Testimony in Support of House Bill 225

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Good morning, Chairman Johnson, Vice Chair Lear, Ranking Member McNally, and members of the House Commerce and Labor Committee. My name is Adam Herman, and on behalf of the Ohio Association of County Boards of Developmental Disabilities (OACB), thank you for the opportunity to offer testimony in support of House Bill 225.

Ohio's 88 county boards of developmental disabilities are proud to serve more than 107,000 Ohioans with developmental disabilities and their families. We do this by coordinating, funding, and delivering a wide array of supports—each designed to promote a life of inclusion, dignity, and purpose.

County boards were founded by families in 1967 as locally-governed public entities responsive to local needs. At that time—and for decades that followed—one of the primary ways county boards helped people with developmental disabilities find purpose and community was through the creation of sheltered workshops. These were spaces where people could build skills, connect with peers, and experience the structure and satisfaction of employment. In fact, even until today, many of these programs still in existence bear the names of the county boards that established them so many years ago—a testament to the deep roots they hold in our communities.

To ensure people could be paid for their work, many county boards obtained federal 14(c) certificates—tools that, at the time, represented real progress in offering employment opportunities where few others existed. But just as society has grown in its understanding of disability, so too have the systems designed to support people with disabilities. As we have learned more, we have evolved—seeking not just inclusion, but full participation; not just employment, but fair and competitive wages.

This evolution has been a long time coming—and not without reflection, discussion, and sometimes disagreement. If county boards had been asked just five years ago whether our statewide association should take a formal position on subminimum wage, the result would have been far more divided. But the broader developmental disabilities community has been steadily moving toward consensus. With each passing year, it has become clearer that subminimum wage is no longer consistent with our community's shared vision of dignity, autonomy, and equality for people with developmental disabilities.

Thanks to years of innovation, investment, and collaboration—particularly with our state partners at DODD and OOD—community-based, inclusive employment opportunities have expanded significantly. At the local level, county boards have forged strong partnerships with provider agencies, working side by side to create individualized employment pathways for people with disabilities. These relationships are not theoretical—they are real, functional, and yielding results.

Every day, across Ohio, providers and county boards are proving that when we work together, we can support people with developmental disabilities in finding meaningful, competitive employment that respects their contributions and aligns with their goals. For those who do not believe employment is in their best interest, county boards work with providers to provide meaningful alternatives to workbased activities, including volunteer service, social programs, recreational opportunities, and other similar pursuits.

As these partnerships have grown, the number of people working in traditional workshops and in subminimum wage employment has steadily declined. In 2011, approximately 15,000 individuals in Ohio were employed under 14(c) certificates. Today, that number is fewer than 3,000—an 80% reduction in just over a decade.

Crucially, this change is not only possible—it is already happening. Many providers have voluntarily relinquished their 14(c) certificates, not because they were required to, but because they no longer view subminimum wage employment as a viable or appropriate model for supporting people. These are professionals who care deeply about the individuals they serve and have chosen to move forward with a different model of support. Their actions underscore a powerful truth: this transition is not a distant goal—it is the current reality in much of our state.

County boards, too, have been at the center of this transformation. From 2015 until just last year, and as a result of a federal policy change that prohibited funders and overseers of Medicaid services to also provide them, those county boards that were still fulfilling the role of direct service provider for adult day and employment services transitioned their programs into separate, nonprofit status. During and after this transition, county boards partnered with provider agencies, community-based organizations, and families to invest in supports that better reflect the values of self-determination, inclusion, and equity.

As a result, county boards feel a deep, enduring obligation to ensure that the systems they helped build evolve with care, thoughtfulness, and the person—not the system—at the center.

This is why, over the past year, county boards came together to outline the key principles for a responsible transition away from subminimum wage employment. These principles were adopted in a 2024 Delegate Assembly Resolution by 95% of voting members and have guided our engagement on House Bill 225. A copy of our resolution is included as an attachment to this testimony for reference.

We are grateful that many of our recommendations are reflected in the bill—most notably, the five-year transition period. That time will allow people with disabilities, their families, and their providers to chart a meaningful course forward. It ensures that transitions are not rushed, but are made with care, preparation, and respect for each person's unique needs and preferences.

Importantly, the bill also brings together the Department of Developmental Disabilities and Opportunities for Ohioans with Disabilities to help guide providers through the process and support individuals in finding the path that's right for them—whether that's community-based employment or continued work in a familiar setting, now with fair compensation.

We also appreciate that the sponsors are working with us to address the needs of those for whom competitive employment may not be viable at this time. By allowing flexibility between day services and employment, and by supporting providers with the resources needed to adjust, we can ensure that no one is left behind in the pursuit of a more equitable system.

We acknowledge that some concerns have been raised about what the end of 14(c) may mean for people who are not currently engaged in, or interested in, competitive community employment. These concerns are valid and deserve to be addressed head-on.

Some worry that there is too much uncertainty about what comes next for those individuals currently receiving services in subminimum wage settings. But the truth is: we have five years. Five years to collaborate, to plan, and to personalize. Thousands of people have already transitioned away from subminimum wage models toward community employment and other meaningful opportunities. Many did so despite having complex needs and facing significant barriers. We should have confidence that, with thoughtful planning and strong partnerships, we can do the same for the remaining few.

There is also the argument that people will lose something they enjoy—that they like getting a paycheck and will be forced into day services or unpaid settings instead. We agree: the satisfaction of work and earning income matters deeply. That is why we are asking that this bill explicitly include language to maintain our system's current flexibility to blend work and day services, thereby allowing creative models to continue or be created anew—just without paying subminimum wage. By doing so, people can still work, they can still earn, and they can still participate in structured, supportive environments.

In addition, we have asked the sponsors to include provisions in the bill to support our provider agency partners as they, too, make this transition away from subminimum wage employment. While dozens of providers have already made this transition without any additional targeted support from the State of Ohio, we acknowledge that some agencies may not have the ability to shift their service models without additional assistance—whether that is in terms of targeted technical support, increased local relationship-building, or temporary bridge funding to overcome short-term limitations. We are similarly working with the sponsors to ensure the bill reflects this need as it makes its way through the legislative process.

House Bill 225 reflects a critical turning point. It acknowledges our past, but does not allow us to be defined by it. It honors the value of work, the dignity of people with disabilities, and the responsibility we all share in supporting their aspirations—whether those are in the community, in a workshop, or somewhere in between.

Concerns expressed—both by supporters and opponents of this initiative—reflect the kind of caution and care that this transition deserves. But they are not reasons to delay progress. They are reasons to get it right.

On behalf of Ohio's county boards of developmental disabilities, thank you to the General Assembly for your leadership in considering this legislation, and for the opportunity to speak about it with you today.

I am happy to answer any questions you may have.

Resolution on the Potential Elimination of Subminimum Wage Employment Practices in the State of Ohio

WHEREAS, Ohio's County Boards of Developmental Disabilities recognize that the use of subminimum wage has been a practice for 86 years; and

WHEREAS, Ohio's County Boards of Developmental Disabilities recognize that efforts are underway at the state and federal level to end the practice of paying of subminimum wage to people with disabilities, including people with developmental disabilities supported by county boards; and

WHEREAS, since the signing of Ohio's Employment First executive order in 2012, the State of Ohio and county boards have maintained a continued focus on promoting community employment as the preferred option for people with developmental disabilities; and

WHEREAS, the State of Ohio has taken measures to encourage competitive community employment for people with developmental disabilities through enhanced rate structures and by supporting increased partnerships between providers, county boards, and businesses at a community level; and

WHEREAS, while there are nearly 3,000 individuals with disabilities who are employed under a certificate allowed by Section 14(c) of the Fair Labor Standards Act of 1938, Ohio's county boards of developmental disabilities recognize that this number has decreased by approximately 80% since 2011, largely due to the efforts of people with disabilities, their families, county boards, and providers working together to create more opportunities for community integrated employment; and

WHEREAS, Ohio's County Boards of Developmental Disabilities recognize that community employment makes our workforce and community stronger by including and valuing all people; and

WHEREAS, continuing to be an active system partner in ongoing discussions on the future of subminimum wage will ensure that county boards can continue to be leaders in promoting alternative solutions to sheltered or subminimum wage employment, while also ensuring that any elimination of subminimum wage is undertaken thoughtfully and with consideration of those currently employed in subminimum wage settings; and

WHEREAS, this document contains identified priorities that would provide people with disabilities, their families, and providers with support throughout any process to eliminate subminimum wage; and

THEREFORE BE IT RESOLVED, that in order for a successful transition away from subminimum wage employment, a proposal should:

- 1. Include a reasonable period of time in which a transition can be made. A transition away from subminimum wage will likely require significant planning, expectation-setting, and exploration by people with disabilities, their families, and their teams. It will also require administrative, structural, and programmatic changes for those providers currently supporting people with developmental disabilities in subminimum wage employment settings, regardless of whether the people affected continue working in a workshop environment at minimum wage or in competitive integrated community employment;
- 2. Allow a person with developmental disabilities employed in a subminimum wage setting to continue to choose their place of employment, even if that is not in a competitive community employment setting. While many people with disabilities benefit from community employment, others may prefer to maintain employment with their current provider. Because of this, the opportunity to remain employed in their current environment while making minimum wage assures every individual has the opportunity to choose the appropriate setting that best meets their employment needs;
- 3. Include a process through appropriate state department(s) in which assistance and best practices are offered to providers transitioning to minimum wage employment, including temporary financial assistance if needed throughout the transition period;
- 4. Provide business incentives for those companies and organizations contracting with employers for services and goods to permit the payment of minimum wage for all employees, regardless of their disability status;
- 5. Support local businesses and organizations to encourage the hiring of individuals with disabilities;
- 6. Preserve the flexibility of providers to move an individual with a disability in and out of paid work status; and

THEREFORE BE IT RESOLVED, that any proposal put forth that meets the criteria listed above, as determined by the Board of Trustees of the Ohio Association of County Boards of Developmental Disabilities, shall have the full support of the Association as a priority advocacy issue, which shall make all efforts to ensure the proposal's adoption.