasons, MACS urges a favorable report.

For further information please contact Laura Howell, Executive Director, at lhowell@macsonline.org.

SB934_Council_Support.pdf

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Position: FAV



Maryland Developmental Disabilities Council

CREATING CHANGE • IMPROVING LIVES

Senate Budget and Taxation Committee

SB 934: State Department of Education – Division of Rehabilitation Services – Funding and Staffing

March 15, 2023

Position: Support

The Maryland Developmental Disabilities Council (Council) is an independent, public policy organization that creates changes to make it possible for people with developmental disabilities to live the lives they want with the support they need. Our vision is that people with and without disabilities in Maryland live, learn, work, and play together. The Division of Rehabilitation Services (DORS) is Maryland's vocational rehabilitation program, and receives most of its funding from a grant from the US Department of Education to provide support for people with disabilities to go to work, stay at a job, and prepare for the world of work.

- 7,396 adults (age 25 and older) currently receive employment services from DORS
- 5,589 youth (ages 14-24) currently receive employment services from DORS
- 2,777 people are waiting for these employment servicesⁱ

WHAT does this bill do?

- Requires the Governor to include a General Fund (GF) appropriation for the required state match for the federal funds the Division of Rehabilitation Services receives.
- Requires enough funding for DORS to employ 74 new staff members to help reduce the wait list for services, reduce the caseload of current DORS counselors, and expand training and services in community-based settings.

WHY is it important?

- **Ensures federal funding.** Funding the state match ensures DORS meetings the federal match requirements each year.
- **Improves service delivery.** Additional staff, specifically DORS counselors, help improve the amount of time it takes to provide critical services.
- **People wait a long time for DORS services.** Additional staff helps expand training and services in community-based settings, and increases accountability of the DORS' programs and services.

For all these reasons, the Council supports SB 934.

Contact: Rachel London, Executive Director, RLondon@md-council.org

ⁱ DORS website, February 20, 2023. < <https://dors.maryland.gov/consumers/about/Pages/numbers.aspx>>

SB934_Zucker_FAV.pdf

Uploaded by: Senator Craig Zucker

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Budget and Taxation Committee
Chair, Capital Budget Subcommittee

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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony of Senator Craig J. Zucker
Senate Bill 934 - State Department of Education - Division of Rehabilitation Services
- Funding and Staffing
March 15, 2023
1:00 PM
Position: Favorable

Good afternoon, Chair Guzzone, Vice Chair Rosapepe, and distinguished members of the committee. It is my pleasure to testify today in **support** of **Senate Bill 934 - State Department of Education - Division of Rehabilitation Services - Funding and Staffing**.

Senate Bill 934 requires the Governor to include funding in the annual budget for the Division of Rehabilitation Services (DORS) to receive its fully allotted share of federal vocational rehabilitation grand funding, and sufficient appropriations to employ 74 new staff members.

Under federal regulations, to receive full funding, a state must contribute 21.3% of funding for vocational programs and maintain at least its prior year funding amount for the program. The State commission that was established to study DORS recommended ensuring in statute the funding provisions required under federal regulations. They also suggested to the General Assembly in their December 2022 report that establishing 74 new positions to eliminate the vocational rehabilitation waitlist, reduce counselor caseload levels, and expand training and services in community-based settings.

Senate Bill 934 ensures federal funding, improves service delivery, and will greatly reduce the waitlist to receive services to rehabilitate and place disabled individuals who to gainful employment and to function more independently.

For these reasons, I urge the committee for a favorable report on Senate Bill 934. Thank you for your kind consideration.