AN ACT to provide for educational and other needed services through a vocational rehabilitation program for disabled persons; to authorize an annual appropriation of funds for vocational rehabilitation; to authorize the state board of education to administer such a program; to provide for the proper custody and administration of funds received by the state from federal and other sources; and to repeal certain acts and parts of acts.


The People of the State of Michigan enact:

395.81 Vocational rehabilitation act of 1964; short title.
Sec. 1. This act shall be known and may be cited as the "rehabilitation act of 1964".


For transfer of powers and duties of department of career development, including any board, commission, council, or similar entity within the department of career development, to the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

For the transfer of the Michigan council for rehabilitation services and Michigan rehabilitation services and the powers and duties of the director of the department of health and human services from the department of health and human services to the department of labor and economic opportunity and its director, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

Transfer of powers: See MCL 16.731.

395.82 Definitions.
Sec. 2. As used in this act:
(a) "State board" means the state board of education.
(b) "Vocational disability" means any disability except blindness which constitutes, contributes to, or if not corrected will probably result in an obstruction to occupational performance.
(c) "Disabled individual" means any person, other than a person who is blind, who has a vocational disability.
(d) "Vocational rehabilitation" and "vocational rehabilitation services" mean any educational or other needed services including, but not limited to, determination of extent of disability, vocational diagnosis, vocational guidance, rehabilitation training, medical services, transportation, maintenance, and training books and materials, found to be necessary to compensate a disabled individual for his or her vocational disability, and to enable him or her to engage in a suitable occupation or to be assisted into independent living.


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For the transfer of the Michigan council for rehabilitation services and Michigan rehabilitation services and the powers and duties of the director of the department of health and human services from the department of health and human services to the department of labor and economic opportunity and its director, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

395.83 State board of education; administration of act; rules, regulations and standards; professional and clerical staff.
Sec. 3. The state board shall be the agency responsible for the administration of the vocational rehabilitation program under the provisions of this act, and shall make all rules, regulations and standards necessary therefor, in accordance with Act No. 88 of the Public Acts of 1943, as amended, being sections 24.71 to 24.82 of the Compiled Laws of 1948, and subject to Act No. 197 of the Public Acts of 1952, as amended, being sections 24.101 to 24.110 of the Compiled Laws of 1948. The board shall employ the professional and clerical staff it deems necessary to carry out the provisions of this act within the appropriations available for this purpose.


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For the transfer of the Michigan council for rehabilitation services and Michigan rehabilitation services and the powers and duties of the director of the department of health and human services from the department of health and human services to the department of labor and economic opportunity and its director, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

Administrative rules: R 395.1 et seq. of the Michigan Administrative Code.

395.84 State board of education; services to disabled individuals; cooperation with other agencies; collection of fees; report.

Sec. 4. (1) The state board shall provide vocational rehabilitation services to disabled individuals determined eligible pursuant to rules promulgated by the state board. The board may cooperate with other public and private departments, agencies, and institutions to provide for the vocational rehabilitation of disabled individuals, to study the problems involved therein, and may establish, develop, and provide any programs, facilities, and services as may be necessary.

(2) If an employer or carrier is responsible under applicable state or federal worker's compensation law for the provision of vocational rehabilitation services to an employee, and the services are provided by the state board, the state board shall collect fees from the responsible employer or carrier in an amount equal to the full costs of providing the vocational rehabilitation services.

(3) If an insurer or self-insurer is responsible under applicable state or federal auto insurance law for the provision of vocational rehabilitation services to an injured person, and the services are provided by the state board, the state board shall collect fees from the responsible insurer or self-insurer in an amount equal to the full costs of providing the vocational rehabilitation services.

(4) The state board shall collect fees in an amount equal to the full cost of providing vocational rehabilitation services under any other state or federal law that establishes responsibility for the provision of vocational rehabilitation services on a party other than the injured person unless otherwise prohibited by an applicable statute.

(5) If the state board is requested to provide vocational rehabilitation services to individuals not eligible for services under the federal rehabilitation act, and the services are provided by the state board, the state board shall collect fees from the individual, agency, or organization requesting the services in an amount equal to the full costs of providing the vocational rehabilitation services.

(6) The state board shall submit a report to the senate labor committee and the house labor committee by May 1, of each odd-numbered year for the preceding 2 calendar years which shall indicate the extent of vocational rehabilitation services provided, the amount of fees collected, and the source of those fees.


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For the transfer of the Michigan council for rehabilitation services and Michigan rehabilitation services and the powers and duties of the director of the department of health and human services from the department of health and human services to the department of labor and economic opportunity and its director, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

Administrative rules: R 395.1 et seq. of the Michigan Administrative Code.

395.85 Appropriations.

Sec. 5. The state board shall recommend annually the amount required to be appropriated by the state and report the same to the governor and budget director. The legislature shall make an appropriation each year for carrying out the purposes of this act.


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395.86 State board of education; cooperation with federal government.

Sec. 6. The state board, pursuant to state-federal agreements, may cooperate with the federal government in carrying out the purposes of any federal statutes pertaining to vocational rehabilitation, and may adopt such methods of administration as are found to be necessary for the proper and efficient operation of the agreements or plans for vocational rehabilitation and to comply with conditions as may be necessary to secure the full benefits of the federal statutes.

395.87 State treasurer; custody of funds, disbursement.

Sec. 7. The state treasurer shall be the custodian of all vocational rehabilitation funds received from the federal government or other sources. The state treasurer shall make disbursements from the funds and from all state funds available for vocational rehabilitation purposes upon certification of the state board in accordance with the accounting laws of the state.


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395.88 Gifts; acceptance, use.

Sec. 8. The state board may accept and use gifts made by bequest or otherwise for carrying out the purposes of this act. Gifts made under such conditions as in the judgment of the state board are proper and consistent with the provisions of this act may be so accepted and shall be held, invested, reinvested and used in accordance with the conditions of the gifts.


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For the transfer of the Michigan council for rehabilitation services and Michigan rehabilitation services and the powers and duties of the director of the department of health and human services from the department of health and human services to the department of labor and economic opportunity and its director, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

395.89 State board of education; biennial report to governor and state legislature.

Sec. 9. The state board shall make at the close of each biennium a biennial report to the governor and to the legislature in regard to the administration of this act. The report shall contain a statement of the expenditures of all moneys, both federal and state, for the purposes mentioned in this act.


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For the transfer of the Michigan council for rehabilitation services and Michigan rehabilitation services and the powers and duties of the director of the department of health and human services from the department of health and human services to the department of labor and economic opportunity and its director, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

395.90 Repeal.

Sec. 10. Act No. 211 of the Public Acts of 1921, being sections 395.51 to 395.65 of the Compiled Laws of 1948, is repealed.


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For the transfer of the Michigan council for rehabilitation services and Michigan rehabilitation services and the powers and duties of the director of the department of health and human services from the department of health and human services to the department of labor and economic opportunity and its director, see E.R.O. No. 2019-3, compiled at MCL 125.1998.