



Testimony on HB 225 - House Commerce and Labor Committee

Chairman Johnson, Vice-Chair Lear, Ranking Member McNally, and esteemed committee members,

Thank you for the opportunity to testify before you today.

My name is Justin Blumhorst, and I am the Chief Innovation Officer of Capabilities. Headquartered in St. Marys, we serve 66 Ohio counties. We provide day and employment services administered by the Department of Developmental Disabilities (DODD) and Vocational Rehabilitation under Opportunities for Ohioans with Disabilities (OOD). We are the largest vendor in Ohio for OOD. Our 200 employees are proud to provide essential services to 5,000 Ohioans with disabilities annually.

Many Ohio providers are ready to provide essential services to help people find jobs to assist in their transition from earning subminimum wage to community employment, earning at or above minimum wage. Our 200 staff members are prepared to help people find, learn, and keep jobs through services with OOD and DODD. We have been doing this work for 28 years and are skilled in assisting people to find employment that suits their preferences, needs, and wants. We have Certified Employment Support Professionals (CESP) who are ready to work with more people to fulfill the needs of the additional influx. Employers depend on us to provide reliable employees to their workforce. Many of the people in these programs will be dependable employees for these employers. We prescreen potential employees at no charge to the employers. We aim to have both the employer and the employee succeed at their community job.

We also provide consulting services to agencies looking to change their business models in Ohio and nationwide. We have helped agencies successfully change their business to avoid using subminimum wages. We look forward to the opportunity to work with additional programs.

Regarding the benefits people earn, we have Certified Work Incentive Practitioners (WIP) who work for us. With the services provided through OOD or DODD, we are prepared to work with more people to explain how working affects benefits like Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI). In many cases, people can remain on their benefits and work. A skilled WIP must work through every case to address their specific scenario.

Paying people with disabilities less than minimum wage devalues their labor and reinforces harmful stereotypes that their work is worth less. This undermines the principle that all workers deserve fair compensation, regardless of ability.

Many people with disabilities perform as well as or better than their non-disabled peers when given the proper support and accommodations. The assumption that they cannot be productive enough to earn minimum wage is outdated and unfounded.

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Earning less than minimum wage traps people in poverty, making it harder to afford basic needs, achieve independence, and participate fully in society. Approximately 21.7% of disabled hourly workers earning subminimum wages live below the poverty line, compared to 16.3% of disabled workers earning at least the minimum wage.¹ Earning subminimum wage also increases reliance on public benefits.

In Vermont, after ending its 14(c) program in 2016, employment rates for adults with cognitive disabilities increased by **38%**, adjusted for overall employment gains.² States like Alaska, Maryland, and Vermont have successfully eliminated subminimum wage practices, demonstrating the feasibility and benefits of such reforms.

With the availability of job development and coaching, assistive technology, and supported employment models, people with disabilities can work in competitive, integrated jobs and earn fair wages.

A poll by Data for Progress found that **79%** of voters with disabilities support ending subminimum wages to ensure disabled workers are paid at least the federal minimum wage.

This bill is not about shutting down providers or where they serve people. Some providers will need to shift their service models, and the timelines in this bill allow them time to renegotiate contracts and adjust to paying people at least minimum wage. Given the time and support, providers can be successful.

Thank you again for the opportunity and privilege of bringing my concerns to your attention. If I can ever be of any help in this process, please let me know.



Justin Blumhorst, CESP
Chief Innovation Officer
Capabilities, LLC
justin.blumhorst@capabilitiesinc.biz
809 McKinley Road
St. Marys, OH 45885
419-305-2883

¹ Michelle Maroto, Worth Less? Exploring the Effects of Subminimum Wages on Poverty among U.S. Hourly Workers, <https://journals.sagepub.com/doi/10.1177/07311214221124630>

² Amanda Morris, Some disabled workers in the U.S. make pennies per hour. It's legal., <https://www.washingtonpost.com/wellness/2024/08/30/subminimum-wage-disabled-workers>