Good afternoon, Chairman Mank and members of the Advisory Committee. National Industries for the Blind, or NIB, is pleased to have the opportunity to share with you all the great work being performed by our associated nonprofit agencies to enhance the opportunities for economic and personal independence of people who are blind, primarily through creating, sustaining and improving employment. We also appreciate having the opportunity to provide feedback on Chapter 7 of your Interim Report concerning the AbilityOne® Program.

Since 1938, NIB has strived to create employment opportunities by leveraging the purchasing power of the federal government through what is now known as the AbilityOne® Program. Through this program, tens of thousands of Americans with blindness or the most significant disabilities are able to find work at a time when seventy percent of Americans with disabilities are not engaged in the workforce.

Through NIB’s 95 associated nonprofit agencies, over 5,500 Americans who are blind are gainfully employed, and these same agencies are also able to offer rehabilitation and independent living services to more than 145,000 Americans with significant vision
loss. Our agencies also provide products and services to state and local governments and to private sector customers.

The AbilityOne Program all began with passage of the Wagner-O’Day Act in 1938, which created employment opportunities for people who are blind. In the weeks that followed, nonprofits serving Americans who were blind came together to create NIB, which would serve as the Central Nonprofit Agency managing employment opportunities made possible through the Act. The Wagner-O’Day Act was later amended to become the Javits-Wagner-O’Day Act in 1971 and subsequently included employment opportunities for people who are severely disabled.

While the authorizing statute has not changed greatly during the history of our program, I can assure the Committee that NIB’s associated nonprofit agencies have not stood still during the past 77 years and our programs and processes have changed in ways that have considerably advanced personal and economic independence for people who are blind.

NIB is committed to creating careers with opportunity for upward mobility. Through our award-winning professional development and leadership programs that empower people who are blind; our staff of rehabilitation engineers who travel the country to improve employee productivity; and our support for the “Quality Work Environment” Initiative, or QWE, that enhances daily work experiences and develops future growth opportunities, NIB and its associated nonprofit agencies are serving as innovative leaders in creating increasingly diverse and upwardly mobile careers for people who are blind. We believe we are also in sync with the goals of this committee.

Our Business Leaders Program, launched in 2003, has trained thousands of people who are blind, significantly enhancing the careers of individuals in our program. Many have risen to supervisory and management positions and we are proud to say that
amongst their ranks are three individuals who are blind and now lead three of our agencies as CEO’s. This is what we mean by “improving employment” and providing pathways to upward mobility.

This commitment to employment diversity and professional growth also means every individual working on an AbilityOne project in NIB’s network earns at least the federal minimum wage.

NIB is strongly committed to paying a competitive wage to the employees in its program, and our Board of Directors has adopted progressively stronger policy positions that reinforce this commitment. The current board policy reads as follows:

“As a recognized leader in the disability field, National Industries for the Blind endorses, promotes and encourages the payment of at least the federal minimum wage for all employees who are blind.”

We put this policy into action recently through our support of S. 2001 by Senator Kelly Ayotte of New Hampshire which would phase out the 14(c) program. We sent a letter to Senator Ayotte thanking her for introduction of this legislation, while also expressing the desire of our Board of Directors to identify and support a meaningful transition plan to ensure that no harm comes to those individuals currently being paid on certificate.

On the matter of defining disability within the AbilityOne Program, it is important that we address the definition of blindness that qualifies someone to work at an NIB associated nonprofit agency. There is an objective, medical definition of legal blindness. This is not NIB’s definition; it is the medically accepted definition. NIB also performs a 100% check to ensure each employee counted as legally blind has an eye medical report on file.

Our agencies are required by regulation to consult with direct labor employees annually to determine if they wish to continue their current employment, or pursue
other opportunities. If they wish to seek employment elsewhere, our agencies will then provide the necessary resources either in-house or through a placement agency to assist that individual to find work outside the agency. NIB’s compliance team tells us that on average 95% of employees completing the form annually indicate they wish to continue their current job within the agency. The key here is these employees know they have options and choices.

To demonstrate even further our commitment to providing a range of employment options for people who are blind, the NIB Board has established a program to encourage and reward our agencies for assisting individuals to obtain competitive employment outside of that agency. NIB’s Employment Reward Incentive Program financially rewards our agencies for achieving the following:

1) Growing total blind labor hours; 2) Retaining total blind labor hours; and 3) Providing upward mobility in the form of promotions for blind employees and placements of blind employees into competitive and/or supported employment. So, yes, we do reward our agencies for making placements outside of our network.

NIB has also provided over 110 employment opportunities in Contract Management Support (CMS) through AbilityOne, and has placed 40 individuals outside of our program in the private and government sectors. These are high-skilled, high-wage employment opportunities and serve as yet another avenue for upward mobility for people who are blind.

As mentioned earlier, NIB also makes available to our agencies and its employees an extensive professional development and training program – what we call our Business Leaders Program – which is offered free of charge to all employees in our network. There is also no requirement that after taking a course and receiving this valuable
career development benefit that an employee remain in our network of agencies. The reason for this is simple – our employees work at an NIB agency by choice.

For all these reasons (competitive wages; an objective, medical definition of blindness determined by an outside party; rewards for placements outside of our network; valuable professional development programs; and a workforce that operates by informed choice), we strongly believe NIB’s program is both a desired employment option for people who are blind, and mirrors modern disability policy. These are just a few of the reasons why thousands of Americans who are legally blind have chosen to work at one of NIB’s associated nonprofit agencies.

Two years ago, NIB conducted a national survey of human relations and hiring managers, with the intent to gauge the perceptions for-profit employers have of individuals with vision loss. NIB found that over fifty percent (50%) of hiring managers could not envision an individual who is blind working in their organization. Indeed, our findings reaffirmed the unfortunate perception still lingering in our society that individuals who are blind are incapable of doing the very jobs that all of our employees perform successfully each day.

We have heard far too often from individuals who freely choose to work at one of our agencies the stories of constantly being told “NO” by private sector hiring managers. We’ve heard the stories of poor treatment by employers, lack of necessary assistive technology supports and the perpetuation of stereotypes and misconceptions in the competitive workforce. What these employees discover at a NIB associated nonprofit agency is a work environment and colleagues that understand their challenges, embrace their uniqueness and harnesses their potential to grow and succeed.
NIB believes its agencies provide the types of employment opportunities that advance personal and economic independence for people who are blind in a manner that leads to fuller inclusion within society. Every individual with blindness has his or her unique life experiences and should be provided employment alternatives that lead to greater professional achievement and personal fulfillment. For this reason, NIB respectfully requests that the Advisory Committee support our employment model as a viable and empowering option for people who are blind, and work with us to provide pathways to independence and inclusion that honor informed choice.

To ensure that the Advisory Committee has the most accurate picture of our network’s workforce, it is also important to highlight the fact that our workforce is older in age. In the main, we are not seeing students transition from school to our associated nonprofit agencies. Our employees are primarily middle age, with some of these individuals experiencing blindness later in life and being terminated from competitive integrated jobs in the community. This will continue to be the trend as fewer newborns experience congenital vision disorders and an aging population experiences vision loss later in life as a result of degenerative illness or disease such as Glaucoma, Retinitis Pigmentosa and early stages of Age-Related Macular Degeneration, or AMD.

Turning now to the 75% direct labor ratio requirement, it is important to note that this applies not only to AbilityOne contracts, but to all work done by one of our agencies, including projects for state governments and private sector customers. The 75% direct labor ratio requirement was designed to maximize employment opportunities for people who are blind or severely disabled. It was not intended to in any way isolate these individuals, but to address a major need due to the high rates of unemployment and under-employment within this community.

Some would argue that this direct labor ratio requirement does not fit within today’s modern disability policy framework. NIB is certainly open to discussing this matter and
seeking ways to further enhance integration within our agencies. This issue was ‘on the table’ during JWOD modernization talks with Congress 5-7 years ago and it is worth revisiting.

An interesting aspect of the work done by our associated nonprofit agencies that is little understood and appreciated lies in a statistic cited earlier – that more than 145,000 people who are blind or low vision are provided rehabilitation services on an annual basis.

A good number of these individuals are adults who receive life skills training, computer training, and professional development, facilitating their return to work. In this way, our agencies serve tens of thousands of Americans who experience vision loss, and who wish to continue working in competitive integrated employment in the community.

These rehabilitation services offered by our agencies are financed by a mix of public and private funds, and the nonprofit agencies also reinvest any excess revenue to finance this critical training and development.

Turning now to concerns regarding oversight of the AbilityOne Program, NIB supports the creation of an independent Inspector General. We believe a truly independent IG, as recommended by the GAO in its May 2013 report, will enhance oversight within each element of the program.

We also support the development of a written agreement between the AbilityOne Commission and the two Central Nonprofit Agencies, or CNA’s, of which NIB is one. This is another key recommendation from the 2013 GAO report on the program.

Regarding the recommendation to revisit the 2004 NPRM issued by the AbilityOne Commission, NIB is confident that our governance standards are rigorous and designed to eliminate conflicts of interests and that in all our processes we adhere to the highest standards of ethics and accountability. Having said all that, we are also in
favor of greater accountability and transparency and stand ready to work with Congress on reforms that result in the same for the program.

We are proud of our history and the work our agencies have done for decades to improve the lives of people who are blind. At the same time, we know we do not possess all the answers and we are always willing to discuss reforms and changes that improve the lives of people who are blind.

We sincerely thank you for your interest in the work of our agencies and the AbilityOne Program overall. We hope that we have been able to demonstrate that our mission and goals are aligned with that of this committee. We look forward to working together to ensure that a range of employment options are available for people who are blind that provide meaningful work with competitive wages, and that advances their best interests through the fullest overall integration into society.