

## TESTIMONY IN SUPPORT OF

### House Bill 225

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12604 Victoria Station Court  
Fairfax, VA 22033  
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Ohio House of Representatives  
Commerce and Labor Committee

Dear Chair Johnson, Vice Chair Lear, Ranking Member McNally, and Members of the Commerce and Labor Committee:

I am writing in support of HB225, a bill to phase out subminimum wages for individuals with disabilities.

My name is Fredric K. Schroeder, and I served as the Commissioner of the federal Rehabilitation Services Administration (RSA) from 1994 to 2001. RSA administers the Rehabilitation Act (Title IV of the 2014 Workforce Innovation and Opportunity Act). The Rehabilitation Act provides most of the funding for employment training and placement for people with disabilities in the United States and is based on a policy supporting high quality integrated competitive employment for people with disabilities.

A discussion of subminimum wages is inextricable from the limited work opportunities inherent in sheltered work. From a public policy perspective, there is a clear disconnect between imbedding employment opportunities for people with disabilities into a system that by its structure restricts the number and type of available work opportunities for people with disabilities.

Nearly all people with disabilities receiving subminimum wages work in sheltered workshops where the work is predetermined, low skilled, low wage, and often monotonous. That means they only can work on whatever contract the sheltered workshop has available. In other words, the range and skill level of the available work is limited and may or may not be a good fit with the individual's abilities and interests.

While unintended, sheltered workshops perpetuate a self-reinforcing cycle rooted in low expectations, starting with the assumption that people with disabilities can only perform low skilled work. Then, Wages are based on productivity, the number of widgets the individual with a disability can produce in a given amount of time. Given the nature of low skilled work, even if the individual is fully productive, the compensation for full productivity is minimum wage. That means that minimum wage becomes the ceiling for workers with disabilities, not the floor – not the starting point as it is for people who do not have disabilities.

If the individual's productivity is poor, it reinforces the assumption that the individual's disability is the cause, not that there may be a mismatch between the individual's abilities and the available work; thereby, perpetuating the belief that people with disabilities can only work in sheltered workshops performing low skilled work.

Years ago, I knew a blind woman who worked in a sheltered workshop. In addition to blindness, she had cerebral palsy, giving her limited use of one side of her body. Her job? She worked assembling large heavy rubber mats, a physically demanding job. She was paid on a piece rate based on the number of mats she could assemble each day. She was paid according to her productivity, taking home less than \$6 for two weeks' work. Clearly, the job was a poor match. It did not reflect her ability but penalized her for her physical limitations. Yet no one asked if it made sense for her to be assembling large heavy rubber mats. No one asked if another job might be a better fit given her education (she had a college degree) or interests. The sheltered workshop made mats, and that was the work she was given.

It makes no sense to restrict people who have some level of physical, intellectual, or emotional impairment to a limited number of preset, predetermined job opportunities; yet that is exactly what sheltered work does. Sheltered workshop managers seek contracts to provide work for their workers with disabilities. Since their workers have a variety of disabilities, sheltered workshop managers typically seek low skilled, low wage jobs. To compound the problem, many sheltered workshops use assembly lines, meaning that no one on the line can be more productive than the least productive worker, and, finally, when there are no contracts, there is no work and no pay.

In 1986, I became the first executive director of the newly created New Mexico Commission for the Blind. One of the programs that was transferred to the new Commission was a sheltered workshop, a traditional workshop that paid subminimum wages based on a piece-rate assessment of productivity. But we knew that blind people deserved more opportunities, opportunities to find integrated jobs in fields they were good at and enjoyed. We started with the assumption that blind people could be competitive and could perform jobs in the community. We assisted the woman who worked assembling large, heavy rubber mats to set up a home-based telephone answering service business, a much better match between her skills and ability and one at which she could earn a good wage--a competitive wage--not a piece-rate subminimum wage.

In the early 2000s, I met a young man named Christopher. Ten years earlier Christopher had contracted meningitis. As a result, he became blind, lost most of his hearing, lost the use of his legs, and was left with only minimal use of his hands. Given Christopher's multiple disabilities and associated health problems, he was advised to go to work folding pizza boxes at the local sheltered workshop even though he was in college at the time he contracted meningitis.

The meningitis caused partial paralysis of his hands. No matter how hard he worked, no matter how determined he was, if Christopher had gone to work folding pizza boxes, his limited hand dexterity would have restricted his productivity. How much? No one knows, but it is almost certain that Christopher would have been paid something less than the minimum wage, and the cycle of poor productivity reinforcing low expectations would have continued. Had he folded pizza boxes, and his productivity had been determined to be 50%, his poor productivity would

have reinforced the idea that he could not possibly work outside of the sheltered workshop. It would have reinforced the assumption that no private employer would be willing to hire someone whose productivity was so poor. Christopher's future would have been bleak, a life of isolation and poverty; not caused by malice but by the attitudes and assumptions of society about the capacity of people with disabilities.

But Christopher did not want to fold pizza boxes. He wanted to be a guidance counselor. He went back to school and completed his associate's degree with a 3.6 grade point average. He then transferred to Old Dominion University to work toward a bachelor's degree. At Old Dominion he earned A's in all his major subject area courses and maintained an overall 3.65 grade point average. Christopher would have been a poor pizza box folder, but he would have been an outstanding guidance counselor had he not tragically died from complications of the meningitis.

HB225 offers a well-designed transition toward replacing the subminimum wage system with a system that gives people with disabilities the opportunity to live and work as others, the opportunity to work according to their individual interests and abilities, the opportunity to earn a living wage and contribute to the support of their families; and it gives Ohioans with disabilities the dignity they deserve as they work alongside others as contributing members of their communities.

I urge your support of HB225. The bill does far more than raise the wages of Ohioans with disabilities; it is a important step toward affirming the value of all Ohioans and recognizing their human and civil rights. It is a bold step - a moral step – and one Ohioans with disabilities deserve.

Respectfully yours,

Fredric K. Schroeder, Ph.D.



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Signature

May 17, 2025

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Date