

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: April 8, 2003

SUBJECT: Fiscal Impact Statement: “District of Columbia Rehabilitation Services Program Establishment Act of 2003”

REFERENCE: Draft Legislation – Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the proposed legislation because any costs would be absorbed with existing resources. The proposed legislation would give legislative authority to actions already implemented by the Department of Human Services (DHS), Rehabilitation Services Administration (RSA).

Background

The proposed legislation would establish a formal, statutory vocational rehabilitation services program for the District. It also would authorize the Mayor to establish an economic needs test to determine whether applicants for and recipients of vocational rehabilitation services should pay a portion of the costs of the services received.

Under current law, vocational rehabilitation services are provided based on the requirements of the Rehabilitation Act of 1973. However, these services are limited because the program was not formalized as a government entity, preventing the implementation of the optional and discretionary provisions of the Act. One such optional provision is an economic needs test. RSA has implemented such a needs test, but the test has been challenged by advocates who claim RSA requires specific legislative authority for such requirements.

DHS indicates that by collecting funds from clients with the ability to pay, it is able to maximize its budgeted fiscal year resources to serve severely disabled individuals as well as the less severely disabled who also require rehabilitation services. In absence of an economic needs test, some eligible clients currently being served by DHS would not be able to receive services within budgeted resources.

Financial Plan Impact

The proposed legislation would not require additional expenditures in FY 2003 through FY 2006 because it creates specific statutory authority for actions already undertaken by DHS and RSA with existing resources. The proposed legislation would not generate net revenues.