

**Vocational Rehabilitation Services for the Blind  
Interim Study Committee**

**Members of the Committee**

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Senator David Balmer, Vice-Chair

Senator Irene Aguilar  
Senator Kevin Lundberg

Representative Dianne Primavera  
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***November 2015***

# Vocational Rehabilitation Services for the Blind Interim Study Committee

## Committee Charge

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The Vocational Rehabilitation Services for the Blind Interim Study Committee (the committee) was created pursuant to Interim Committee Letter 2015-3. The purpose of the committee was to determine the most effective structure and delivery model for vocational rehabilitation services when Colorado's Vocational Rehabilitation Program is transferred to the Colorado Department of Labor and Employment (CDLE) on July 1, 2016, following the passage of Senate Bill 15-239. Specifically, the interim study committee was mandated to make recommendations based on the following:

- the findings and recommendations of the November 2013 legislative audit concerning oversight and accountability of the Vocational Rehabilitation Program;
- an evaluation of delays in the delivery of vocational rehabilitation services for the blind;
- an assessment of the efficacy of the application, receipt, and use of the federal Rehabilitation Act "110" funding for the blind;
- the consideration of any and all issues identified in the National Federation of the Blind Colorado (NFBCO) Resolution 2014-11-2 and Resolution 2014-1; and
- consideration of any other issues related to the effective delivery of vocational rehabilitation services to the blind to assist them in obtaining jobs skills and long-term high-paying jobs.

## Committee Activities

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The committee met six times during the 2015 legislative interim. The committee heard from a number of stakeholder organizations, experts in the field of vocational rehabilitation services, state agencies, blind and visually impaired clients served in the Vocational Rehabilitation Program, and other members of the public. The following sections address the various topics discussed by the committee.

**Current Division of Vocational Rehabilitation operations.** Representatives from the Division of Vocational Rehabilitation (DVR) and CDLE presented information on vocational rehabilitation services to the committee at several meetings. DVR, in the Colorado Department of Human Services (DHS), provides a range of vocational rehabilitation services to help persons with disabilities prepare for, find, and maintain employment. Representatives from DVR discussed the organizational structure of DVR; the recent waitlist for services and the process for moving clients off the waitlist; training for vocational rehabilitation counselors; program funding; and the services offered by DVR for persons who are blind across the state. Representatives from CDLE discussed the upcoming transfer of DVR to CDLE and the actions undertaken by CDLE to prepare for the transition.

A representative from the Office of the State Auditor (OSA) spoke to the committee about the OSA's 2013 performance audit of DVR. The OSA representative presented the audit's findings, recommendations, and the follow-up procedures undertaken by OSA to determine that all recommendations have been fully implemented. DVR representatives also discussed the audit recommendations and DVR's response to those recommendations.

**Agency structure options.** The committee heard from representatives of several organizations including the National Rehabilitation Association, the Colorado Center for the Blind, NFBCO, A3 Colorado, and members of the public about the different models states use to provide vocational rehabilitation services for the blind. These models include:

- a combined vocational rehabilitation agency that provides services to all persons with disabilities who qualify, which is the model currently in place in Colorado and 10 other states;
- a separate administrative unit dedicated to providing vocational rehabilitation services to the blind that sits within a larger vocational rehabilitation agency, which is the model used in 15 states; or
- a completely separate state agency dedicated to providing vocational rehabilitation services to the blind, which is the model in 24 states.

The committee had considered, but withdrew, a bill addressing these concerns that would have created a new division within CDLE to provide specialized vocational rehabilitation services to blind or visually impaired individuals.

**Employment services.** The committee heard testimony concerning barriers to employment for blind persons and services that are available to promote jobs and employment for the blind. Presenters on this topic included representatives from the Institute on Blindness, the Colorado School for the Deaf and Blind, the Colorado Center for the Blind, the Colorado Business Enterprise Program (BEP), and merchants and entrepreneurs who are blind. Testimony focused on employment outcomes for persons who are blind and how the structure of state vocational rehabilitation programs affects employment outcomes for persons who are blind. Witnesses discussed the services offered through DVR vendors that successfully help persons who are blind find employment. In addition, testimony from staff at the BEP focused on the success of Colorado's program and how the program helps vendors operate businesses at various locations throughout the state. Also, several blind merchants testified about BEP opportunities and the barriers faced by blind merchants and entrepreneurs. Finally, numerous witnesses noted that the greatest barrier to finding employment for persons who are blind is the public perception of persons who are blind and their skills.

**Adaptive technology.** The committee heard testimony from DVR providers and adaptive technology experts regarding the importance of adaptive technology in helping persons who are blind obtain job skills and employment. Technology experts discussed available technologies and the costs of adaptive technology, and noted their concerns about the lack of a technology resource center for the blind in Colorado. Witnesses discussed the adaptive technology services offered by DVR, the Personal Adjustment Training (PAT) program, and the extensive technology training needs of both counselors and clients.

**Youth transition services.** Representatives from the Colorado Department of Education (CDE), Colorado School for the Deaf and Blind, and the Colorado Center for the Blind spoke to the committee about the various programs in place to help blind youth transition from the education system to employment. The committee heard testimony on how DVR can improve youth services and collaboration with CDE.

**Senior services.** A representative from the Colorado Center for the Blind spoke to the committee about the various programs in place to provide assistance to older individuals who are blind or who are losing their eyesight. The committee heard testimony on the impact of grants from the Older Individuals Who Are Blind Program and statistics on the expected growth in the older blind population in Colorado.

**Public comment.** The committee heard testimony from members of the public at each of its meetings. Members of various organizations such as NFBCO and A3 Colorado, among others, testified before the committee. In addition, numerous clients of the DVR spoke to the committee about their experiences and concerns. Testimony covered a range of topics, including problems clients have encountered with DVR and how to best structure vocational rehabilitation services for the blind in the future.

## **Committee Recommendations**

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As a result of committee discussion and deliberation, the Vocational Rehabilitation Services for the Blind Interim Study Committee recommends the following two bills for consideration in the 2016 legislative session. The committee also approved a letter to send to the members of various House and Senate committees that have ongoing oversight of the DVR and the Joint Budget Committee (JBC) outlining several areas of concern about the program.

**Bill A — Expand Scope Business Enterprise Program.** Bill A removes an existing statutory exemption for property owned, leased, or occupied by higher education institutions or the State Fair Authority, thereby granting priority to persons who are blind and licensed vendors to operate vending facilities on these properties. The bill also expands the scope of the program so that persons who are blind may also operate businesses other than vending facilities on state property. In addition, the bill makes conforming amendments to comply with federal law. The bill requires the program changes to be implemented within existing appropriations to the CDLE.

**Bill B — Income Tax Credit Employment of Persons with a Disability.** Bill B creates two income tax credits for taxpayers who hire person with developmental disabilities and persons who are blind or visually impaired. The first is a tax credit for employee wages equal to 50 percent of the gross wages of a qualifying employee in the first three months of continuous employment, and 30 percent of the gross wages of a qualifying employee in the next nine months of continuous employment. The employee must be eligible for DVR services and referred by the DVR. The second tax credit is a tax credit for software and hardware costs equal to the share of the cost of the maintenance, repair, or upgrade of software or hardware that assists a qualifying employee in performing his or her job. The software and hardware tax credit is available on a sliding scale for each year of employment. Both credits are nonrefundable and are available for three years, beginning in tax year 2016. The credits are limited to a taxpayer's income tax liability and the amount of a credit in excess of liability may be carried forward for up to five years.

**Committee letter —** The committee approved sending a letter to the House and Senate business committees, the House and Senate health committees, and the JBC to encourage the committees to examine several issues listed in the letter as part of their annual oversight hearings under the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act and during any additional hearings held concerning the upcoming transfer of DVR to CDLE pursuant to Senate Bill 15-239.

**Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**BILL A**

*Temporary storage location: S:\LCS\Council\Legcouncil\LC2015\Nov 10 Interim Committee Meeting\Vocational Rehabilitation Services for the Blind\16-0301.wpd*

LLS NO. 16-0301.01 Christy Chase x2008

**HOUSE BILL**

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**HOUSE SPONSORSHIP**

**Primavera**, Danielson, Windholz

**SENATE SPONSORSHIP**

**Lundberg**, Aguilar

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**House Committees**

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING MODIFICATIONS TO THE BUSINESS ENTERPRISE PROGRAM**  
102             **TO BE ADMINISTERED BY THE DEPARTMENT OF LABOR AND**  
103             **EMPLOYMENT UNDER ITS AUTHORITY TO ADMINISTER**  
104             **VOCATIONAL REHABILITATION PROGRAMS.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

**Interim Committee to Study Vocational Rehabilitative Services for the Blind.** The business enterprise program administered by the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

department of labor and employment as of July 1, 2016, provides training, assistance, and priority to persons who are blind and who wish to operate vending facilities on state property. Under the current program, state property includes any building, land, or other real property owned, leased, or occupied by a department or agency of the state except property owned, leased, or occupied by a higher education institution or the board of commissioners of the Colorado state fair authority.

The bill removes the exception for property owned, leased, or occupied by higher education institutions or the state fair authority, thereby granting priority to persons who are blind and are licensed vendors to operate vending facilities on higher education and state fair authority properties.

Additionally, the bill expands the program to allow persons who are blind and determined qualified to operate other types of businesses on state property.

The bill also changes the criteria for determining when a vending facility or other business cannot be operated by a blind vendor to more closely follow the standard under federal law.

The bill contains a clause specifying that additional appropriations are not necessary to implement the bill.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 8-84-202, **amend as**  
3 **they will become effective July 1, 2016,** (2) and (3) as follows:

4 **8-84-202. Definitions.** As used in this part 2, unless the context  
5 otherwise requires:

6 (2) "Satisfactory site" means an area determined by the  
7 department of labor and employment to have sufficient space, electrical  
8 and plumbing outlets, and other facilities as prescribed by department rule  
9 for the location and operation of a vending facility OR OTHER BUSINESS  
10 OPERATED BY A PERSON WHO IS BLIND.

11 (3) "State property" means any building, land, or other real  
12 property owned, leased, or occupied by any department or agency of the  
13 state of Colorado. ~~"State property" does not include any property owned,~~  
14 ~~leased, or occupied by any institution of higher education, the Auraria~~

1 ~~higher education center established in article 70 of title 23, C.R.S., or the~~  
2 ~~board of commissioners of the Colorado state fair authority.~~

3 **SECTION 2.** In Colorado Revised Statutes, **amend as it will**  
4 **become effective July 1, 2016,** 8-84-203 as follows:

5 **8-84-203. Priority for persons who are blind - licensing.** The  
6 department of labor and employment shall issue licenses to persons who  
7 are blind and who are qualified to operate vending facilities, in  
8 accordance with the criteria used for the licensing of operators of vending  
9 facilities on federal property pursuant to section 8-84-107 and the federal  
10 "Randolph-Sheppard Vending Stand Act", as amended. IN ADDITION, THE  
11 DEPARTMENT MAY ISSUE LICENSES TO PERSONS WHO ARE BLIND AND WHO  
12 ARE QUALIFIED TO OWN, OPERATE, OR OWN AND OPERATE A BUSINESS  
13 OTHER THAN A VENDING FACILITY. In authorizing vending facilities OR  
14 OTHER BUSINESSES on state property, the department shall give priority to  
15 persons who are blind and who are licensed by the department in order to  
16 enlarge the economic opportunities of persons who are blind by providing  
17 remunerative employment and to stimulate persons who are blind to  
18 greater efforts in striving to make themselves self-supporting.

19 **SECTION 3.** In Colorado Revised Statutes, **amend as it will**  
20 **become effective July 1, 2016,** 8-84-204 as follows:

21 **8-84-204. Satisfactory sites for vending facilities - other**  
22 **businesses operated by persons who are blind.** (1) (a) A department  
23 or agency of the state of Colorado shall not construct, acquire by  
24 ownership, rent, lease, or other means, or undertake to substantially alter  
25 or renovate, in whole or in part, a building unless, after consultation with  
26 the department of labor and employment, it is determined that the  
27 building will include a satisfactory site or sites for the location and

1 operation of a vending facility by a person who is blind.

2 (b) BEFORE A STATE DEPARTMENT OR AGENCY CONSTRUCTS,  
3 ACQUIRES, RENTS, LEASES, OR OTHERWISE UNDERTAKES TO ALTER OR  
4 RENOVATE A STATE PROPERTY, THE STATE DEPARTMENT OR AGENCY  
5 SHALL CONSULT WITH THE DEPARTMENT OF LABOR AND EMPLOYMENT TO  
6 DETERMINE IF THE STATE PROPERTY CAN INCLUDE A SATISFACTORY SITE  
7 FOR THE LOCATION AND OPERATION OF A BUSINESS, OTHER THAN A  
8 VENDING FACILITY, THAT IS OWNED, OPERATED, OR OWNED AND OPERATED  
9 BY A PERSON WHO IS BLIND.

10 (2) Each department or agency shall provide notice to the  
11 department of labor and employment of its plans for the occupation,  
12 acquisition, construction, alteration, or renovation of a building adequate  
13 to permit the department of labor and employment to determine whether  
14 the building includes a satisfactory site for a vending facility OR OTHER  
15 BUSINESS THAT CAN BE OPERATED BY A PERSON WHO IS BLIND AND IS  
16 LICENSED PURSUANT TO SECTION 8-84-203.

17 (3) This section does not apply when the department of labor and  
18 employment determines that the number of people using the building will  
19 be insufficient to support a vending facility OR OTHER BUSINESS.

20 (4) The department of labor and employment shall not be charged  
21 for:

22 (a) The use of state-furnished space;

23 (b) Maintenance or janitorial services;

24 (c) Repair of the building structure in and adjacent to the vending  
25 facility OR OTHER BUSINESS area, including any necessary initial and  
26 periodical painting and decorating;

27 (d) Utilities required to operate vending facilities and vending



1 machines OR EQUIPMENT REQUIRED FOR OTHER BUSINESSES OPERATED BY  
2 PERSONS WHO ARE BLIND; or

3 (e) Repairing and replacing floor coverings, cleaning windows, or  
4 providing other related building services in accordance with the normal  
5 level of building service applicable to the state building in which the  
6 vending facility OR OTHER BUSINESS is located.

7 **SECTION 4.** In Colorado Revised Statutes, **amend as it will**  
8 **become effective July 1, 2016**, 8-84-205 as follows:

9 **8-84-205. Income from vending machines or other businesses.**

10 One hundred percent of all commission income from vending machines  
11 OR OTHER BUSINESSES OPERATED ON STATE PROPERTY accrues to the  
12 department, ~~of labor and employment~~, which shall disburse the income in  
13 accordance with the rules of the department. The office of state planning  
14 and budgeting shall notify the department of the location of all vending  
15 machines OR OTHER BUSINESSES OPERATED ON STATE PROPERTY, and the  
16 department shall collect and provide an accounting of income from these  
17 vending machines OR OTHER BUSINESSES.

18 **SECTION 5.** In Colorado Revised Statutes, **amend as it will**  
19 **become effective July 1, 2016**, 8-84-206 as follows:

20 **8-84-206. Cooperation - locations - rules.** (1) The heads of all  
21 state departments and agencies shall negotiate and cooperate in good faith  
22 to accomplish the purposes of this article relating to vending facilities  
23 AND OTHER BUSINESSES OPERATED BY PERSONS WHO ARE BLIND.

24 (2) If the department ~~of labor and employment~~ determines that the  
25 operation of a vending facility ~~in a~~ OR OTHER BUSINESS ON state ~~building~~  
26 PROPERTY by a person who is blind ~~is not feasible~~ WOULD ADVERSELY  
27 AFFECT THE OPERATIONS OR FUNCTIONS OF THE STATE PROPERTY, the

1 office of state planning and budgeting may authorize another person to  
2 operate the vending facility OR OTHER BUSINESS.

3 (3) When no person is immediately available on the premises for  
4 the management of vending machines OR OTHER BUSINESSES, the  
5 commission income from the machines shall be given to the department  
6 ~~of labor and employment~~ in accordance with section 8-84-205.

7 (4) The department ~~of labor and employment~~ shall operate a  
8 ~~vending facility~~ THE program AUTHORIZED BY THIS PART 2 in accordance  
9 with its rules and in accordance with federal guidelines under the federal  
10 "Randolph-Sheppard Vending Stand Act", as amended.

11 **SECTION 6.** In Colorado Revised Statutes, 8-84-208, **amend as**  
12 **it will become effective July 1, 2016,** (1) as follows:

13 **8-84-208. Business enterprise program cash fund - creation.**

14 (1) There is hereby created in the state treasury the business enterprise  
15 program cash fund, referred to in this article as the "fund", which consists  
16 of moneys accruing to the department from assessments against the net  
17 proceeds of each vending facility OR OTHER BUSINESS operator consistent  
18 with this part 2, any income from vending machines on federal ~~or state~~  
19 property that accrues to the department, ANY INCOME FROM VENDING  
20 MACHINES OR OTHER BUSINESSES ON STATE PROPERTY THAT ACCRUES TO  
21 THE DEPARTMENT, and any federal moneys that may become available.  
22 Any moneys currently attributed to the business enterprise program and  
23 any reserves shall be transferred to this fund for future use consistent with  
24 this part 2.

25 **SECTION 7. No appropriation.** The general assembly has  
26 determined that this act can be implemented within existing  
27 appropriations, and therefore no separate appropriation of state moneys

1 is necessary to carry out the purposes of this act.

2 **SECTION 8. Effective date.** This act takes effect July 1, 2016.

3 **SECTION 9. Safety clause.** The general assembly hereby finds,  
4 determines, and declares that this act is necessary for the immediate  
5 preservation of the public peace, health, and safety.

**Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**BILL B**

LLS NO. 16-0302.01 Esther van Mourik x4215

**HOUSE BILL**

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**HOUSE SPONSORSHIP**

**Windholz, Danielson, Primavera**

**SENATE SPONSORSHIP**

**Aguilar,**

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**House Committees**

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE CREATION OF AN INCOME TAX CREDIT TO**  
102     **INCENTIVIZE THE EMPLOYMENT OF PERSONS WITH DISABILITIES.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

**Interim Committee to Study Vocational Rehabilitative Services for the Blind.** The bill creates an income tax credit with 2 different incentives for employers in order to encourage the employment of persons with disabilities who are determined to be qualified employees, as defined

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in the bill. First, it would provide a credit for a certain percentage of the qualified employee's gross wages for a limited period of time. Second, it would provide a 3-year credit for a portion of the annual costs the employer incurs for the maintenance, repair, or upgrade of assistive hardware or software technology that is specifically designed for use by the qualified employee in order for the qualified employee to perform his or her job.

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1     *Be it enacted by the General Assembly of the State of Colorado:*

2             **SECTION 1. Legislative declaration.** (1) The general assembly  
3     finds and declares that:

4             (a) An estimated one million three hundred thousand people in the  
5     United States are legally blind;

6             (b) Every year, seventy-five thousand people in the United States  
7     will become blind or visually impaired;

8             (c) Studies show that over the next thirty years aging baby  
9     boomers will double the current number of Americans who are blind or  
10    visually impaired;

11            (d) A Gallup poll shows that blindness is the third most feared  
12    physical condition in the country, surpassed only by fears of cancer and  
13    AIDS;

14            (e) Most educational and employment opportunities are now and  
15    will continue to be dependent on the blind individual's ability to access  
16    and use a full range of computer and internet technology, but nonvisual  
17    access to computer technology is an ever-increasing challenge;

18            (f) Among working-age adults who are blind, seventy percent  
19    remain unemployed, despite the federal and state annual rehabilitation  
20    expenditures of over one hundred fifty million dollars;

21            (g) The United States senate has, with bipartisan support,  
22    introduced legislation to incentivize the transitioning of workers with

1 disabilities into integrated, meaningful employment and to phase out the  
2 discriminatory practice of paying workers with disabilities as little as  
3 pennies per hour;

4 (h) Despite the importance of nonvisual access to computer  
5 technology and vocational rehabilitation services, many persons who are  
6 blind still experience difficulties finding competitive employment;

7 (i) While many other persons with disabilities receive services  
8 through medical and insurance systems in addition to vocational  
9 rehabilitation services, often vocational rehabilitation services are the  
10 only services that persons who are blind receive; and

11 (j) Given the important role vocational rehabilitation services and  
12 employment opportunities provide to persons who are blind, it is  
13 imperative that employers be open and willing to hire and retain these  
14 individuals.

15 (2) The general assembly declares that the purpose of the tax  
16 expenditure in this act is to incentivize the employment of people with  
17 disabilities.

18 **SECTION 2.** In Colorado Revised Statutes, **amend** 39-22-530 as  
19 follows:

20 **39-22-530. Credits for employers that hire persons with**  
21 **disabilities - definitions - repeal.** (1) As used in this section, unless the  
22 context otherwise requires:

23 (a) ~~"Designated county" means the counties of Adams, Arapahoe,~~  
24 ~~El Paso, Jefferson, Logan, Montrose, and Morgan.~~

25 (b) (a) "Developmental disability" has the same meaning as  
26 "intellectual and developmental disability" as set forth in section  
27 25.5-10-202, C.R.S., and in the rules adopted by the department of health

1 care policy and financing pursuant to section 25.5-10-204 (2), C.R.S.

2 (b) "PERSON WHO IS BLIND" MEANS A PERSON WHO HAS NOT MORE  
3 THAN 20/200 CENTRAL VISUAL ACUITY IN THE BETTER EYE WITH  
4 CORRECTING LENSES OR AN EQUALLY DISABLING LOSS OF THE VISUAL  
5 FIELD AS EVIDENCED BY A LIMITATION TO THE FIELD OF VISION IN THE  
6 BETTER EYE TO SUCH A DEGREE THAT ITS WIDEST DIAMETER SUBTENDS AN  
7 ANGLE OF NO GREATER THAN TWENTY DEGREES.

8 (c) "Person with a developmental disability" has the same  
9 meaning as "person with an intellectual and developmental disability" as  
10 set forth in section 25.5-10-202, C.R.S.

11 (d) "PERSON WITH VISUAL IMPAIRMENT" MEANS A PERSON WHO  
12 HAS A VISUAL ACUITY OF 20/70 OR WORSE IN THE BETTER EYE WITH BEST  
13 CORRECTION, OR A TOTAL FIELD LOSS OF ONE HUNDRED FORTY DEGREES,  
14 AND WHOSE VISION CANNOT BE FULLY CORRECTED BY ORDINARY  
15 PRESCRIPTION LENSES, MEDICAL TREATMENT, OR SURGERY.

16 ~~(d)~~ (e) "Qualified employee" means an employee first hired on or  
17 after ~~January 1, 2009~~ JANUARY 1, 2016, BUT BEFORE JANUARY 1, 2019,  
18 who:

19 (I) IS COMPENSATED IN ACCORDANCE WITH APPLICABLE MINIMUM  
20 WAGE LAWS;

21 (II) (A) Is a person with a developmental disability;

22 (B) ~~Employed at a workplace located in a designated county; and~~  
23 IS A PERSON WHO IS BLIND; OR

24 (C) ~~Compensated in accordance with applicable minimum wage~~  
25 ~~laws~~ IS A PERSON WITH VISUAL IMPAIRMENT; AND

26 (III) AT THE TIME OF REFERRAL FOR EMPLOYMENT, WAS ELIGIBLE  
27 FOR VOCATIONAL REHABILITATION SERVICES PROVIDED BY, AND WAS

1 REFERRED FOR EMPLOYMENT BY, THE DEPARTMENT OF LABOR AND  
2 EMPLOYMENT IN ACCORDANCE WITH PART 1 OF ARTICLE 84 OF TITLE 8,  
3 C.R.S., OR, IF THE REFERRAL FOR EMPLOYMENT OCCURRED BEFORE JULY  
4 1, 2016, BY THE DEPARTMENT OR AGENCY IN STATE GOVERNMENT THAT,  
5 AT THE TIME THE EMPLOYEE WAS REFERRED FOR EMPLOYMENT, HAD THE  
6 AUTHORITY TO DETERMINE THE EMPLOYEE'S ELIGIBILITY FOR VOCATIONAL  
7 REHABILITATION SERVICES AND REFER THE EMPLOYEE FOR EMPLOYMENT.

8 (e) (f) "Taxpayer" means an employer that deducts and withholds  
9 amounts from the wages paid to a qualified employee pursuant to section  
10 39-22-604 (3).

11 (2) (a) For the income tax years ~~beginning January 1, 2009,~~  
12 ~~through January 1, 2011~~ COMMENCING ON OR AFTER JANUARY 1, 2016,  
13 BUT BEFORE JANUARY 1, 2019, a credit against the tax imposed by this  
14 article shall be allowed to a taxpayer who hires a qualified employee  
15 during that period.

16 (b) The amount of the credit allowed by this ~~section~~ SUBSECTION  
17 (2) is fifty percent of the amount of gross wages paid to a qualified  
18 employee during the employee's first three months of continuous  
19 employment and thirty percent of the amount of gross wages paid to a  
20 qualified employee during the employee's subsequent nine months of  
21 continuous employment. A TAXPAYER MAY CLAIM THE CREDIT ALLOWED  
22 IN THIS SECTION FOR THE INCOME TAX YEAR IN WHICH THE GROSS WAGES  
23 ON WHICH THE CREDIT IS BASED ARE PAID TO A QUALIFIED EMPLOYEE.

24 (3) (a) FOR THE INCOME TAX YEARS COMMENCING ON OR AFTER  
25 JANUARY 1, 2016, BUT BEFORE JANUARY 1, 2019, A THREE-YEAR CREDIT  
26 AGAINST THE TAX IMPOSED BY THIS ARTICLE IS ALLOWED TO A TAXPAYER  
27 WHO HIRES AND RETAINS A QUALIFIED EMPLOYEE DURING THAT PERIOD



1 AND INCURS ANNUAL COSTS FOR THE MAINTENANCE, REPAIR, OR UPGRADE  
2 OF ASSISTIVE HARDWARE OR SOFTWARE TECHNOLOGY THAT IS  
3 SPECIFICALLY DESIGNED FOR USE BY THE QUALIFIED EMPLOYEE IN ORDER  
4 FOR THE QUALIFIED EMPLOYEE TO PERFORM HIS OR HER JOB.

5 (b) THE AMOUNT OF THE CREDIT ALLOWED BY THIS SUBSECTION (3)  
6 IS SEVENTY-FIVE PERCENT OF THE MAINTENANCE, REPAIR, OR UPGRADE  
7 COSTS IN THE FIRST YEAR, FIFTY PERCENT OF THE MAINTENANCE, REPAIR,  
8 OR UPGRADE COSTS IN THE SECOND YEAR, AND TWENTY-FIVE PERCENT OF  
9 THE MAINTENANCE, REPAIR, OR UPGRADE COSTS IN THE THIRD YEAR.

10 (3) (4) ~~A taxpayer may claim the credit allowed by this section for~~  
11 ~~the income tax year in which the wages on which the credit is based are~~  
12 ~~paid to a qualified employee. If the amount of the credit exceeds a~~  
13 ~~taxpayer's actual tax liability for an income tax year~~ CREDITS ALLOWED IN  
14 THIS SECTION EXCEED THE AMOUNT OF INCOME TAXES OTHERWISE DUE ON  
15 THE TAXPAYER'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE  
16 CREDITS ARE BEING CLAIMED, the amount of ~~the~~ EACH credit not used to  
17 AS AN offset AGAINST income ~~tax liability for~~ TAXES IN the CURRENT  
18 income tax year ~~shall not be allowed as a refund, but the taxpayer may~~  
19 ~~claim the excess amount of the credit in a subsequent income tax year;~~  
20 ~~except that the credit allowed by this section may not be claimed for any~~  
21 ~~income tax year beginning after January 1, 2011. Any amount of the~~  
22 ~~credit that is not used shall not be refunded to the taxpayer. A taxpayer~~  
23 ~~may not claim the credit allowed by this section more than once for the~~  
24 ~~same qualified employee~~ MAY BE CARRIED FORWARD AND USED AS A  
25 CREDIT AGAINST SUBSEQUENT YEARS' INCOME TAX LIABILITY FOR A  
26 PERIOD NOT TO EXCEED FIVE YEARS AND MUST BE APPLIED FIRST TO THE  
27 EARLIEST INCOME TAX YEARS POSSIBLE. ANY CREDIT REMAINING AFTER

1 SAID PERIOD MAY NOT BE REFUNDED OR CREDITED TO THE TAXPAYER.

2 ~~(4)~~ (5) A partnership, S corporation, limited liability company, or  
3 other entity electing not to be taxed as a corporation may pass through the  
4 credit allowed ~~by~~ IN this section in a tax year to its participating partners,  
5 shareholders, or members, referred to in this ~~subsection (4)~~ SUBSECTION  
6 (5) as the "investors", in any percentage the entity chooses, up to the  
7 amount of the credit earned in the tax year. Credits earned but unclaimed  
8 in a tax year for which the entity elects to be taxed as a corporation may  
9 not be distributed to investors in a later tax year for which the entity elects  
10 not to be taxed as a corporation. In a tax year for which the entity elects  
11 not to be taxed as a corporation, all credits passed through to investors  
12 may be carried forward at the investor level for the carryover period  
13 specified in ~~subsection (3)~~ SUBSECTION (4) of this section.

14 ~~(5) (a) If the revenue estimate prepared by the staff of the~~  
15 ~~legislative council in December 2008, December 2009, or December 2010~~  
16 ~~indicates that the amount of total general fund revenues for the current~~  
17 ~~fiscal year will not be sufficient to grow the total state general fund~~  
18 ~~appropriations by six percent over such appropriations for the previous~~  
19 ~~fiscal year, then the credit authorized by this section shall not be allowed~~  
20 ~~for the income tax year following the year in which the estimate is~~  
21 ~~prepared; except that a taxpayer who would have been eligible to claim~~  
22 ~~a credit pursuant to this section in an income tax year in which the credit~~  
23 ~~is not allowed may claim the credit in the next income tax year in which~~  
24 ~~the revenue estimate indicates that the amount of total general fund~~  
25 ~~revenues will be sufficient to grow the total state general fund~~  
26 ~~appropriations by six percent over such appropriations for the previous~~  
27 ~~fiscal year.~~

1           ~~(b) On or before January 1, 2009, January 1, 2010, and January 1,~~  
2   ~~2011, the department of revenue shall publish a notice on its web site~~  
3   ~~indicating whether the credit authorized by this section is allowed~~  
4   ~~pursuant to paragraph (a) of this subsection (5) for the income tax year~~  
5   ~~beginning on that day.~~

6           (6) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2022.

7           **SECTION 3. Safety clause.** The general assembly hereby finds,  
8   determines, and declares that this act is necessary for the immediate  
9   preservation of the public peace, health, and safety.



## State of Colorado

### LEGISLATIVE REQUEST FOR INTERIM STUDY COMMITTEE

*(Please Note: Requests will become public upon final approval of the requesting legislator. Working drafts are considered work product. It is assumed the Legislative Council Staff and the Office of Legislative Legal Services will provide staff support for any approved interim committees and legislative members will receive per diem and reimbursement of expenses. Prior to approval, the Legislative Council may modify the nature and scope of the interim study committee requested. Approved interim study committees are subject to Joint Rule 24A, Interim Committee Requirements – Voting Requirements – Electronic Participation.)*

**To:** Legislative Council

**Requested by:** Representative Lee  
*With support of:* Senator Merrifield

**Re:** Request for interim study committee regarding vocation rehabilitative services for the blind

**Date:** 04/10/2015

#### Information Required Pursuant to Section 2-3-303.3, C.R.S.

I hereby request that an interim study committee be formed to study vocational rehabilitative services for the blind through the Division of Vocational Rehabilitation (DVR) during the interim between the 2015 and 2016 legislative sessions. The interim study committee would be named the "Interim Committee to Study Vocational Rehabilitative Services for the Blind."

The Joint Budget Committee (JBC) is sponsoring Senate Bill 15-239, which concerns the transfer of vocational rehabilitation programs, including the business enterprise program, from the Department of Human Services (DHS) to the Department of Labor and Employment (CDLE), effective July 1, 2016. I commend the commitment, evidenced by this move, on placing people with disabilities into competitive employment. However, in view of concerns about DVR's operations and delivery of vocational rehabilitative services for the blind, I believe an interim study committee is necessary as described below. The interim study committee would augment the quarterly reports from CDLE to the JBC, as required by Senate Bill 15-239. The work of the interim study committee would be in addition to the other stakeholder outreach being done by the CDLE concerning the transfer of the DVR to the CDLE.

***Scope of the policy issues to be studied.*** In order to build a strong foundation for DVR in CDLE and improve accountability and the delivery of vocational rehabilitative services for the blind, I believe that an interim committee to study the vocational rehabilitative services for the

blind is appropriate. The interim study committee would determine the most effective structure and delivery model for vocational rehabilitative services and supports for the blind from the DVR within CDLE. Specifically, the interim study committee should be mandated to make recommendations based on the following:

- the findings and recommendations of the November 2013 Legislative Audit, as those findings and recommendations concern the blind, including identification of “...*pervasive problems in the Program that raise questions about the Division’s oversight, system of internal controls, and culture of accountability*”;
- evaluation of the delays in delivery of vocational rehabilitative services to the blind;
- assessment of the efficacy of the application, receipt, and use of federal 1973 Rehabilitation Act “110” funding for the blind;
- consideration of any and all issues identified in the National Federation of the Blind Colorado Resolution 2014-11-2, Resolution 2014-01 (Attachment A); and
- consideration of any other issues related to the effective delivery of vocational rehabilitative services to the blind to assist them in obtaining job skills and long-term high paying jobs.

**Committee meeting requirements and structure.** The interim study committee should meet as determined by the interim study committee, but should hold at least **6 meetings** during July through November and report to Legislative Council by November 15, 2015. The interim study committee should hold a meeting on the Western Slope, possibly Grand Junction, or arrange for remote testimony. The interim study committee can refer up to **3 bills** to Legislative Council.

I suggest the interim study committee should consist of **11 members**:

- 4 members of the Senate, with 2 appointed by the President of the Senate and 2 appointed by the Minority Leader of the Senate;
- 4 members of the House of Representatives, with 2 appointed by the Speaker of the House of Representatives and 2 appointed by the Minority Leader of the House of Representatives; and
- 3 nonlegislative members appointed by the Speaker of the House of Representatives from statewide organizations representing the blind, independent living, and the State Rehabilitation Council.

The nonlegislative members on the interim study committee will be nonvoting members. When appointing the legislative members, consideration should be given to the membership of the committees of reference responsible for business, employment, and human services. The appointments must be made by July 1, 2015. The chair shall be appointed by the Speaker of the House of Representatives, and I suggest Representative Jessie Danielson be appointed as the chair of the interim study committee. The interim study committee shall elect a vice-chair from its members.

It is critical for stakeholders and activists in the blind community participate with the interim study committee, as outlined above. However, I do not believe that a task force is necessary at this point, because of the work being done by the CDLE pursuant to Senate Bill 15-239.

**Other Information Related to the Interim Study Committee**

Other agencies that may be called upon to provide assistance or information include: DHS; CDLE; Colorado Department of Education; Colorado Department of Higher Education; National Federation of the Blind; business advocates, such as the Colorado Association of Commerce and Industry, National Federation of Independent Business, and various chambers of commerce; and others entities as determined by the interim study committee.

Thank you for your consideration of this request.

**National Federation of the Blind of Colorado Resolution 2014-11-2  
Resolution 2014-01**

Regarding a Request that the State Legislature Convene an Interim Committee to Study Services  
for the Blind

WHEREAS, a robust economy and healthy tax base require the inclusion of all Colorado citizens, who are willing and able to work, actively participate in civic life, and pay their fair share, and

WHEREAS, the opportunity to take part in the social and economic fabric of our state is no less sought after by people who are blind than any other group of citizens, and

WHEREAS, our unique Colorado culture requires equality of opportunity for all, and

WHEREAS, such a requirement demands a variety of programs and services, which exist to bring appropriate regulation, the fostering of entrepreneurship, education, training and rehabilitation, and job placement to a diverse number of Colorado citizens, and

WHEREAS, people who are blind must have effective training in a discreet and specialized skill set in order to be successfully employed and integrated into the economic fabric of the state and nation, and

WHEREAS, state vocational rehabilitation programs are mandated by Federal and state law, and designated and monitored by the United States Department of Education Rehabilitation Services Administration to provide such services, and

WHEREAS, effective vocational rehabilitation requires that administrators, supervisors, and counselors providing these necessary services to the blind absolutely must have a belief in the capacity of the blind, and possess a thorough understanding of the nonvisual and low vision strategies and adaptive technologies necessary for successful rehabilitation of their clients, and

WHEREAS, Colorado's Division of Vocational Rehabilitation has only a handful of counselors serving blind clients, and no distinct entity providing services to blind Coloradans, no supervisors specifically charged with providing services to the blind, and

WHEREAS, the extensive services often necessary for blind clients are rarely understood by Colorado Division of Vocational Rehabilitation supervisors and managers despite federal and state requirements for individualized services, leading to pernicious delays and unjust, immoral, and illegal denials of legitimate services, and the exercise of federally mandated Informed Choice, and

WHEREAS, a Division of Vocational Rehabilitation working group recently created new policies in answer to a Legislative Audit recommendation regarding time limits in which services must be

provided, but admitted that no consideration was given to clients who are blind or the policy's impact on those blind clients when developing these arbitrary and capricious restrictions, and

WHEREAS, unlike almost every other single state in the nation, the Colorado Department of Human Services, which houses the Division of Vocational Rehabilitation has time and time, and time again submitted a budget, which does not allow the state to take full advantage of significant Federal "110" dollars, which can be drawn down in direct support of adjustment, training, and job placement for people who are blind, and

WHEREAS, the blind of Colorado can no longer stand by while inadequate services are delivered through the current administrative structure, and

WHEREAS, there is irrefutable evidence from the many states which have separate identifiable services for the blind that greater outcomes and reduced costs result from a separate state agency model. Now, therefore,

BE IT RESOLVED by the National Federation of the Blind of Colorado in convention assembled, this 2<sup>nd</sup> day of November, 2014 that this organization calls upon the President of the Colorado Senate and the Speaker of the Colorado House of Representatives to convene a special interim committee of the General Assembly to consider how best to address the woeful service delivery system of the Colorado Division of Vocational Rehabilitation, and

BE IT FURTHER RESOLVED that this committee be instructed to give strong consideration to the establishment of a separate, dedicated unit within state government to provide the targeted expertise necessary to enhance quality of life and improve employment outcomes for Colorado's blind citizens.