

Approved MAR 6 1991 [Signature]
Date

MINUTES OF THE House COMMITTEE ON Governmental Organization

The meeting was called to order by Rep. Gary Blumenthal at
Chairperson

9:00 a.m./~~p.m.~~ on February 27,, 19 91 in room 522-S of the Capitol.

All members were present except:

Committee staff present:

Carolyn Rampey, Research Dept.
Avis Swartzman, Revisor of Statutes
Nita Shively, Committee Secretary

Conferees appearing before the committee:

Rep. Dick Edlund
Donald Morris, Officer, Merchants Division of the National Federation of
the Blind
Gabriel Faimon, former Commissioner of Rehab Services
Ray Petty, Independence, Inc. - Lawrence
Lynne Webb - K.C. KS
Susan Munk, former VR counselor
Glen Yancey, Acting Commissioner Rehab Services

Chair called meeting to order when quorum was present.

HB 2284 - AN ACT concerning the Department of Human Resources; transferring rehabilitation services from SRS to the Department of Human Resources.

Chair recognized Rep. Edlund who testified in favor of HB 2284. Rep. Edlund pointed out that the biggest concern for persons with disabilities is finding employment. He feels SRS is too large and unwieldy to properly service all the needs of the clients.

Donald Morris testified in favor of HB 2284, citing his own experience after losing his eyesight. Mr. Morris advised that, in the state where he resided, one single agency handled all his needs in a very satisfactory manner; he had no problems being sent from one agency to another for each different service he required.

Gabriel Faimon appeared in support of HB 2284, written testimony furnished (Attachment 1). Mr. Faimon disputed the argument that transferring Rehabilitation Services from SRS to the Department of Human Resources would result in increased costs. He elaborated on his statement by listing numerous instances of inefficiencies he has observed.

Ray Petty appeared in support of HB 2284, stating that the Department of Human Resources is the appropriate agency for Vocational Rehabilitation Services since it is an employment program -- under SRS clients encounter too many impediments in their attempts to become independent and self-reliant.

Lynne Webb testified in support of HB 2284, giving an account of her experience with Vocational Rehabilitation Services, as it stands now, when she attempted to start a small business in order to support herself and her family. Her conclusion is that SRS encourages dependency.

Susan Munk testified briefly in favor of HB 2284. She stated her feeling, as a former counselor, that transferring Vocational Rehabilitation to the Department of Human Resources would result in fewer people on welfare -- more clients finding employment.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Governmental Organization,
room 522-S, Statehouse, at 9:00 a.m./~~p.m.~~ on February 27, 1991

Questions and discussion followed each conferee's testimony.

Glen Yancey appeared in oppositon to HB 2284, written testimony furnished, (Attachment 2). Mr. Yancey described his history with the agency; disputing charges that SRS encourages dependency. He commented on the many services needed by clients before training can even begin and his feeling that SRS is best equipped to handle and serve the needs of the clients. He described a Task Force for the Blind and numerous other programs that are currently underway to facilitate services; he reiterated his opinion that the proposed transfer would be unwise and actually result in fragmentation of services. Questions and discussion followed Mr. Yancey's testimony.

Meeting adjourned at 10:10 a.m.

Statement Regarding: House Bill No. 2284

I have more than eleven years of experience working with people with disabilities, addressing their wants, needs and desires to be independent and self-reliant. More than seven years of that experience includes work as the Commissioner of Rehabilitation Services, working in the administrations of Democratic and Republican Governors. Based on that experience, I concur with the proposed transfer of powers, duties and functions of the Secretary of Social and Rehabilitation Services and the Commissioner of Rehabilitation Services to the Secretary of Human Resources, as outlined in House Bill No. 2284.

There is documented evidence that:

"... people with disabilities, as a group, occupy inferior status in our society, and are severely disadvantaged socially, vocationally, economically, and educationally;

"... individuals with disabilities are a discrete and insular minority who have been faced with restrictions and limitations, subjected to a history of purposeful unequal treatment, and relegated to a position of political powerlessness in our society, based on characteristics that are beyond the control of such individuals and resulting from stereotypic assumptions not truly indicative of the individual ability of such individuals to participate in, and contribute to, society;

"... individuals with disabilities continually encounter various forms of discrimination, including outright intentional exclusion, the discriminatory effects of architectural, transportation, and communication barriers, overprotective rules and policies, failure to make modifications to existing facilities and practices, exclusionary qualification standards and criteria, segregation, and relegation to lesser services, programs, activities, benefits, jobs, or other opportunities...." (Americans with Disabilities Act, Sec. 2, enacted July 26, 1990)

As statements of public policy, provisions of the Wyandotte Constitution of 1859 and today's Article 7 of the Constitution of the State of Kansas encourage the conditions cited above. In many instances, efforts to address these conditions as Commissioner of Rehabilitation Services were discouraged or thwarted. As a consequence, I fully understand and appreciate the question Congressman Steve Bartlett of Texas, a leading proponent of the Americans with Disabilities Act, asked: "Which comes first, independence to be employed, or employment to be independent?" Senator Tom Harkin of Iowa, author of major portions of the Americans with Disabilities Act, stated that the Rehabilitation Act of 1973 (P.L. 93-112), as amended, is the key to making the objectives of the Americans with Disabilities Act become reality.

The Rehabilitation Act of 1973, as amended, serves as the focal point of most of the activities of Rehabilitation Services. It also provides the preponderance of fiscal resources. The purpose of the Act is to develop and implement comprehensive and coordinated programs for individuals with disabilities to maximize their employability, independence and integration into the workplace and the community. An individual with a disability, as defined by the Act, is any individual who: has a physical or mental impairment which substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment.

J. O. 2-27-91
Attachment 1

Approximately 10-12 percent of all Kansans have a mental or physical impairment. Approximately 68,000 working age Kansans with disabilities are unemployed and want to work. Nearly 1,900 young Kansans with disabilities age out or complete their special education each year. These groups constitute the target population of Rehabilitation Services.

Generally, the predominant argument against moving Rehabilitation Services out of the Department of Social and Rehabilitation Services is an alleged increase in costs. I disagree, for that argument does not take into account the inefficiencies I have observed with the existing arrangement. For example:

- * Services are provided on the basis of eligibility requirements specified in the Federal Act, so expenditures cannot exceed appropriated amounts.
- * Many other human service programs are based on entitlement criteria. In an era of very tight State resources, demands for entitled services have produced pressures to reduce match funds for programs based on eligibility.
- * Expenditure caps for SRS, such as salaries, have restricted salary expenditures below appropriated amounts for Rehabilitation Services to meet needs for entitled programs, destroying staffing and programmatic continuity for Rehabilitation Services.
- * The Federal Act emphasizes wholistic, individualized services while current funding strategies promote expenditures for organizations, reducing the number of successful employment outcomes while Federal funds have grown steadily for 10 years.
- * The use of standardized medical fees designed to curb the growth of Medicaid expenditures have induced excessive delays in client program planning and services, for many providers refuse to render services to establish eligibility.
- * A priority for establishing and sustaining independence is not understood in an environment which promotes care and protection, paternalism.
- * Many clients, experiencing or fearing stigmatization because of disability, refuse to come to SRS offices because they fear they will also be stigmatized as "welfare" clients.
- * Despite the size of the target population, over a period of 10 years, more than 40 staff positions have been transferred to other SRS activities, while the growth of Federal funds was sufficient to preserve staff positions to serve more people with more severe disabilities.
- * Vocational rehabilitation counselor turnover has been unacceptable because the difference in labor market conditions for these professionals does not apply to other professional staff positions in SRS.
- * An environment focusing on welfare, care, protection and paternalism is expenditure-based, while an environment focusing on promotion and stabilization of independence is investment-based.
- * The welfare expenditure-based environment does not recognize the wants, needs and desires of individuals with disabilities to be independent and self-reliant, regardless of the type of impairment.
- * The investment-based strategy produces new taxpayers.
- * Particularly in times of fiscal difficulties, private business does not impose the same management strategy on cost centers that are producing a profit that is imposed on cost centers that are operating at a loss.

Although House Bill No. 2284 does not produce a holistic, integrated, comprehensive State policy which promotes independence as the paramount service outcome for Kansans with disabilities, it is a step in the right direction.

*g. o. 2-27-91
attachment 1-2*

Consequently, I recommend that House Bill No. 2284 be reported favorably for passage by the House of Representatives.

For more information contact:
Gabriel R. Faimon
256-2208

Presented to:
House Committee on Governmental
Organization
February 27, 1991

*J. O. 2-27-91
attachment 1-3*

Kansas Department of Social and Rehabilitation Services
Testimony in Opposition to House Bill No. 2284

Mr. Chairperson and Members of the Committee:

I'm Glen Yancey, Acting Commissioner of Rehabilitation Services. I'm speaking in opposition to House Bill No. 2284. The bill transfers all powers, duties, and functions related to Kansas Rehabilitation Services from the Secretary of the Department of Social and Rehabilitation Services to the Secretary of the Department of Human Resources. I'm speaking to you from a background of seeing and working in this agency through its transitions from the State Board for Vocational Education to the State Board of Social Welfare to its current position in the Department of Social and Rehabilitation Services.

Through the experience of my tenure, it has become clear that any program is driven and shaped by the forces of the parent agency. Vocational Rehabilitation's early years with the State Board for Vocational Education made it an education and training focused service, with an over emphasis on expensive long-term college education plans and extended evaluation and training for many clients. It took many years to reshape Rehabilitation Services to the broader focus needed to meet the diverse needs of people with disabilities.

As a commission in Social and Rehabilitation Services, Rehabilitation Services and its Division of Services for the Blind, have focused on a full range of services needed by people prior to employment. Assessment and evaluation, medical services and restoration, financial maintenance, training and social services are provided. The SRS emphasis is on deinstitutionalization, empowering people to get off other SRS programs through the establishment and utilization of community-based services.

The clients, constituency and providers utilized by Rehabilitation Services are also those of other commissions in SRS. Many of the community's MR/DD programs started or expanded their services with the VR establishment and construction grants of the 1970's. These providers continue to work with several SRS commissions.

Being part of the SRS umbrella means clients and providers can rely on more consistent policies, practices, procedures and paperwork as one moves between Youth Services, Medical Services, MH/RS, Alcohol and Drug Abuse Services, Rehabilitation Services, Services for the Blind, and Disability Determination and Referral Services. Many informal and formal agreements and cooperative arrangements exist between the commissions in SRS. These consistent policies, common funding priorities, and working relationships would be much harder to establish and maintain if Rehabilitation Services were removed from SRS. Rehabilitation Services is working with KanWork, MH Reform, MR Services, and other programs and initiatives, providing expertise and cooperation to help improve services for Kansans.

G. O. 2-27-91
Attachment 2

The Kansas Vocational Rehabilitation Center in Salina, Kansas Industries for the Blind, and the Rehabilitation Center for the Blind in Topeka, utilize State Institutional Building Funds for capital improvements. The planning and coordination of the maintenance and improvement of these facilities is part of the SRS Facilities Plan. The architect providing the expertise and oversight is located in MHRS.

Rehabilitation Services' budget is built using a collection of federal grants which require state or other match money and adherence to federal rules, regulations, accounting, and audit procedures. The support of SRS Administrative Services' finance, purchasing, grants and contracts, auditing and other staff and expertise helps insure optimum utilization of state and federal funds with minimal audit exceptions or federal sanctions. The SRS Fiscal staff know federal matching programs, policies and procedures very well from dealing with the many funding sources in SRS. This level of experience and knowledge is not present outside of SRS. Department of Human Resources budget of approximately \$250 million contains only \$1,000,000 in State General Funds.

Rehabilitation Services has found support and cooperation within SRS. Counselor turnover has been a persistent problem with Rehabilitation Services and Services for the Blind. The existing staffing structure has not allowed a career ladder competitive with private sector rehabilitation agencies. Turnover is now 26% and has been as high as 42% as recently as FY 1989. We have worked with SRS Personnel Services to develop a proposal which will establish stability through a true career ladder for employees. This proposal has cleared SRS and is awaiting action by the State Division of Personnel Services.

In summation, we believe removing Rehabilitation Services, Services for the Blind, and Disability Determination and Referral Services from SRS would have a negative impact on Kansans with disabilities. The expertise, cooperative arrangements, support, and service focus provided within SRS would be lost. We believe it would be expensive and time consuming to rebuild the service capacity of Rehabilitation Services if it were removed from SRS. I urge you not to pass House Bill No. 2284.

Glen Yancey
Acting Commissioner
Rehabilitation Services
Social and Rehabilitation Services
296-3911
February 27, 1991

*g.o. 2-27-91
Attachment 2-2*