



Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities

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Public Comment

Prepared by:

Michael Morris

Executive Director

National Disability Institute

On behalf of National Disability Institute, I offer the following comments and recommendations on the Interim Report prepared by the Advisory Committee and submitted to Secretary Thomas Perez, United States Department of Labor, the Senate Committee on Health, Education, Labor and Pensions and the House Committee on Education and the Workforce on September 15, 2015.

Introduction

National Disability Institute (NDI) was established ten years ago as a nonprofit research and development organization to harness the power of public and private sector collaboration to build a better economic future for people across the spectrum of disabilities and their families. Through public education, pioneering demonstration projects, public policy research and development and customized training and technical assistance activities, NDI continues to change thinking and behavior at an individual and systems level that has resulted in people with disabilities working in competitive, integrated employment settings across market sectors and becoming savers and asset builders by improving their financial capability and economic stability. NDI manages the LEAD Center, funded by ODEP and U.S. Department of Labor, that has improved cross-system collaboration at a state and community level between Centers for Independent Living and American Job Centers (AJCs), the workforce development system, Vocational Rehabilitation, Education, Medicaid, Mental Health and intellectual and developmental disability service delivery systems, and Mayors Offices for Financial Empowerment, financial institutions, disability employment service providers, and Workforce Development Boards. NDI, as the training and technical assistance contractor for the USDOL Disability Employment Initiative, continues to improve access and effective and meaningful participation of job seekers with disabilities in AJC-funded skills training, career and supportive services in over 20 states, and the integration of financial literacy skills development in workforce development services. In partnership with the Social Security Administration, IRS, FDIC, Consumer Financial Protection Bureau, and U.S. Departments of Labor, Education, and Health and Human Services, and funding support from Walmart, Bank of America, and JPMorgan Chase, NDI has provided a spotlight on the challenges of economic instability and life in poverty for millions of Americans with disabilities and their families.

Our comments and recommendations to the Advisory Committee are based on what NDI has learned during the past ten years as researchers, technical assistance providers, creative problem solvers, policy analysts, and facilitators of leadership and capacity development of inclusive workforces and communities nationwide.

Context

First, let me provide you a context for our recommendations. Twenty-five years ago, President George H.W. Bush signed into law the Americans with Disabilities Act (ADA). The findings statement of the ADA articulates our nation's proper goals regarding individuals with disabilities which is to "assure equality of opportunity, full participation, independent living, and *economic self-sufficiency* (emphasis added) for such individuals."

The Advisory Committee Charter (page 104-105 of the Interim Report) reinforces this “proper goal” for our nation regarding individuals with disabilities in the description of duties:

(2) provide recommendations for modernizing the service delivery system [...] that increase competitive employment outcomes of youth and adults with intellectual, developmental, or other significant disabilities *leading to economic self-sufficiency* (emphasis added)

(3) recommend system change strategies [...] this includes aligning policy, practice and funding across federal agencies to support competitive integrated employment *and economic advancement* as the preferred outcomes of job-driven training and related employment services (emphasis added)

In the Introduction: Setting the Context of the Interim Report, the last paragraph on page 8 further reinforces this point “[...] Creating opportunities, removing barriers and expecting a substantial improvement in the participation rate of individuals with significant disabilities are all essential elements to ensure *full economic inclusion and self-sufficiency*.” (emphasis added)

Although the breadth and depth of the work of the four subcommittees detailed in the Interim Report provide important analysis and critical thinking responsive to the WIOA legislative intent for the Committee, there is a disappointing lack of attention to what can be done to focus interagency alignment of policy, and a braiding of public and private resources to *advance economic self-sufficiency* for the target audiences. (emphasis added)

Only one of the current list of preliminary recommendations touches a critical element of possible strategies to advance economic self-sufficiency:

“RSA should issue guidance to states on how to provide work incentives benefits counseling and *financial literacy* that is tailored to individual youth and is considered under pre-employment services.” (emphasis added)

Comments

Policymakers, providers, researchers, and leaders in the disability community often confuse employment as an end goal rather than a means toward achievement of economic self-sufficiency. Economic self-sufficiency is more than employment outcomes. Working part-time or full-time at minimum wage or worse, at subminimum wage, does not produce economic stability or financial independence. Development of financial capability strategies related to personal savings, asset building, effectively managing credit and debt, and individual budgeting are critical for developing and sustaining financial security and advancing economic self-sufficiency.

Twenty-five years after the signing into law of the ADA, people with disabilities of working age are twice as likely to be living at or below poverty levels as their nondisabled peers. NDI research and analysis of critical data sets from the FDIC and FINRA Investment Education Foundation have resulted in the release of two groundbreaking reports in the last 18 months on the banking and economic status and financial behaviors of adults with disabilities

(http://www.realeconomicimpact.org/docslisting.aspx#Ink_Reports%20and%20Publications). What we

learned is that almost one in two adults with disabilities are unbanked or underbanked and more than twice as likely to use methods of nonbank borrowing such as a pawn shop or payday lender paying excessive interest rates and driving them deeper into debt. Individuals with disabilities are twice as likely as their nondisabled peers not to have \$2,000 in an account to be used in case of emergencies. We know that asset limits to retain eligibility for SSI, Medicaid, and other federal public benefits result in a life sentence of poverty and pose powerful disincentives to work, more income production, and saving resources to advance economic self-sufficiency. VR counselors, workforce development professionals Medicaid support coordinators and youth in transition counselors in our public schools are ill prepared and not focused on an assessment of knowledge and skill levels to build financial capability and economic self-sufficiency into individual education, employment, or community participation plans. These individualized plans mandated by multiple federal statutes do not require an assessment of financial health nor set out to define one or more financial goals, promote use of work incentives and favorable tax provisions, manage affordable health coverage, develop a monthly budget, make informed financial decisions, improve understanding of credit and debt, differentiate traditional versus alternative financial services, and recognize the parameters of consumer financial protections.

Opportunities

It is important for the Committee to learn more about three critical relevant policy developments that will focus attention on poverty reduction and building financial capability. For the first time, the new workforce Innovation and Opportunity Act (WIOA) promotes a wide breadth of financial literacy activities for youth and adults with and without disabilities who are job seekers

(<http://www.leadcenter.org/resource-center/report/integrating-financial-capability-and-asset-building-strategies-public-workforce-development-system>).

For the first time, the Achieving a Better Life Experience Act (ABLE) signed into law last December by President Obama gives millions of individual with disabilities and their families a new set of choices to work, produce more income, and save more than \$2,000 without their ABLE accounts being counted against asset limits for continued eligibility for federal benefits. Account beneficiaries are also account owners who will need assistance to build financial capability knowledge and skills.

Building on past guidance, CMS this year has made clear their settings rule not only mandates public resource support for community integrated employment outcomes but also makes clear that person centered plans and individual budgets must respect the preferences and direction of the beneficiary.

Recommendations

In your second year of activities, the Advisory Committee can dedicate time and urgent attention to the findings statement of the ADA, your own charter and statement of duties, and your introductory statement in the Interim Report to examine the essential elements to ensure full economic inclusion and self-sufficiency for the target audience and what policy recommendations can be made to accelerate interagency alignment of goals and performance measures to help achieve this important outcome.

1. Dedicate meeting time, subcommittee activities, and policy analysis to inform future recommendations to advance economic self-sufficiency of the target audience.
2. Invite representatives of the participating federal agencies as well as Treasury, CFPB, and FDIC to present on current efforts to improve financial capability and economic inclusion for youth and adults with disabilities. Ask for their identification of policy or program barriers to advance economic self-sufficiency and financial capability for individuals with disabilities. Ask USDOL, ETA, ODEP, and EBSA to discuss their efforts to meet new WIOA requirements regarding financial literacy.
3. Invite innovators from varied community and state public and private partnerships to discuss their groundbreaking activities and results to advance financial capability and well-being for youth and/or adults with significant disabilities. Projects like Bank On Louisville, ROADS to Financial Independence, DEI Florida, the Pennsylvania Assistive Technology Alternative Financial Program, and multiple state Development Disability Council financial capability capacity building projects (Florida, North Carolina, DC, Missouri) are worth learning more about.
4. Revisit many of the interim recommendations to add or enhance their focus to encourage or mandate financial health assessment and economic empowerment skill building across individual plan development and multiple funding streams.
5. Examine the future impact of ABLE accounts on expectations about work, income production and advancing economic self-sufficiency.
6. Define “advancement of economic self-sufficiency” outcome measures and a system of measurement across federal agencies that becomes a part of reporting requirements across funding streams. What gets measured is what systems will focus on.
7. Consider ten priority recommendations that were identified at the NDI convened first of its kind Economic Advancement and Financial Inclusion Summit held in Washington, D.C. on July 22nd (see attachment). The event was both a celebration of the 25th anniversary of the ADA and a forum to build the next set of recommendations to advance economic self-sufficiency for Americans with disabilities. Participants included leaders in government and in the financial and disability communities. The afternoon was dedicated to roundtable discussions to put forward policy and practice recommendations to be implemented by the public sector, the private sector, and the financial and disability communities working together in collaboration with Congress and the federal government.

Conclusion

There is no issue more pervasive, more debilitating, and more impactful than the struggle of individuals with disabilities with poverty. It robs an individual of self-worth, restricts quality of life and further diminishes physical and mental health. There is no issue more glaring and urgent of the Committee to address within its charge. We welcome the opportunity to help the Committee more fully explore these issues.