



Interested Party Testimony on House Bill 33
Senate Finance Committee
Amy Wachob, President and CEO of Goodwill Industries of Northwest Ohio
Anne Richards, President & CEO of Goodwill of Greater Cleveland
Lance Deitrick, President & CEO of Goodwill Easter Seals Miami Valley
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Chairman Dolan, Vice Chairman Cirino, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for allowing us to testify today. My name is Amy Wachob, and I am President and CEO of Goodwill of Northwest Ohio, which serves 13 counties including Lucas, Wood, Hancock, Seneca and parts of Ottawa and Sandusky counties. I am also the current Board Chair for the Ohio Association of Goodwill Industries (OAGI). OAGI is comprised of 16 autonomous Goodwill organizations that cover all 88 counties in our State. Collectively, we employ approximately 7,600 Ohioans with an estimated payroll of \$130 million.

Goodwill Industries was born in Boston in 1902 when Reverend Edgar J. Helms went door to door with a burlap sack, and asked not for money, but for clothes in need of repair. Helms employed people facing challenges to mend the clothes for a daily wage. He then sold the clothes back to the community and the mission of Goodwill was established. Through his efforts, Helms learned there was more dignity in receiving a hand up, not a handout.

Today, this cycle of donations, processing, resale, and employment continues. Ohio's Goodwill's empower people with disabilities and other disadvantages, such as mental illness, criminal history, homelessness, and veterans to achieve financial independence and a better quality of life that a job can provide. In 2022, Goodwill placed 5,000 people in jobs throughout our State and assisted another 78,000 Ohioans with workforce development services.

We do this through a comprehensive array of employment programs which includes assistance writing a resume, training in digital literacy and certifications for in-demand jobs, services for returning citizens and veterans, assessing job skills, and job placements.

Goodwill is a valued partner in strengthening our State's existing economy as well as preparing for future economic development. Each organization tailors workforce programming to meet the needs of the communities we serve and the needs of local and future employers. We focus on the number one resource in business, the human resource.

In 2022, in Northwest Ohio we served 1,413 returning citizens with direct assistance removing barriers to employment. We are directly involved in connecting individuals with getting their driver's license, obtaining a birth certificate, purchasing clothing, and assisting with reinstatement fees all to clear the runway for employment. Last year we placed 144 returning citizens into jobs and continued working with these individuals after they found employment.



I'd like to introduce my colleague, Anne Richards, to provide additional insight on the work of her organization.

Chairman Dolan, and members of the Committee, my name is Anne Richards, and I am the President and CEO of Goodwill of Greater Cleveland. I am also the past Chairperson of OAGI and incoming chair of Goodwill Industries International. My organization is headquartered in Canton and serves eight counties in Northeast Ohio including Stark, Cuyahoga, Lake, Geauga, Carroll, Tuscarawas, Harrison and Jefferson counties.

We are here today to ask for your support of a budget amendment to allow nonprofit organizations that sell donated goods to retain 25% of the state sales tax to be reinvested into job training and job placement programs for individuals with barriers to employment. Based on legislation that has passed in Kentucky and Louisiana, this proposal is also being considered as Senate Bill 82, sponsored by Senators Michelle Reynolds and Catherine Ingram.

One question that may come to mind after hearing Amy's summary of the employment services offered by Ohio Goodwill organizations is "isn't this what Goodwill organizations already do?" While we support the needs of thousands of individuals in our communities, there is much more we can do to provide employment opportunities for Ohioans with disabilities and other barriers to employment.

At Greater Cleveland Goodwill, we have 28 programs that served 18,628 individuals last year, and none of the programs were fully funded by public sources or third-party partners. Additional funds are needed to expand our programs to serve a greater number of targeted, underserved populations.

At our Goodwill we were recently asked to create a new program by the Euclid Hospital CEO. Many residents in this community don't have a primary care physician and lack access to quality healthcare. When they have nowhere else to go, they end up at the Euclid ER. With this new program, a case manager would be assigned to anyone who comes to the ER without a primary care physician. The goal is to not only get the person a primary care provider, but to eliminate other barriers to employment the person may have. Goodwill will have a space on site and would be assigned to these individuals for additional follow-up. Not one dime of this program is funded by anyone.

I'd like to introduce my colleague Lance Detrick from Goodwill Easter Seals Miami Valley to provide additional background on his organization.

Chairman Dolan, and members of the committee, thank you for the opportunity to speak with you today about this important proposal. My name is Lance Detrick, and I am the President & CEO of Goodwill Easter Seals Miami Valley (GESMV).

GESMV is headquartered in Dayton Ohio and has a regional headquarters facility in Lima Ohio. We serve all or parts of 23 counties including Defiance, Paulding, Putnam, Hancock, Van Wert,



Allen, Hardin, Mercer, Auglaize, Darke, Shelby, Logan, Miami, Champaign, Clark, Preble, Montgomery, Greene, Butler, Warren, Clinton, Highland, and Adams Counties, which cover the Greater Dayton/Miami Valley area and the Greater Lima/West Central Ohio area. We empower people with disabilities and other disadvantages, such as mental illness, criminal history, homelessness, and veterans to achieve independence and a better quality of life.

In 2022, GESMV served 19,112 people and we placed 883 individuals into employment. Of those placed, over 50% had experience with either the criminal justice system or were actively in recovery from substance use.

If passed, my organization would use funds from the Nonprofit Workforce Reinvestment Act to expand two successful programs. First, through our Recovery and Employment Program, we partner with the Montgomery County ADAMHS Board to provide job readiness training, education, industry-recognized credentials, and certified peer recovery support to individuals in various stages of recovery. Last year we served over 500 people in this program and placed over 200 into employment. The retention rate of employment for those served through this program showed consistency and many individuals are reaching 1 year+ in their current jobs.

GESMV also placed 189 individuals with criminal backgrounds into employment in Allen County last year. Of those individuals, at least 30 were placed into positions paying \$18.50 per hour, with signing bonus and benefits attached. Each of these individuals is now earning enough money to qualify for a tax bracket in the State of Ohio, effectively meaning each of those individuals is no longer costing the State of Ohio money, but rather directly contributing to the State's revenue. These individuals filled valuable manufacturing positions, boosting the local economy, and contributing to the profitability of local businesses.

Based on statistics from the Ohio Department of Rehabilitation and Corrections, it costs roughly \$100 per day to incarcerate someone. The average stay in prison is 2.73 years. Based on these numbers, it costs the State nearly \$36,500 to incarcerate someone for one year and \$100,000 for 2.73 years. If you keep 40 people with prior legal histories from going back to prison, it is a cost savings of about 4 million dollars, which would pay for the program annually.

Unlike grants, this proposal will provide a reliable funding source for our organizations. And not just us, it would benefit any nonprofit that sells donated items and offers workforce programs.

At Goodwill, we know that when people learn skills to earn their own paychecks, they have the power to transform lives and communities. Please support this proposal, which will allow us to connect more individuals with the power of work. Thank you for the opportunity to testify today. We are happy to answer any questions you may have.