

June 30th, 2017

The Hon. Thad Cochran Chairman Senate Committee on Appropriations Washington, DC 20510

The Hon. Patrick Leahy Ranking Member Senate Committee on Appropriations Washington, DC 20510 The Hon. Rodney Frelinghuysen Chairman House Committee on Appropriations Washington, DC 20515

The Hon. Nita Lowey Ranking Member House Committee on Appropriations Washington, DC 20515

Dear Chairmen Cochran and Frelinghuysen and Ranking Members Leahy and Lowey:

In January, the President said that "Millions lifted from welfare to work is not too much to expect...and jobs where Americans prosper and grow are not too much to ask." Further, the President's message on the budget promises that "by removing the barriers holding back our economic growth," we can "set free the dreams of our people." Those promises are betrayed by the choices made in the President's FY2018, A New Foundation For American Greatness Budget.

On behalf of the members of the Consortium for Citizens with Disabilities (CCD) Employment and Training Task Force, we are writing to you about our deep concerns with the priorities of the President's FY2018 Budget. CCD is a coalition of over 100 national disability organizations working together to advocate for national public policy and ensures the self-determination, independence, empowerment, integration, and inclusion of children and adults with disabilities in all aspects of society.

Despite making promises to set people free, the choices made in this budget will cut jobs for people with disabilities, limit their ability to get the training they need, and discourage employers from hiring valuable employees. People with disabilities deserve the opportunity to earn an income and achieve independence, just like anyone else.

In outlining proposed reforms for disability programs in FY2018, the Budget commits to promoting greater labor force participation by people with disabilities. A laudable goal, but one that needs to be matched up to proven structures for preparing people with disabilities to enter the labor force. The programs supported by the Workforce Innovation and Opportunity Act and overseen by the Department of Labor have been critical in supporting employment success among people with disabilities. We cannot promote greater labor force participation by underfunding DOL programs, putting more burdens on state governments, dismantling existing programs, and undercutting basic living standards.

Below, we detail our Task Force's specific concerns about the FY2018 Budget and recommend alternative choices. To reach the outcome of more jobs for people with disabilities, we need solid policy, effective programs and continuing investment. Not deeper budget cuts. If you have any questions, please contact Kelly Buckland at NCIL (kelly@ncil.org, 202-207-0334 ext. 1104), Aaron Kaufman at the Jewish Federation of North America (Aaron.Kaufman@jewishfederations.org, 202-785-493), Alicia Epstein at SourceAmerica (aepstein@sourceamerica.org, 703-584-3987) or Philip Pauli at RespectAbility (philipp@respectabilityusa.org, 240-483-4134). Thank you for your consideration.

Disability Program Reforms in the Budget – *A New Foundation For American Greatness* touches on one of the biggest challenges facing the disability community, namely, the chronically low rates of labor force participation. Less than one in three people with disabilities have a job, and many of those who are employed are stuck in part-time or underpaid work. Even now, many people with disabilities receive subminimum wages with limited options for competitive integrated employment. With over 22 million working age people with disabilities, our nation cannot afford to ignore their talents, skills, and desire to work. Yet, the Budget makes significant cuts to programs such as Medicaid's Home and Community Based Services (HCBS). These programs help people with disabilities go to work. Can we be a great country if millions of people with disabilities are denied a chance at the American Dream?

In response to the proposed FY2018 Budget, we would reiterate several of the principles that define our Task Force. <u>These principles</u> are clearly based on evidence about what works and what gets people with disabilities into the workforce. Below, we outline those specific principles that we feel are undercut or threatened by the President's Budget. Please consider the following:

Make the workforce development and vocational rehabilitation systems work for people with disabilities – The President's FY2018 proposes serious cuts to the budget of the Department of Labor. This is especially concerning given the positive benefits that job seekers with disabilities are experiencing via our nation's workforce system. Below, we offer a selection of data points demonstrate how existing workforce programs have empowered people with disabilities. Looking at the 2015 WIASRD databook we find that:

- Fully 15.6% of WIOA youth program participants were youth with disabilities.
- That means over 13,000 youth with disabilities had unprecedented access to skills training and job placement supports, enabling them to succeed.
- In 2015, fully 65% of WIOA youth with disabilities got a job, 70% earned a degree and more than half improved their literacy skills.

These are transformative results for a population that all too often ends up never entering the workforce, never earning a degree, and never having a fair chance to succeed. Yet, if the Budget's proposed cuts to the Department of Labor are approved, those successes may be lost.

In mid-June, the White House announced a new Executive Order on apprenticeships intended to drastically expand opportunities for "paid, relevant workplace experiences." However, the aspirational goals of this Order are directly in tension with the DOL funding cuts included in the President's proposed budget. How is DOL supposed to accomplish that goal when faced with a 40% cut in WIOA Title I funding for work-based learning? Significant decreases in funding for workforce programs can negatively affect the qualities of on-the-job training, limit wages, and cut off new opportunities for people to enter the workforce.

In addition, the EO does not require industry to abide by the equal opportunity provisions of the WIOA, which calls for nondiscriminatory hiring practices. This is concerning, especially for people who face serious barriers to employment, including people with disabilities, people from communities of color, and individuals living in low income communities. Changing the current equality provisions of the WIOA and eliminating valuable programs, will ultimately undermine the effort to expand apprenticeship.

Support and enforce the Americans with Disabilities Act – For people with disabilities to enter and succeed in the workforce, they need proper compliance with and enforcement of the employment provisions of the ADA. The Equal Employment Opportunity Commission (EEOC) is responsible for enforcing antidiscrimination laws that protect workers with disabilities. However, "the Budget proposes merging the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) into the EEOC, creating one agency to combat employment discrimination." This proposal has a serious risk of backfiring. OFCCP and EEOC have very different forms and functions. Combining them will have unintended consequences, which may well harm business, cost taxpayers more money, and absolutely will hurt people with disabilities.

Make the federal government the "gold standard" in employment of people with disabilities – Further, how will the proposed merger of OFCCP and EEOC impact the commitments made under Section 501 and Section 503 of the Rehabilitation Act? How will such a merger impact federal agencies this year as they develop concrete plans for recruiting qualified individuals with disabilities? What will become of EEOC's efforts to promote self-identification of existing workers with disabilities? In addition, the President's Budget includes significant cuts to OFCCP and would undermine OFCCP's ability to enforce federal contractors' Affirmative Action Plan (AAP) that may result in fewer job opportunities for people with disabilities.

Offer access to health care that doesn't drive people with disabilities onto federal disability benefit rolls. – *Health Reform* is the first of eight "pillars of reform" in the President's Budget. The Budget prioritizes efforts to repeal the Affordable Care Act and offers vague words about "a framework that restores choice and competition." Frankly, losing job supports and being unable to get employer sponsored health care is going to keep people with disabilities from being employed. Medicaid itself provides many people with disabilities the personal care and community supports they need to go to work everyday and live independently. Yet these essential tools may be taken away if the law proposed by the House and Senate is passed. Whether we are talking the Buy-In Program,

Home and Community Based Services (HCBS) or the Money Follows the Person (MFP), many employment supports available through Medicaid are at serious risk of being eliminated in this Budget.

Beyond the risk of losing access to care and vital job supports, there is also the danger of job losses if some version of the AHCA or the Senate bill is signed into law. The following information was adapted from The Commonwealth Fund's recent report on the AHCA.

To put it bluntly, the net effect of health care legislation being considered in Congress will be a loss of over 1 million jobs by 2026.

Naturally, the health care sector will see the biggest direct impact. As one of the largest employment fields in America, health care will be deeply impacted by changes in hiring, which will have ripple effects across the economy. This is especially troubling, given that this is a job sector where employees with disabilities can be tremendously successful. Healthcare providers create many thousands of jobs each year and helps sustain our nation's economic growth. The need for talented employees in health fields is growing as Baby Boomers age. Before the debate over the AHCA, estimates showed that there will be up to 1.3 million job openings by 2020. These openings cover everything from nursing homes, hospitals, and other health providers.

The direct impact of the AHCA and the Senate bill on millions of Americans with disabilities comes from significant reductions in funding for Medicaid. Initial evidence seems to suggest that Medicaid expansion has helped to drive increases in the employment rate for working age people with disabilities. As reported by Reuters, "people with disabilities living in states with expanded Medicaid were significantly more likely to be employed than those in non-expansion states. In the expansion states, 38 percent of respondents that were people with disabilities were working compared to 32 percent in the states that didn't expand coverage." These job gains are seriously at risk, given the cuts being made to Medicaid in the AHCA and Senate bill.