

DEPARTMENT OF EDUCATION**National Institute on Disability and Rehabilitation Research—Disability and Rehabilitation Research Projects and Centers Program—Disability and Rehabilitation Research Projects**

AGENCY: Office of Special Education and Rehabilitative Services, Department of Education.

ACTION: Notice of proposed priority.

SUMMARY: The Assistant Secretary for Special Education and Rehabilitative Services proposes a priority for the National Institute on Disability and Rehabilitation Research's (NIDRR) Disability and Rehabilitation Research Projects and Centers Program, Disability and Rehabilitation Research Projects (DRRP). This priority may be used for competitions in fiscal year (FY) 2005 and later years. We take this action to focus research attention on areas of national need. We intend this priority to improve rehabilitation services and outcomes for individuals with disabilities.

DATES: We must receive your comments on or before May 6, 2005.

ADDRESSES: Address all comments about this proposed priority to Donna Nangle, U.S. Department of Education, 400 Maryland Avenue, SW., Room 6030, Potomac Center Plaza, Washington, DC 20204-2700. If you prefer to send your comments through the Internet, use the following address: donna.nangle@ed.gov.

FOR FURTHER INFORMATION CONTACT: Donna Nangle. Telephone: (202) 245-7462.

If you use a telecommunications device for the deaf (TDD), you may call the Federal Relay Service (FRS) at 1-800-877-8339.

Individuals with disabilities may obtain this document in an alternative format (e.g., Braille, large print, audiotope, or computer diskette) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT**.

SUPPLEMENTARY INFORMATION:**Invitation to Comment**

We invite you to submit comments regarding this proposed priority.

We invite you to assist us in complying with the specific requirements of Executive Order 12866 and its overall requirement of reducing regulatory burden that might result from this proposed priority. Please let us know of any further opportunities we should take to reduce potential costs or increase potential benefits while

preserving the effective and efficient administration of the program.

During and after the comment period, you may inspect all public comments about this proposed priority in room 6030, 550 12th Street, SW., Potomac Center Plaza, Washington, DC, between the hours of 8:30 a.m. and 4 p.m., eastern time, Monday through Friday of each week except Federal holidays.

Assistance to Individuals With Disabilities in Reviewing the Rulemaking Record

On request, we will supply an appropriate aid, such as a reader or print magnifier, to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for this proposed priority. If you want to schedule an appointment for this type of aid, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

We will announce the final priority in a notice in the **Federal Register**. We will determine the final priority after considering responses to this notice and other information available to the Department. This notice does not preclude us from proposing or funding additional priorities, subject to meeting applicable rulemaking requirements.

Note: This notice does *not* solicit applications. In any year in which we choose to use this proposed priority, we invite applications through a notice in the **Federal Register**. When inviting applications we designate the priority as absolute, competitive preference, or invitational. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an application by either (1) awarding additional points, depending on how well or the extent to which the application meets the competitive priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the competitive priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority, we are particularly interested in applications that meet the invitational priority. However, we do not give an application that meets the invitational priority a competitive or absolute preference over other applications (34 CFR 75.105(c)(1)).

Note: NIDRR supports the goals of President Bush's New Freedom Initiative (NFI). The NFI can be accessed on the Internet at the following site: <http://www.whitehouse.gov/infocus/newfreedom>.

The proposed priority is in concert with NIDRR's Long-Range Plan (Plan). The Plan is comprehensive and

integrates many issues relating to disability and rehabilitation research topics. While applicants will find many sections throughout the Plan that support potential research to be conducted under the proposed priority, the specific reference is in Chapter 3, Employment Outcomes. The Plan can be accessed on the Internet at the following site: <http://www.ed.gov/rschstat/research/pubs/index.html>.

Through the implementation of the NFI and the Plan, NIDRR seeks to: (1) Improve the quality and utility of disability and rehabilitation research; (2) foster an exchange of expertise, information, and training to facilitate the advancement of knowledge and understanding of the unique needs of traditionally underserved populations; (3) determine best strategies and programs to improve rehabilitation outcomes for underserved populations; (4) identify research gaps; (5) identify mechanisms of integrating research and practice; and (6) disseminate findings.

Disability and Rehabilitation Research Projects (DRRP) Program

The purpose of the DRRP Program is to plan and conduct research, demonstration projects, training, and related activities that help to maximize the full inclusion and integration of individuals with disabilities into society and to improve the effectiveness of services authorized under the Rehabilitation Act of 1973, as amended (the Act). An applicant for assistance under this program must demonstrate in its application how it will address, in whole or in part, the needs of individuals with disabilities from minority backgrounds (34 CFR 350.40(a)). The approaches an applicant may take to meet this requirement are found in 34 CFR 350.40(b). Additional information on the DRRP program can be found at: <http://www.ed.gov/rschstat/research/pubs/res-program.html#DRRP>.

Priority**Background**

Despite past attempts to reduce unemployment rates for individuals with disabilities, these individuals continue to be employed at much lower rates than individuals without disabilities. The 2003 American Community Survey (U.S. Bureau of the Census, <http://www.census.gov/acs/www/Products/Profiles/Single/2003/ACS/Tabular/010/01000US2.htm>), for example, found that approximately 37.8 percent of adults age 21 to 64 with disabilities were employed, compared to approximately 77.5 percent of adults with no disability. NIDRR is committed

to supporting research on employment models and intervention approaches that can help reduce this discrepancy.

Strategic models and approaches for employment and job placement of individuals with disabilities fall primarily into two categories: Supply-side and demand-side. In supply-side models, individuals are matched against an available supply of jobs. In demand-side employment models, the focus is on the employer and work environment (*i.e.*, occupational shifts and industrial change).

NIDRR believes that a better understanding about market driven workforce trends could improve employment outcomes for individuals with disabilities and inform employment activities so that the potential workforce applicant pool is better prepared to effectively meet future or changing needs and requirements of the job market.

The supply-side and demand-side models for job placement are among the most frequently discussed in the research literature. However, there are a limited number of studies that describe the differences between the two models. Similarly, the literature that does discuss the differences between the two models provides limited insight about factors that influence the employment rate for persons with disabilities. Additionally, studies identify but provide limited understanding about the following critical issues and concerns relating to demand-side models: (1) Changing structure of the workforce and the impact of downsizing; (2) increasing use of on-call workers, temporary help agencies, and independent contractors; (3) rapid advances in technology requiring the need for highly educated, highly skilled workers; (4) employer perceptions, beliefs, and attitudes regarding the employment of individuals with disabilities; (5) employer knowledge and use of incentives for hiring individuals with disabilities; (6) the effect of labor market demand policies and economic factors on employment outcomes for individuals with disabilities; (7) employer-based hiring practices that influence employment outcomes and employer understanding of the implications of employment practices for individuals with disabilities; and (8) predictors of return to work and workforce participation. This priority seeks to improve our understanding of demand-side placement models and strategies and employment outcomes from a variety of perspectives.

Proposed Priority

The Assistant Secretary proposes a priority for one DRRP, which must focus its research on demand-side employment placement models. Studies conducted under this priority must support rigorous, empirically based research designed to develop or identify and evaluate demand-side employment placement models, methods, and measures.

To meet this priority, research activities and studies must identify or develop, demonstrate, and evaluate methods, models, and measures leading to the following:

- (1) Psychometrically sound measures for determining employer-focused employment needs;
- (2) Types of employment interventions that effectively address employer issues, including methods for increasing employer and business entity participation in the development of strategies for improving employment outcomes for individuals with disabilities;
- (3) Analysis comparing the effectiveness of the demand-side model and the supply-side model and identification of the predictors of workforce participation for specific populations of individuals with disabilities using both models; and
- (4) Effective measures for evaluating the role of demand-side models in relation to employment outcomes, employment data, individual and systems level outcomes, and trends across workplace environments and employment systems, including measures that involve macroeconomic, legislative, or policy issues that potentially influence employment outcomes.

Executive Order 12866

This notice of proposed priority has been reviewed in accordance with Executive Order 12866. Under the terms of the order, we have assessed the potential costs and benefits of this regulatory action.

The potential costs associated with the notice of proposed priority are those resulting from statutory requirements and those we have determined as necessary for administering this program effectively and efficiently.

In assessing the potential costs and benefits—both quantitative and qualitative—of this notice of proposed priority, we have determined that the benefits of the proposed priority justify the costs.

Summary of Potential Costs and Benefits

The potential costs associated with this proposed priority are minimal while the benefits are significant. Grantees may anticipate costs associated with completing the application process in terms of staff time, copying, and mailing or delivery. The use of e-Application technology reduces mailing and copying costs significantly.

The benefits of the DRRP Program have been well established over the years in that similar projects have been completed successfully. This proposed priority will generate new knowledge through the research to be conducted under the proposed priority.

Another benefit of this proposed priority will be the establishment of a new DRRP that supports the President's NFI and will support improvements in the lives and potential employment outcomes of persons with disabilities.

Applicable Program Regulations: 34 CFR part 350.

Electronic Access to This Document

You may view this document, as well as all other Department of Education documents published in the **Federal Register**, in text or Adobe Portable Document Format (PDF) on the Internet at the following site: <http://www.ed.gov/news/fedregister>.

To use PDF you must have Adobe Acrobat Reader, which is available free at this site. If you have questions about using PDF, call the U.S. Government Printing Office (GPO), toll free, at 1-888-293-6498; or in the Washington, DC, area at (202) 512-1530.

Note: The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available on GPO Access at: <http://www.gpoaccess.gov/nara/index.html>.

(Catalog of Federal Domestic Assistance Number 84.133A, Disability Rehabilitation Research Project.)

Program Authority: 29 U.S.C. 762(g) and 764(a).

Dated: March 31, 2005.

John H. Hager,

Assistant Secretary for Special Education and Rehabilitative Services.

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