



HOW STATES CAN UTILIZE AMERICAN RESCUE PLAN ACT FUNDS: **Individuals with Disabilities**

More than [61 million](#) adults in the United States live with a disability, which means one in four adults have some type of disability that impacts their daily life. Individuals with disabilities have been [disproportionately impacted by the coronavirus pandemic](#) because of disruption to service delivery, underlying health conditions, group living conditions, and potentially limited access to information, among other factors. For example, having an [intellectual disability was shown to be the most serious independent risk factor for contracting COVID-19](#) and was the strongest determinant for mortality outside of age. In addition, the Biden Administration recently announced that the long-term health effects of COVID-19 are considered [a disability under federal civil rights law](#). The number of individuals with a disability whose conditions exacerbate the risks of COVID-19 and the increasing number of individuals with a disability because of long-term COVID-19 effects are an accelerant for investing in initiatives that **remove barriers to the social, educational, and economic success of individuals with disabilities** and consequently reducing their reliance on state finances and services in the long-term.

In an effort to ensure the post-pandemic recovery is inclusive and sustainable of all individuals, the American Rescue Plan (ARP) Act dedicates increased funds to address several needs of individuals with disabilities.

More specifically, the ARP increases funding for home and community-based services and for education for students with disabilities; widens eligibility for stimulus payments to include older dependents with disabilities; and enhances safety net programs widely used by individuals with disabilities.

States also have the opportunity to use discretionary funding from the ARP Coronavirus State and Local Recovery Fund to build a more inclusive workforce, in particular. To maximize the one-time nature of this discretionary funding, states can explore policies and programs that otherwise would prove difficult to implement and sustain without a direct infusion of federal funds.



EDUCATION

The ARP includes \$130 billion designated for the U.S. Department of Education. Of that amount, \$3 billion is specifically allocated to the Individuals with Disabilities Act (IDEA) program for Fiscal Year 2021.

IDEA funds are allocated using existing [formula grants](#) to deliver funds to state education agencies to support early intervention and special education services for infants, toddlers, children, and youth with disabilities and their families. As such, they do not require formal applications.

The [ARP \(Section 2014\)](#) increased IDEA funding for the three formula grants in the Department:

- \$2.5 billion Formula Grant to States Program authorized by IDEA Part B, Section 611 for children ages 3-21.
- \$250 million Formula Grants for early intervention services for infants through age two and their families.
- \$200 million Formula Preschool Grants program authorized by IDEA Part B, Section 619 for children ages three to five.

The Individuals with Disabilities Education Act (IDEA) ensures that a free and appropriate public education is made available to children with disabilities and governs how states and agencies provide early intervention and special education services to infants to youth with disabilities. Public Law 114-95 it states, *“Disability is a natural part of the human experience and in no way diminishes the right of individuals to participate in or contribute to society.* Improving educational results for children with disabilities is an essential element of our national policy of ensuring equality of opportunity, full participation, independent living, and economic self-sufficiency for individuals with disabilities.”

The ARP also directs \$7 billion (of the \$130 billion overall) for increased internet access to close existing access gaps among P-12 students, with a specific focus on low income communities and students with disabilities.


The Federal Communications Commission defines the parameters of the [Emergency Connectivity Fund to close the Homework Gap](#) by providing guidance that connected devices be accessible to and usable by individuals with disabilities.

HOME AND FOOD SECURITY

The ARP includes several infusions of resources to assist individuals with disabilities (and others) who face home and food insecurity. For example, there is \$12.67 billion in additional funding for Medicaid Home and Community Based Services. This increased funding is critical for providing services to older adults and individuals with disabilities. Increased federal funding can help states [provide more community living options for individuals with disabilities and reduce the need for those persons to enter long-term care facilities and group home living environments](#). States can use these funds to keep people with disabilities living in their community, transition them into their community from nursing facilities, and ensure adequate pay for caregivers.

The ARP also contains additional funding for the [Supplemental Nutrition Assistance Program \(SNAP\)](#). This funding provides a 15% increase in benefits until the end of September 2021 for individuals facing food insecurity. At least 25% of SNAP recipients have disabilities.

The ARP provides continuation of the pandemic unemployment insurance program of \$300 per week for eligible individuals. This additional benefit is especially important for individuals with disabilities since unemployment rates for people with disabilities are consistently higher than individuals without a disability. The trend of higher unemployment for people with disabilities was demonstrated in 2020 with an unemployment rate of 12.6% compared to the 7.9% for persons without disabilities. The ARP also provided the third disbursement of direct stimulus payments to individuals. Adult



dependents and adults with disabilities that may have been claimed as a dependent were able to receive stimulus payments under the ARP provisions that were excluded in the prior stimulus payment criteria.

EMPLOYMENT

States can leverage the ARP Coronavirus State and Local Recovery Fund to invest in employment opportunities for individuals with disabilities. The ARP Coronavirus State and Local Fiscal Recovery Fund includes approximately \$350 billion in new federal fiscal assistance for states, territories, tribes, counties, and municipalities to respond to the public health and economic impact of COVID-19 (approximately \$195.3 billion is directly dedicated to state governments). States can use this opportunity to examine their road to recovery and ensure it is inclusive of individuals with disabilities. Inclusive policy recommendations and options for states are outlined in [Work Matters: A Framework for States on Workforce Development for People with Disabilities](#). States can utilize this support to implement the policy options provided to build strong and inclusive workforces during post-pandemic recovery. In particular, funds can 1) support “state as a model employer” initiatives; 2) increase opportunities for individuals with disabilities through public sector engagement; and 3) improve employment opportunities for youth and young adults with disabilities.

States as Model Employers

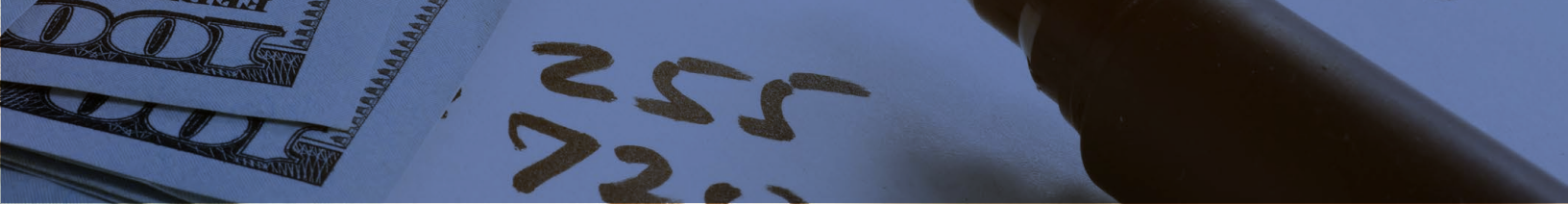
State and local governments are large employers and can serve as a model employer to showcase how employment of individuals with disabilities can be a success and benefit both the employer and employee. Adoption of a formal framework through executive orders or legislation can facilitate the rebuilding of the workforce and economy while removing barriers for individuals with disabilities. Utilizing working groups or task forces can address the unique dynamics of the state, identify

opportunities for economic development, and focus on populations that would benefit from workforce development services. **States can utilize ARP Coronavirus State Fiscal Recovery funds to develop reports, surveys, and data collection efforts that can help develop a framework for the state to generate a more inclusive workforce.**

States can generate [Employment First Task Forces](#) to develop frameworks and pathways to remove barriers to employment for individuals with disabilities. Employment First is an initiative of the U.S. Department of Labor Office of Disability Employment Policy that urges public systems to align policies and practices to develop and sustain integrated employment. To be designated an Employment First state, it must become a “model employer” of people with disabilities. The task force also can develop state priorities, identify opportunities for growth, and encourage coordination and collaboration among state agencies and policymakers.

To be model employers and leaders in the employment of individuals with disabilities and be accountable, states need database systems that effectively track the different abilities of potential employees for both the public and private sector. **ARP Coronavirus State Fiscal Recovery funds can be used to address the need to procure and implement essential database systems.**

The definition of “disability” can vary from program to program. States can use ARP funds to increase awareness of visible and invisible forms of disability. Increased understanding about who is included in various definitions, depending on the context (such as the workplace or for veteran or Social Security benefits), can help remove barriers to accessing benefits. Providing clarification and awareness can help individuals self-identify as having a disability in the workplace for more accurate knowledge and reporting.



As state employees transition back to the workplace, more inclusive workplace policies and practices are necessary. **State and local governments can utilize ARP Coronavirus State Fiscal Recovery funding to better equip and train staff in disability awareness and etiquette to cultivate a culture of inclusion.**

Further, states can utilize funds to develop more flexible workplaces and introduce access to accommodations that may have been previously prohibitive for state employees. When hiring new personnel, states also will have to navigate how to manage recruitment etiquette while addressing the risks to COVID-19 containment. States also must continue to adhere to [federal guidance](#) which does not conflict with the Americans with Disabilities Act.

States also can direct ARP Coronavirus State Fiscal Recovery funds to establish a centralized accommodation fund for state agencies as well as the private sector. Employers can access the funds through an application process to provide adaptive equipment that may be cost prohibitive to smaller agencies and businesses. A centralized accommodation fund can help deter unconscious bias, reduce delay in fulfilling requests, and create shared resources for employers as demonstrated in [Massachusetts](#) and [Minnesota](#).

Private Sector Engagement

State and local governments can use incentives to encourage businesses to hire qualified applicants with disabilities. The State and Local Coronavirus Relief fund restricts use to creation of tax incentives; however, **states can use the discretionary ARP funds to create a pool of funds available for businesses to hire individuals with disabilities for sustaining employment.**

Employers quickly transitioned to work from home and telework arrangements to mitigate the spread of COVID-19. Telework has now been demonstrated as a viable option that many in the disability community have long advocated for as an accommodation.

Employers are required under law to provide reasonable accommodations to employees with disabilities and even though the average accommodation costs \$500, some adaptive equipment can seem cost prohibitive and out of reach under austere budgets. **States can utilize ARP Coronavirus State Fiscal Recovery funds to procure adaptive infrastructure to create accessible work environments to attract and retain a wider and more diverse employee pool.** To learn more about **inclusive telework programs**, click [here](#).

In addition to creating the technology means for professional success for individuals with disabilities, apprenticeship programs provide another avenue. States can create programs that are inclusive of individuals with disabilities to address the increased unemployment rate for persons with disabilities and gain a skilled workforce. To foster connections and collaboration between private sector employers and job-seekers, states can develop a database to connect employers with individuals with disabilities who wish to gain meaningful employment.

Youth Transition to Employment

Past economic downturns demonstrate that youth and young adults with disabilities in the workforce are impacted at a greater rate than individuals without disabilities. [The Center for Advancing Policy on Employment for Youth \(CAPE-Youth\)](#) outlines several strategies states can utilize to increase support for youth with disabilities by maximizing access to funding, supporting “shovel-ready projects,” developing work-based learning opportunities, increasing access to technology, and investing in assistive technology to helping students overcome the digital divide.

Review and evaluation of delivery of services increases effectiveness, coordination, and collaboration of workforce development programs. **States can direct ARP funds to accelerate implementation of state [Workforce](#)**

Innovation and Opportunity Act (WIOA) plans that assist workers (including youth and those with significant barriers to employment) in achieving placement in high-quality careers and assist employers in retaining skilled workers.

- *Apprenticeships* are an industry-driven pathway to a high-quality career that prepares the future workforce as individuals receive compensation, valuable experience, and a portable credential.
- *Work-based learning experiences* introduce individuals to the world of work through paid-internships, job shadowing, or entry-level paid employment and therefore create the foundation for a career path for youth with disabilities.
- *Assistive technology* increases access for youth and young adults in and outside of the classroom. Assistive technology is any item, equipment, or product system that increases, maintains, or improves functional capabilities for people with disabilities. States could develop a program for pooled resources for assistive technology. For example, Michigan offers an [Lending Library](#) that allows educators to assess assistive technology equipment and software for student use.

SUMMARY

Individuals with disabilities were disproportionately impacted during the initial phase of the pandemic and continue to face barriers in accessibility, accessible information, and assistive technology. The American Rescue Plan Act provides direct funding to address the ongoing needs of individuals with disabilities. States have an opportunity to leverage this one-time funding to move toward economic recovery and a more inclusive post-pandemic workforce by implementing policy options that provide meaningful employment to individuals with disabilities.



To support youth and young adults with disabilities, [Nevada](#) allocated \$7 million of Coronavirus State and Local Fiscal Recovery funding to the Collaboration Center Foundation and \$5 million to Achieving a Better Life Experience (ABLE) Nevada savings. [The Collaboration Center Foundation](#) is a disability network of treatment and therapy providers, medical professionals, non-profit organizations, and government agencies with a common goal to focus on social inclusion, family and peer engagement, therapy, and education for individuals, youth, and young adults with disabilities. [ABLE Nevada](#) allows individuals with disabilities to create a special account to invest savings for disability-related expenditures that receive tax-advantages and accumulate savings exempt from the means-tested Medicaid of Social Security Income Programs. The Nevada legislature outlined the intent of the appropriation, "to assist persons with disabilities who have been negatively or disparately impacted by the COVID-19 pandemic with expenses related to education, housing, transportation, employment training and support, assistive technology, personal support services, health care costs, financial management and other qualified disability expenses."

Learn more about the State Exchange on Employment & Disability at seed.csg.org and dol.gov/agencies/odep/state-policy

Contact: Dina Klimkina • dklimkina@csg.org

Learn more about the ARP and state recovery at <https://web.csg.org/recovery/>

Contact: Sarah Needler • sneedler@csg.org