

BBI RESOURCES

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Demand-Side Employment Placement Models Vocational Rehabilitation: Helping Employers Staff a Skilled Workforce

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Vocational Rehabilitation: Helping Employers Staff a Skilled Workforce

What is Vocational Rehabilitation?

Vocational Rehabilitation (VR) refers to a variety of federally-funded programs aimed at helping people with mental and physical impairments to begin, maintain or return to employment. Operating at the state level, they provide vocational services such as career counseling, job placement, skills training, transportation and educational assistance, and other specialized services described below. VR services can be accessed by employers who seek to hire, train and employ people with disabilities.

How can employers benefit from using VR services?

Vocational rehabilitation will provide employers with a variety of useful services and resources at no cost. VR's ability to provide pre-screened, job-ready applicants can save employers time and money during their recruitment processes. State VR Offices can serve as a key starting point in the hiring process by providing a pool of motivated applicants already connected to job supports that can ensure employment success. VR offers financial incentives, tax credits and various on-going workforce development services to businesses and organizations open to hiring people with disabilities. While employees with disabilities offer a wide array of skills and talents, they might need training, specialized equipment and/or ongoing supports to maintain their jobs. VR can cover much of these costs.

What kinds of VR services are there?

VR can help employers provide reasonable accommodations to employees with disabilities. Reasonable accommodations often include adjustments to work environments to ensure qualified people with disabilities can access the application process and perform their jobs. A few general accommodations that VR helps with are removing barriers that prevent accessibility, modifying equipment, hiring an interpreter for someone who is deaf or hard of hearing, and providing a different format (audio, Braille, large print, electronic) of printed material for people with visual impairments.

Some examples and brief descriptions of more specific VR services follow:

- **Work Try Outs (WTO)** – VR can cover 100% of employee's wages for the first 160 hours so the employer can determine whether the job is a good fit. During WTO, employers must put employees on their payroll and provide the normal benefits all employees receive.
- **On-The-Job-Training (OJT)** – If an employer hires an employee who needs specialized training or supervision, VR will pay the employee's wages until the training is complete. As the employee gains the needed skill, VR's wage reimbursement will decrease until the employer pays 100% of the wages.
- **Job Coaching** – Some employees with disabilities learn best with one-on-one training. Job coaches work with employees to learn tasks associated with their jobs. The role of job coaches is to get employees to work independently. Once this is accomplished, they can follow up with employees if needed.
- **Americans with Disabilities Act (ADA) Consultation** – VR can work with employers to explain various parts of the ADA and how they affect employers.

To learn more go to bbi.syr.edu

- **Barrier Removal Recommendations** – VR can come to places of business to evaluate the workplace and recommend ways to make it more accessible for employees and customers with disabilities.

Contact your local VR office to discover other services they can offer employers. A list of VR offices is provided at the end of this brief.

What other kinds of incentives might VR recommend?

The federal and state governments offer many tax incentives to employers that hire people with disabilities. Businesses may qualify for the following federal tax and financial incentives:

- **Small Business Tax Credit (Disabled Tax Credit)** – The Small Business Tax Credit allows small and medium-sized businesses to take an annual tax credit for becoming accessible to people with disabilities. Businesses with less than \$1 million in gross receipts or up to 30 employees are eligible for the Small Business Tax Credit. Each year small businesses can claim 50% of the expenses they used to provide reasonable accommodations to employees or customers with disabilities, if their expenses were between \$250 and \$10,250. Reasonable accommodations can include, but are not limited, to interpreters, readers, alternate formats, the purchase or modification of equipment, and removal of architectural barriers. It does not cover new construction or modifications of buildings in service after November 6, 1990.
- **Architectural and Transportation Tax Deduction** – All businesses can take an annual deduction (up to \$15,000) for expenses incurred to remove physical, structural and transportation barriers for people with disabilities. It can be used for a variety of costs to make a facility or public transportation vehicle, owned or leased for use in the business, more accessible to and usable by people with disabilities. A couple examples of deductions are providing accessible parking spaces, ramps and curb cuts and making telephones, water fountains and restrooms accessible to persons using a wheelchair. The deduction may not be used for expenses incurred for new construction, for completion of renovations being made to a facility or public transportation vehicle, or for normal replacement of depreciable property.
- **Work Opportunity Tax Credit (WOTC)** – WOTC provides a tax credit for employers hiring individuals from certain targeted groups, such as low-income individuals, vocational rehabilitation referrals, and Supplemental Security Income (SSI) recipients. An employer who hires an employee receiving Supplemental Security Income or who is a certified vocational rehabilitation participant may claim the WOTC after certification is received from the State Employment Security Agency (SESA). The SESA will pay up to 40 percent of the first \$6,000 in first-year wages per qualifying employee who works 120 hours or more. The maximum per employee credit is \$2,400 in a given tax year. This credit applies only to employees who work at least 400 hours during the tax year.
- **Workers With Disabilities Employment Tax Credit (WETC)** – Employers that have employees with disabilities, who work on a full-time basis for at least 180 days or 400 hours during the second year of employment, can claim this tax credit. Employers are eligible for WETC independent of WOTC. The tax credit is up to 35% of the employee's first \$6,000 in wages during the second year of employment up to a maximum of \$2,100.

- **Veterans Job Training Act** – This provides training costs for employers of long-term unemployed veterans of the Korean conflict or the Vietnam era. For more information about hiring veterans see the [United States Department of Veteran Affairs](#).

Contact your local or state VR agency to find additional state tax incentives.

How can employers find VR services?

Each state has its own VR offices to serve individuals with disabilities and their employers. Employers can find [contact information for each state's VR office](#) through the [Job Accommodation Network \(JAN\)](#). This organization offers free, expert advice about all types of accommodations for all types of disabilities, job descriptions and workplaces. The JAN's VR page also lists offices that offer services specifically for the blind.

More tools and resources related to developing a positive and disability-inclusive working environment, including a ***Disability-Focused Job Satisfaction Survey***, and an ***Inclusive Culture Checklist***, are available through our Toolkit at the [Demand-Side Employment Placement Models project website](#).

YOUR FEEDBACK IS IMPORTANT TO US!

You are invited to participate in a research study examining the benefits and impact for employers of the Employer Demand briefs and toolkit resources. [Learn more about the survey](#).

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To learn more go to bbi.syr.edu



**‘We can change the world.
The first step is to change ourselves.’**

- BURTON BLATT

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