



3510 Capital City Blvd. Lansing, Michigan, 48906

April 15, 2016

Testimony for the ACICIEID April 2016 Meeting

Chairman Mank and Members of the ACICIEID:

Thank you for the opportunity to provide testimony today. My name is Ann Gillmore. I am the Director of Business Development for Peckham, Inc, a community rehabilitation organization headquartered in Lansing, Michigan. I received my undergraduate degree from Northwestern University, and received both a Master's in Social Work and a Master's in Public Policy from the University of Michigan. My role at Peckham includes analysis of federal and state policies and their impact on opportunities for independence, self-sufficiency, and informed choice for people with disabilities.

Peckham provides people with physical, cognitive and behavioral challenges a platform to demonstrate their ability, learn new skills and participate in the world of work. We do this through our five affirmative businesses, as well as a wide range of programs and services including supported employment, customized job development and placement, and transition services for youth. We are an AbilityOne provider of both products and services, and we provide the opportunity, training and supports necessary for individuals with disabilities to succeed in both our AbilityOne jobs and jobs with other community employers.

My comments today are in response to two specific chapters in the ACICIEID's interim report – Section 14(c) of the Fair Labor Standards Act, and the AbilityOne program. In both of these chapters, the Committee repeatedly relies on limited, incomplete and/or outdated data. Research presented at the January 2015 meeting shows that over the past decade, while facility-based employment has decreased, community employment has not increased – what has increased is unpaid or volunteer work activities. Comments made during the January 2016 Committee meeting indicate that many Committee members are still not informed on how the AbilityOne programs works, the types of wages that are paid through AbilityOne contracts, and in what types of settings AbilityOne contracts are performed. Most importantly, there is no evidence that members of the Committee attempted to speak to individuals with disabilities who are employed through the AbilityOne program.

While the Committee acknowledges the lack of available data, it still puts forth recommendations for significant changes to Section 14(c) and the AbilityOne program. Good public policy comes from a true understanding of all available data and information, especially the input of the people impacted by said

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policy. The recommendations as described in the interim report are not designed to lead to policy changes that will positively impact the lives of people with significant disabilities. Instead, they are focused on eliminating opportunities, without systems or supports in place to ensure that people with disabilities do not lose access to their choices of employment and services.

Section 14(c)

Peckham supports competitive integrated employment as the first priority for consideration for people with disabilities. However, we believe that this priority should not be to the exclusion of an array of options to best suit the individuals, their goals, and their choices. It is a basic right of all working-age individuals, regardless of disability, to make their own choices about the type of work and the environment in which they work. Taking away choices does not improve opportunities for people with disabilities.

Over the past several years, Peckham has worked tirelessly to find employment opportunities for individuals with the most significant disabilities that do not rely on a special minimum wage. We can, and do, continue to work with each individual to find the best option that maximizes his or her earning potential and employment goals. In October 2015, after years of preparation, Peckham relinquished our special minimum wage, or 14(c), certificate, that covered 75 individuals. Instead, Peckham is using funding from our private foundation to subsidize the wages and work options for individuals with the most significant disabilities who are not currently able to meet productivity standards. These individuals have an average productivity level of 26%. The total cost to Peckham to provide these subsidized jobs is close to \$2 million each year. It should be noted that most community rehabilitation organizations, and most mainstream businesses, do not have the resources to subsidize wages in this manner.

Peckham has engaged the Michigan State University's Rehabilitation Counseling program to conduct research on the effects of this decision on our employees, their families and their community support systems. It is our hope that this research will add to the national discussion and provide additional information on the impact of eliminating 14(c) and long-term employment options for individuals with the most significant disabilities. I urge the Committee to amend final recommendations regarding 14(c) to allow for the collection and evaluation of good data and proven evidence-based alternatives, otherwise people with significant disabilities across the country will be left without meaningful work.

AbilityOne Program

Between August 2015 and January 2016, 45 Peckham employees submitted video testimony sharing their own personal stories, the barriers they have faced as a result of their disability, and the impact that employment through the AbilityOne program has had on their lives and the lives of their families. I highly encourage the members of the Committee to go back and watch these videos again, and to reach out to AbilityOne employees across the country to better understand the impact and value of this program. Final recommendations that will change the lives of those impacted without their inclusion in the discussion is contrary to the Subcommittees' premise of exercising self-determination. I invite any and all interested Committee members to visit Peckham to learn more about our organization and the

AbilityOne program. I would anticipate that most other AbilityOne providers would be willing to do the same.

Both the interim report and discussion during the January 2016 Committee meeting indicate that the Committee members do not have a clear understanding of the definition of “normal” competitive employment used in the AbilityOne program, and its relationship to the statutory definition of “competitive integrated employment” as defined in the Workforce Innovation and Opportunity Act. Most community rehabilitation programs that have AbilityOne contracts meet all of the criteria of competitive integrated employment as established by WIOA and reinforced by the Secretary of Labor – competitive income (including both earnings and benefits), integrated work settings, and opportunities for advancement. An individual with a disability can achieve “competitive integrated employment” as defined in WIOA, based on the income, integration and advancement criteria, but still not be able to work a full 40 work week or maintain a job without intervention or supports from outside sources.

These two definitions are not mutually exclusive, and the similarity in the terminology should not be used to impose restrictions on the types of employment opportunities available to people with disabilities. I do not believe that it was Congress’s intent with WIOA to eliminate interaction between State VR programs and the AbilityOne program or other state set-aside programs. Restricting state VR’s ability to provide supports to individuals with disabilities on AbilityOne contracts will in fact make it more difficult for individuals to find employment in mainstream businesses or other non-CRP based employment. I urge the Committee to recognize in its final report that community rehabilitation programs can provide competitive integrated employment options as long as they meet the same criteria as other employment sites.

The Committee’s recommendation to establish a third-party definition of what constitutes eligibility for work on AbilityOne contracts is not reasonable in its current form and will lead to significantly reduced opportunities for people with disabilities. While Peckham is not opposed in principle to a third-party determining eligibility, it should not be structured in such a way as to increase barriers to employment for people with significant disabilities. There is currently no other disability definition or criteria that matches with the AbilityOne eligibility criteria as defined by law. Individuals who qualify for VR or VA services do not always meet the AbilityOne criteria, and in most states there are long wait times, from several months to years, for individuals to be able to receive VR services. Limiting participants to SSI/SSDI recipients would eliminate the large number of individuals who have significant disabilities but choose to work instead of receiving public benefits. Many of the video testimonies provided by Peckham employees share stories about long wait times for VR services, or being denied SSI or SSDI and not having the time or resources to appeal those decisions, even though they likely qualified for benefits. A possible solution would be an independent third-party similar to Maximus which is used by the Ticket to Work program, that does not impose additional barriers on people with disabilities who want to work. I urge the Committee to amend its final recommendations to take out reliance on already overburdened systems so that access to the AbilityOne program remains for those individuals who truly need it.

As a policy analyst, it is disappointing to see that this Committee has focused more on eliminating options rather than finding solutions to increase employment opportunities. The recommendations listed in the interim report and discussed further at the January 2016 Committee meeting focus on marketing and awareness campaigns and specific business industries to target, which are strategies that have been used by disability service providers and one-stop agencies for years but have not been successful in significantly increasing the employment rate of people with disabilities. WIOA created an opportunity for thought leaders to come together to work on solutions to create more opportunities – instead, the vast majority of recommendations focus on the elimination of opportunities. I urge the Committee to include in its final report a recommendation to establish an ongoing workgroup, representative of a diverse range of viewpoints, involving individuals with a diverse range of disabilities, including those with emotional, mental and cognitive disabilities, working across the spectrum of available employment options, to continue to work towards positive changes that will truly increase competitive integrated employment opportunities for all people with disabilities.

Thank you again for the opportunity to provide comments today.

Sincerely,

A handwritten signature in black ink that reads "Ann Gillmore". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

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