

93-112, title III, Sept. 26, 1973, 87 Stat. 377, and amended by Pub. L. 93-516, Dec. 7, 1974, 88 Stat. 1617; Pub. L. 93-651, Nov. 21, 1974, 89 Stat. 2-3; Pub. L. 94-230, Mar. 15, 1976, 90 Stat. 211; Pub. L. 94-273, Apr. 21, 1976, 90 Stat. 375; Pub. L. 94-288, May 21, 1976, 90 Stat. 520; Pub. L. 95-602, Nov. 6, 1978, 92 Stat. 2955; Pub. L. 98-221, Feb. 22, 1984, 98 Stat. 17; Pub. L. 99-506, Oct. 21, 1986, 100 Stat. 1807; Pub. L. 100-630, Nov. 7, 1988, 102 Stat. 3289; Pub. L. 102-52, June 6, 1991, 105 Stat. 260; Pub. L. 102-119, Oct. 7, 1991, 105 Stat. 587; Pub. L. 102-569, Oct. 29, 1992, 106 Stat. 4344; Pub. L. 103-73, Aug. 11, 1993, 107 Stat. 718; Pub. L. 103-218, Mar. 9, 1994, 108 Stat. 50; Pub. L. 104-66, Dec. 21, 1995, 109 Stat. 707. Title III is shown herein, however, as having been added by Pub. L. 105-220, title IV, § 406, Aug. 7, 1998, 112 Stat. 1183, without reference to those intervening amendments because of the extensive revision of title III by Pub. L. 105-220.

### § 771. Declaration of purpose and competitive basis of grants and contracts

#### (a) Purpose

It is the purpose of this subchapter to authorize grants and contracts to—

(1)(A) provide academic training to ensure that skilled personnel are available to provide rehabilitation services to individuals with disabilities through vocational, medical, social, and psychological rehabilitation programs (including supported employment programs), through economic and business development programs, through independent living services programs, and through client assistance programs; and

(B) provide training to maintain and upgrade basic skills and knowledge of personnel (including personnel specifically trained to deliver services to individuals with disabilities whose employment outcome is self-employment or telecommuting) employed to provide state-of-the-art service delivery and rehabilitation technology services;

(2) conduct special projects and demonstrations that expand and improve the provision of rehabilitation and other services (including those services provided through community rehabilitation programs) authorized under this chapter, or that otherwise further the purposes of this chapter, including related research and evaluation; and

(3) provide training and information to individuals with disabilities and the individuals' representatives, and other appropriate parties to develop the skills necessary for individuals with disabilities to gain access to the rehabilitation system and statewide workforce development systems and to become active decisionmakers in the rehabilitation process.

#### (b) Competitive basis of grants and contracts

The Secretary shall ensure that all grants and contracts are awarded under this subchapter on a competitive basis.

(Pub. L. 93-112, title III, § 301, as added Pub. L. 105-220, title IV, § 406, Aug. 7, 1998, 112 Stat. 1183; amended Pub. L. 113-128, title IV, § 441(a), July 22, 2014, 128 Stat. 1672.)

#### PRIOR PROVISIONS

A prior section 771, Pub. L. 93-112, title III, § 301, Sept. 26, 1973, 87 Stat. 377; Pub. L. 93-516, title I, § 104, Dec. 7, 1974, 88 Stat. 1618; Pub. L. 93-651, title I, § 104, Nov. 21, 1974, 89 Stat. 2-4; Pub. L. 94-230, §§ 4, 11(b)(7), Mar. 15, 1976, 90 Stat. 211, 213; Pub. L. 94-273, § 3(18), Apr. 21, 1976,

90 Stat. 377; Pub. L. 95-602, title I, §§ 112(a), 122(c)(2), Nov. 6, 1978, 92 Stat. 2967, 2987; Pub. L. 98-221, title I, § 131, Feb. 22, 1984, 98 Stat. 24; Pub. L. 99-506, title IV, § 401, title X, § 1002(d)(1), Oct. 21, 1986, 100 Stat. 1823, 1844; Pub. L. 102-52, § 4(a), June 6, 1991, 105 Stat. 261, related to grants for construction of rehabilitation facilities, staffing, and planning assistance, prior to repeal by Pub. L. 102-569, title III, § 301(b)(2), Oct. 29, 1992, 106 Stat. 4411.

A prior section 301 of Pub. L. 93-112 was classified to section 770 of this title prior to the general amendment of this subchapter by Pub. L. 105-220.

A prior section 771a, Pub. L. 93-112, title III, § 302, formerly title II, § 203, Sept. 26, 1973, 87 Stat. 376; renumbered title III, § 304, and amended Pub. L. 95-602, title I, §§ 109(2), 114, Nov. 6, 1978, 92 Stat. 2963, 2970; Pub. L. 98-221, title I, § 133, Feb. 22, 1984, 98 Stat. 24; Pub. L. 99-506, title I, § 103(d)(2)(C), title IV, § 403, title X, § 1002(d)(2), Oct. 21, 1986, 100 Stat. 1810, 1824, 1844; Pub. L. 100-630, title II, § 204(c), Nov. 7, 1988, 102 Stat. 3308; Pub. L. 102-52, § 4(c), June 6, 1991, 105 Stat. 261; Pub. L. 102-119, § 26(e), Oct. 7, 1991, 105 Stat. 607; renumbered § 302 and amended Pub. L. 102-569, title I, § 102(p)(18), title III, §§ 301(b)(3), (4), 302, Oct. 29, 1992, 106 Stat. 4358, 4411; Pub. L. 103-73, title I, § 110(a), Aug. 11, 1993, 107 Stat. 726; Pub. L. 103-218, title IV, § 402(b), Mar. 9, 1994, 108 Stat. 96; Pub. L. 104-66, title I, § 1042(d), Dec. 21, 1995, 109 Stat. 715, related to assistance for training, prior to the general amendment of this subchapter by Pub. L. 105-220. See section 772 of this title.

#### AMENDMENTS

2014—Subsec. (a)(2). Pub. L. 113-128, § 441(a)(1), inserted “and” at end.

Subsec. (a)(3) to (5). Pub. L. 113-128, § 441(a)(2)-(4), redesignated par. (5) as (3), substituted “workforce development systems” for “workforce investment systems”, and struck out former pars. (3) and (4) which read as follows:

“(3) provide vocational rehabilitation services to individuals with disabilities who are migrant or seasonal farmworkers;

“(4) initiate recreational programs to provide recreational activities and related experiences for individuals with disabilities to aid such individuals in employment, mobility, socialization, independence, and community integration; and”.

### § 772. Training

#### (a) Grants and contracts for personnel training

##### (1) Authority

The Commissioner shall make grants to, and enter into contracts with, States and public or nonprofit agencies and organizations (including institutions of higher education) to pay part of the cost of projects to provide training, traineeships, and related activities, including the provision of technical assistance, that are designed to assist in increasing the numbers of, and upgrading the skills of, qualified personnel (especially rehabilitation counselors) who are trained in providing vocational, medical, social, and psychological rehabilitation services, who are trained to assist individuals with communication and related disorders, who are trained to provide other services provided under this chapter, to individuals with disabilities, and who may include—

(A) personnel specifically trained in providing employment assistance to individuals with disabilities through job development and job placement services;

(B) personnel specifically trained to identify, assess, and meet the individual rehabilitation needs of individuals with disabili-

ities, including needs for rehabilitation technology;

(C) personnel specifically trained to deliver services to individuals who may benefit from receiving independent living services;

(D) personnel specifically trained to deliver services in the client assistance programs;

(E) personnel specifically trained to deliver supported employment services and customized employment services to individuals with the most significant disabilities;

(F) personnel specifically trained to deliver services to individuals with disabilities pursuing self-employment, business ownership, and telecommuting;

(G) personnel trained in performing other functions necessary to the provision of vocational, medical, social, and psychological rehabilitation services, and other services provided under this chapter; and

(H) personnel trained in providing assistive technology services.

**(2) Authority to provide scholarships**

Grants and contracts under paragraph (1) may be expended for scholarships and may include necessary stipends and allowances.

**(3) Related Federal statutes**

In carrying out this subsection, the Commissioner may make grants to and enter into contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to furnish training regarding provisions of Federal statutes, including section 794 of this title, title I of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111 et seq.), and the provisions of titles II and XVI of the Social Security Act (42 U.S.C. 401 et seq. and 1381 et seq.), that are related to work incentives for individuals with disabilities.

**(4) Training for statewide workforce systems personnel**

The Commissioner may make grants to and enter into contracts under this subsection with States and public or nonprofit agencies and organizations, including institutions of higher education, to furnish training to personnel providing services to individuals with disabilities under subtitle B of title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3151 et seq.]. Under this paragraph, personnel may be trained—

(A) in evaluative skills to determine whether an individual with a disability may be served by the State vocational rehabilitation program or another component of a statewide workforce development system; or

(B) to assist individuals with disabilities seeking assistance through one-stop delivery systems described in section 121(e) of the Workforce Innovation and Opportunity Act [28 U.S.C. 3151(e)].

**(5) Joint funding**

Training and other activities provided under paragraph (4) for personnel may be jointly funded with the Department of Labor, using funds made available under subtitle B of title

I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3151 et seq.].

**(b) Grants and contracts for academic degrees and academic certificate granting training projects**

**(1) Authority**

**(A) In general**

The Commissioner may make grants to, and enter into contracts with, States and public or nonprofit agencies and organizations (including institutions of higher education) to pay part of the costs of academic training projects to provide training that leads to an academic degree or academic certificate. In making such grants or entering into such contracts, the Commissioner shall target funds to areas determined under subsection (e) to have shortages of qualified personnel.

**(B) Types of projects**

Academic training projects described in this subsection may include—

(i) projects to train personnel in the areas of assisting and supporting individuals with disabilities pursuing self-employment, business ownership, and telecommuting, and of vocational rehabilitation counseling, rehabilitation technology, rehabilitation medicine, rehabilitation nursing, rehabilitation social work, rehabilitation psychiatry, rehabilitation psychology, rehabilitation dentistry, physical therapy, occupational therapy, speech pathology and audiology, physical education, therapeutic recreation, community rehabilitation programs, prosthetics and orthotics, vision rehabilitation therapy, orientation and mobility instruction, or low vision therapy;

(ii) projects to train personnel to provide—

(I) services to individuals with specific disabilities or individuals with disabilities who have specific impediments to rehabilitation, including individuals who are members of populations that are unserved or underserved by programs under this chapter;

(II) job development and job placement services to individuals with disabilities;

(III) supported employment services, including services of employment specialists for individuals with disabilities;

(IV) specialized services for individuals with significant disabilities; or

(V) recreation for individuals with disabilities;

(iii) projects to train personnel in other fields contributing to the rehabilitation of individuals with disabilities; and

(iv) projects to train personnel in the use, applications, and benefits of rehabilitation technology.

**(2) Application**

No grant shall be awarded or contract entered into under this subsection unless the applicant has submitted to the Commissioner an application at such time, in such form, in ac-

cordance with such procedures, and including such information as the Secretary may require, including—

(A) a description of how the designated State unit or units will participate in the project to be funded under the grant or contract, including, as appropriate, participation on advisory committees, as practicum sites, in curriculum development, and in other ways so as to build closer relationships between the applicant and the designated State unit and to encourage students to pursue careers in public vocational rehabilitation programs;

(B) the identification of potential employers that provide employment that meets the requirements of paragraph (5)(A)(i); and

(C) an assurance that data on the employment of graduates or trainees who participate in the project is accurate.

### **(3) Limitation**

#### **(A) In general**

Except as provided in subparagraph (B), no grant or contract under this subsection may be used to provide any one course of study to an individual for a period of more than 4 years.

#### **(B) Exception**

If a grant or contract recipient under this subsection determines that an individual has a disability which seriously affects the completion of training under this subsection, the grant or contract recipient may extend the period referred to in subparagraph (A).

### **(4) Authority to provide scholarships**

Grants and contracts under paragraph (1) may be expanded to provide services that include the provision of scholarships and necessary stipends and allowances.

### **(5) Agreements**

#### **(A) Contents**

A recipient of a grant or contract under this subsection shall provide assurances to the Commissioner that each individual who receives a scholarship, for any academic year beginning after June 1, 1992, utilizing funds provided under such grant or contract shall enter into an agreement with the recipient under which the individual shall—

(i) maintain employment—

(I) in a nonprofit rehabilitation agency or related agency or in a State rehabilitation agency or related agency, including a professional corporation or professional practice group through which the individual has a service arrangement with the designated State agency;

(II) on a full- or part-time basis; and

(III) for a period of not less than the full-time equivalent of 2 years for each year for which assistance under this section was received by the individual,

within a period, beginning after the recipient completes the training for which the scholarship was awarded, of not more than the sum of the number of years in the period described in subclause (III) and 2 additional years; and

(ii) repay all or part of any scholarship received, plus interest, if the individual does not fulfill the requirements of clause (i),

except as the Commissioner by regulation may provide for repayment exceptions and deferrals.

#### **(B) Enforcement**

The Commissioner shall be responsible for the enforcement of each agreement entered into under subparagraph (A) upon completion of the training involved under such subparagraph.

### **(c) Grants to historically Black colleges and universities**

The Commissioner, in carrying out this section, shall make grants to historically Black colleges and universities and other institutions of higher education whose minority student enrollment is at least 50 percent of the total enrollment of the institution.

#### **(d) Application**

A grant may not be awarded to a State or other organization under this section unless the State or organization has submitted an application to the Commissioner at such time, in such form, in accordance with such procedures, and containing such information as the Commissioner may require. Any such application shall include a detailed description of strategies that will be utilized to recruit and train individuals so as to reflect the diverse populations of the United States as part of the effort to increase the number of individuals with disabilities, and individuals who are from linguistically and culturally diverse backgrounds, who are available to provide rehabilitation services.

#### **(e) Evaluation and collection of data**

The Commissioner shall evaluate the impact of the training programs conducted under this section, and collect information on the training needs of, and data on shortages of qualified personnel necessary to provide services to individuals with disabilities. The Commissioner shall prepare and submit to Congress, by September 30 of each fiscal year, a report setting forth and justifying in detail how the funds made available for training under this section for the fiscal year prior to such submission are allocated by professional discipline and other program areas. The report shall also contain findings on such personnel shortages, how funds proposed for the succeeding fiscal year will be allocated under the President's budget proposal, and how the findings on personnel shortages justify the allocations.

### **(f) Grants for the training of interpreters**

#### **(1) Authority**

##### **(A) In general**

For the purpose of training a sufficient number of qualified interpreters to meet the communications needs of individuals who are deaf or hard of hearing, and individuals who are deaf-blind, the Commissioner, acting through a Federal office responsible for deafness and communicative disorders, may award grants to public or private nonprofit

agencies or organizations to pay part of the costs—

- (i) for the establishment of interpreter training programs; or
- (ii) to enable such agencies or organizations to provide financial assistance for ongoing interpreter training programs.

**(B) Geographic areas**

The Commissioner shall award grants under this subsection for programs in geographic areas throughout the United States that the Commissioner considers appropriate to best carry out the objectives of this section.

**(C) Priority**

In awarding grants under this subsection, the Commissioner shall give priority to public or private nonprofit agencies or organizations with existing programs that have a demonstrated capacity for providing interpreter training services.

**(D) Funding**

The Commissioner may award grants under this subsection through the use of—

- (i) amounts appropriated to carry out this section; or
- (ii) pursuant to an agreement with the Director of the Office of the Special Education Program (established under section 1402 of title 20), amounts appropriated under section 1486 of title 20.

**(2) Application**

A grant may not be awarded to an agency or organization under paragraph (1) unless the agency or organization has submitted an application to the Commissioner at such time, in such form, in accordance with such procedures, and containing such information as the Commissioner may require, including—

- (A) a description of the manner in which an interpreter training program will be developed and operated during the 5-year period following the date on which a grant is received by the applicant under this subsection;
- (B) a demonstration of the applicant's capacity or potential for providing training for interpreters for individuals who are deaf or hard of hearing, and individuals who are deaf-blind;
- (C) assurances that any interpreter trained or retrained under a program funded under the grant will meet such minimum standards of competency as the Commissioner may establish for purposes of this subsection; and
- (D) such other information as the Commissioner may require.

**(g) Technical assistance**

**(1) Technical assistance**

The Commissioner is authorized to provide technical assistance to State designated agencies and community rehabilitation programs, directly or through contracts with State designated agencies or nonprofit organizations. Any technical assistance provided to community rehabilitation programs shall be focused

on the employment outcome of competitive integrated employment for individuals with disabilities.

**(2) Compensation**

An expert or consultant appointed or serving under contract pursuant to this section shall be compensated at a rate, subject to approval of the Commissioner, that shall not exceed the daily equivalent of the rate of pay for level 4 of the Senior Executive Service Schedule under section 5382 of title 5. Such an expert or consultant may be allowed travel and transportation expenses in accordance with section 5703 of title 5.

**(h) Provision of information**

The Commissioner, subject to the provisions of section 776 of this title, may require that recipients of grants or contracts under this section provide information, including data, with regard to the impact of activities funded under this section.

**(i) Authorization of appropriations**

There are authorized to be appropriated to carry out this section \$33,657,000 for fiscal year 2015, \$36,257,000 for fiscal year 2016, \$37,009,000 for fiscal year 2017, \$37,830,000 for fiscal year 2018, \$38,719,000 for fiscal year 2019, and \$39,540,000 for fiscal year 2020.

(Pub. L. 93-112, title III, §302, as added Pub. L. 105-220, title IV, §406, Aug. 7, 1998, 112 Stat. 1184; amended Pub. L. 108-446, title III, §305(h)(4), Dec. 3, 2004, 118 Stat. 2805; Pub. L. 113-128, title IV, §441(b), July 22, 2014, 128 Stat. 1672.)

REFERENCES IN TEXT

The Americans with Disabilities Act of 1990, referred to in subsec. (a)(3), is Pub. L. 101-336, July 26, 1990, 104 Stat. 327, as amended. Title I of the Act is classified generally to subchapter I (§1211 et seq.) of chapter 126 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of Title 42 and Tables.

The Social Security Act, referred to in subsec. (a)(3), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles II and XVI of the Act are classified generally to subchapters II (§401 et seq.) and XVI (§1381 et seq.), respectively, of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Workforce Innovation and Opportunity Act, referred to in subsec. (a)(4) and (5), is Pub. L. 113-128, July 22, 2014, 128 Stat. 1425. Subtitle B of title I of the Act is classified generally to part B (§3151 et seq.) of subchapter I of chapter 32 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of this title and Tables.

PRIOR PROVISIONS

Provisions similar to this section were contained in section 771a of this title prior to the general amendment of this subchapter by Pub. L. 105-220.

A prior section 772, Pub. L. 93-112, title III, §303, formerly §302, Sept. 26, 1973, 87 Stat. 378; Pub. L. 93-516, title I, §105, Dec. 7, 1974, 88 Stat. 1619; Pub. L. 93-651, title I, §105, Nov. 21, 1974, 89 Stat. 2-4; Pub. L. 94-230, §§5, 11(b)(8), Mar. 15, 1976, 90 Stat. 212, 213; Pub. L. 95-602, title I, §§112(b), 122(c)(3), Nov. 6, 1978, 92 Stat. 2968, 2987; Pub. L. 98-221, title I, §132, Feb. 22, 1984, 98 Stat. 24; Pub. L. 99-506, title I, §103(d)(2)(C), title IV, §402, title X, §1001(d)(1), Oct. 21, 1986, 100 Stat. 1810, 1824, 1842; Pub. L. 100-630, title II, §204(b), Nov. 7, 1988, 102

Stat. 3308; Pub. L. 102-52, §4(b), June 6, 1991, 105 Stat. 261; renumbered §303 and amended Pub. L. 102-569, title I, §102(p)(16), title III, §§301(b)(3), 303, Oct. 29, 1992, 106 Stat. 4358, 4411, 4416, related to vocational rehabilitation services for individuals with disabilities, prior to the general amendment of this subchapter by Pub. L. 105-220.

A prior section 302 of Pub. L. 93-112 was classified to section 771a of this title prior to the general amendment of this subchapter by Pub. L. 105-220.

#### AMENDMENTS

2014—Subsec. (a)(1)(E). Pub. L. 113-128, §441(b)(1)(A)(i), substituted “supported employment services and customized employment services to individuals with the most significant disabilities;” for “services, through supported employment programs, to individuals with a most significant disability; and”.

Subsec. (a)(1)(H). Pub. L. 113-128, §441(b)(1)(A)(ii)-(iv), added subpar. (H).

Subsec. (a)(4). Pub. L. 113-128, §441(b)(1)(B)(i), substituted “subtitle B of title I of the Workforce Innovation and Opportunity Act” for “title I of the Workforce Investment Act of 1998” in introductory provisions.

Subsec. (a)(4)(A). Pub. L. 113-128, §441(b)(1)(B)(ii), substituted “workforce development system” for “workforce investment system”.

Subsec. (a)(4)(B). Pub. L. 113-128, §441(b)(1)(B)(iii), substituted “section 121(e) of the Workforce Innovation and Opportunity Act.” for “section 134(c) of the Workforce Investment Act of 1998.”

Subsec. (a)(5). Pub. L. 113-128, §441(b)(1)(C), substituted “subtitle B of title I of the Workforce Innovation and Opportunity Act” for “title I of the Workforce Investment Act of 1998”.

Subsec. (b)(1)(B)(i). Pub. L. 113-128, §441(b)(2), substituted “prosthetics and orthotics, vision rehabilitation therapy, orientation and mobility instruction, or low vision therapy” for “or prosthetics and orthotics”.

Subsec. (g). Pub. L. 113-128, §441(b)(3)(A), struck out “and in-service training” after “assistance” in heading.

Subsec. (g)(1). Pub. L. 113-128, §441(b)(3)(B), inserted after period at end “Any technical assistance provided to community rehabilitation programs shall be focused on the employment outcome of competitive integrated employment for individuals with disabilities.”

Subsec. (g)(3). Pub. L. 113-128, §441(b)(3)(C), struck out par. (3) which related to use of funding for projects for in-service training for rehabilitation personnel.

Subsec. (h). Pub. L. 113-128, §441(b)(4), made technical amendment to reference in original act which appears in text as reference to section 776 of this title.

Subsec. (i). Pub. L. 113-128, §441(b)(5), substituted “\$33,657,000 for fiscal year 2015, \$36,257,000 for fiscal year 2016, \$37,009,000 for fiscal year 2017, \$37,830,000 for fiscal year 2018, \$38,719,000 for fiscal year 2019, and \$39,540,000 for fiscal year 2020.” for “such sums as may be necessary for each of the fiscal years 1999 through 2003.”

2004—Subsec. (f)(1)(D)(ii). Pub. L. 108-446 made technical amendment to reference in original act which appears in text as reference to section 1402 of title 20.

### § 773. Demonstration and training programs

#### (a) Demonstration projects to increase client choice

##### (1) Grants

The Commissioner may make grants to States and public or nonprofit agencies and organizations to pay all or part of the costs of projects to demonstrate ways to increase client choice in the rehabilitation process, including the selection of providers of vocational rehabilitation services.

##### (2) Use of funds

An entity that receives a grant under this subsection shall use the grant only—

(A) for activities that are directly related to planning, operating, and evaluating the demonstration projects; and

(B) to supplement, and not supplant, funds made available from Federal and non-Federal sources for such projects.

#### (3) Application

Any eligible entity that desires to receive a grant under this subsection shall submit an application at such time, in such manner, and containing such information and assurances as the Commissioner may require, including—

(A) a description of—

(i) how the entity intends to promote increased client choice in the rehabilitation process, including a description, if appropriate, of how an applicant will determine the cost of any service or product offered to an eligible client;

(ii) how the entity intends to ensure that any vocational rehabilitation service or related service is provided by a qualified provider who is accredited or meets such other quality assurance and cost-control criteria as the State may establish; and

(iii) the outreach activities to be conducted by the applicant to obtain eligible clients; and

(B) assurances that a written plan will be established with the full participation of the client, which plan shall, at a minimum, include—

(i) a statement of the vocational rehabilitation goals to be achieved;

(ii) a statement of the specific vocational rehabilitation services to be provided, the projected dates for their initiation, and the anticipated duration of each such service; and

(iii) objective criteria, an evaluation procedure, and a schedule, for determining whether such goals are being achieved.

#### (4) Award of grants

In selecting entities to receive grants under paragraph (1), the Commissioner shall take into consideration—

(A) the diversity of strategies used to increase client choice, including selection among qualified service providers;

(B) the geographic distribution of projects; and

(C) the diversity of clients to be served.

#### (5) Records

Entities that receive grants under paragraph (1) shall maintain such records as the Commissioner may require and comply with any request from the Commissioner for such records.

#### (6) Direct services

At least 80 percent of the funds awarded for any project under this subsection shall be used for direct services, as specifically chosen by eligible clients.

#### (7) Evaluation

The Commissioner may conduct an evaluation of the demonstration projects with respect to the services provided, clients served, client outcomes obtained, implementation is-