



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.

Under Section 14(c) of the Fair Labor Standards Act, employers can legally pay people with disabilities less than minimum wage, sometimes just pennies per hour, based on perceived productivity. HB 225 aims to eliminate this possibility in Ohio.

People with disabilities thrive in community employment, which this bill will help people move towards, because it offers opportunities that align with their strengths, needs, and values. Community employment allows one to participate in everyday life alongside peers without disabilities. This fosters a sense of social inclusion, which is vital for psychological well-being.

Having a job and earning a paycheck at or above minimum wage boosts self-confidence and helps people with disabilities feel more independent and capable.

Work offers structure and purpose. Many people with disabilities thrive on predictable routines and find great satisfaction in having meaningful societal roles. This bill will not eliminate options for people; it will create more.

Community employment often involves ongoing learning and development of job-specific and social skills, which can be personally and professionally empowering.

Being in a community setting allows for the development of natural supports—coworkers, mentors, and friends—who can help with job tasks and social integration without formal support systems. This bill will not eliminate support for people with disabilities; it will encourage people to move towards models where they have natural support, which is more typical and less costly for the system. Something you may hear from opponents of this bill is that employers may feel unprepared to support someone with complex needs or worry about a lack of training. The reality is that job coaches, vocational rehabilitation, and supported employment programs can help bridge this gap.

When people with disabilities are given the opportunity to work in integrated settings, it often challenges limiting beliefs, both by the individual and others, leading to higher expectations and better

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long-term outcomes. Something you may hear from opponents of this bill is a belief that people with disabilities are "better off" in day programs, sheltered workshops, or at home rather than in competitive employment. The reality is that many people with disabilities report higher self-esteem, independence, and life satisfaction through employment.

Earning wages contributes to financial stability and reduces dependence on public benefits, giving individuals more choice and control over their lives. Individuals with disabilities enrolled in supported employment often secure better-paying jobs, leading to reduced dependency on social services and increased financial security. In 2021, around **19.7%** of persons with a disability in the United States were living below the national poverty line.¹ Employment opportunities can help reduce poverty rates among individuals with disabilities by providing a stable income and reducing reliance on public benefits.

As far as the businesses currently utilizing 14(c) certificates, there is a path forward for their businesses. Capabilities is an example of how businesses can thrive when they modernize their business practices and support people in different ways from how they have historically done it. It will take work, but they will be able to make this transition over the five-year phase-out plan in this bill. They will need to do the following to be successful:

- Conduct individualized employment assessments on individuals, which they can do through the Discovery Service through the Department of Developmental Disabilities or the Vocational Assessment service through Opportunities for Ohioans with Disabilities. They must understand each person's skills and interests, support needs, and desired employment outcomes.
- Invest in staff training and role redesign by providing training in customized and supported employment, trauma-informed supervision, and benefits planning.
- Build community employment partnerships
- Restructure the business model through replacing subminimum wage production with social enterprises, fee-for-service employment supports, and service contracts (eg, custodial, landscaping, food service)
- Educate Families and Guardians on what competitive integrated employment looks like, how individuals will be supported, and SSI/SSDI work incentive protections

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

¹ Statista, <https://www.statista.com/topics/8397/disability-employment-in-the-us/>

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