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Chairman Johnson, Vice Chair Lear, Ranking Member McNally and members of the Commerce and Labor Committee

Good afternoon, my name is Joe Pecchia and I've been a life-long resident in Mahoning County. My interest here today is as an opponent of HB225. First, it is important for the committee members to understand why I am here today.

I am a current non-profit board member of MASCO Inc., an adult services company located in Mahoning County. However, my experience engaging with clients with developmental disabilities goes back to 1983. I worked with Crossroads Rehabilitation Center, an Easter Seal affiliate in Indianapolis, IN. The company I worked for hired Crossroads to assemble a product, store the assembled parts and deliver them as needed to our customer's building. It was a unique product that required hot-melt glue, and assembly of corrugate sheets with foam runners. Our company supplied the hot melt glue system, the glue, assembly jigs, and all of the materials required for the final product. Crossroads supplied labor, storage, and delivery. It was an extraordinarily successful program for Crossroads, our customer BDP Corp., and our company. This was a true partnership that promoted the socio-economic benefit for everyone.

Here is what I learned from this experience. Could I have opened a plant in Indianapolis and set up an assembly plant for this application and customer? Absolutely! Could we have outperformed the assembly rate of Crossroads? Absolutely! Did I help the clients of Crossroads feel good about their worth and purpose? Absolutely! Did the clients of Crossroads feel good about making a paycheck? No doubt about it. I passionately believe it was my purpose to help Crossroads succeed.

The program was so successful that I tried to replicate it in Youngstown with MASCO, Inc. Because of my sales efforts, MASCO asked me if I would be interested in becoming a member of their non-profit Board of Directors, which I did in 1988. I served on that board until January of 2011 when the Mahoning County Probate Judge appointed me to the MCBDD Board. I served on MCBDD board until December of 2023 when I was term limited. I was then asked to rejoin the MASCO board in March of 2024 of which I am still a member. Therefore, I have valuable experience with this issue.

The elimination of the sub-minimum wage in Ohio will ultimately have a negative impact on most of the clients we serve. MCBDD has been working towards placing the clients with private companies for many years. The reality is that not all the clients are able to perform the skills required for most private companies.

MASCO has secured work for a handful of loyal customers that chose to work with us on projects that do not require a special skill set. If MASCO is forced by this bill to start charging our customers



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based on minimum wage, they will have no incentive to utilize us. The main question is: why wouldn't the customer hire workers without disabilities, pay them minimum wage, and achieve greater productivity? Do you think all customers will believe with idealism like I did back in 1983 and get buy-in from a BDP type Corp.? I highly doubt it.

The most medically fragile clients would not be able to work in private industry. They may require help with the administration of medicine, hygiene, and bodily functions. What ends up happening to these folks?

There have been 16 states that have already eliminated sub-minimum wage jobs. Has there been a study to determine the success rates of these states? What has happened to clients that could not be placed in the workforce? Are private companies equipped to manage workman's compensation claims for individuals with disabilities? Managing clients with developmental disabilities requires the expertise of highly trained, dedicated individuals. Does the private sector have managers with that skill set and time to manage a person that requires above average time.

These are questions that I hope this committee is asking. I would encourage that a survey be completed by the existing customer base to determine their level of acceptance of this initiative. I applaud your efforts to improve the lives of people with developmental disabilities. But I strongly encourage you to completely think this through and gather as much information from the 16 states you are trying to emulate. You may be helping a few at the expense of the many. Make sure that you take into consideration all the clients we serve.

I sincerely thank you for your time.

Joseph J Pecchia

Retired Director: New Product Development

Millwood, Inc.