



Testimony Of
The Honorable Jack Markell
Governor of Delaware

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Committee on Health, Education, Labor, and Pensions

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Chairman Harkin, Ranking Member Alexander and distinguished members of the Senate HELP Committee, on behalf of the National Governors Association (NGA), it is an honor to testify before you today about my initiative as Chair of NGA, *A Better Bottom Line: Employing People with Disabilities* and other governor-led state efforts to advance employment opportunities for people with disabilities.

Before I begin, I'd like to thank this committee, under the leadership of Senator Harkin, for the leadership role you've played in advancing employment opportunities for people with disabilities across the country.

The NGA Chair's Initiative, A Better Bottom Line: Employing People with Disabilities

In July 2012, I became Chair of NGA and began a year-long Chair's initiative focused on the role that both state government and business can play in advancing opportunities for these individuals to be gainfully employed in the competitive labor market.

I chose to focus the NGA Chair's Initiative on employing people with disabilities because I have seen firsthand the difference it can make in people's lives. About 10 years ago, I visited a company in Delaware and met a young person with a disability working there. It was clear that the young man was passionate about his job and glad to be there. When I asked the young man what he did before, he said he sat at home with his parents. It was that moment when a light bulb went off for me: employment for that individual was not only benefiting the company he works for; it was significantly improving the quality of life for him and his entire family. Ever since, I have been interested in the topic of employing people with disabilities.

Everyone who wants to work and participate fully in society should have the opportunity to do so. Research indicates that 67 percent of working-age people with disabilities would rather be working than be unemployed and nonproductive. Yet, the United States spends an estimated \$300 billion annually to support people with disabilities who are unemployed.

The circumstances provide an opportunity for growth and improvement, which is why I chose to focus on employing people with disabilities this year.

The NGA initiative is designed to do two primary things: 1) raise awareness of how the untapped talents of people with disabilities can contribute to a business's bottom line and 2) to define ways both state government and business can partner to advance the employment of individuals with disabilities in the competitive labor market.

State Practices

Last weekend at the NGA Winter Meeting here in Washington, D.C., Governors from different regions and different parties shared what states are doing to advance employment opportunities for people with disabilities.

In Delaware, we are now an Employment First State since my signing of this most significant legislation in July. This legislation requires state agencies that provide services to persons with disabilities to promote, as the first option, employment in an integrated setting and established an Employment First Oversight Commission to continuously review the progress. In addition, I have instructed members of my Cabinet, to form a workgroup to upgrade state hiring practices and procedures with a focus on advancing recruitment, retention and career advancement opportunities for individuals with disabilities and have asked each to lead by example. I expect to have the state plan established by early summer.

You'll hear later from Jane Boone on the panel today about how Washington State led the way with Employment First policies. At the Winter Meeting, Governor Dennis Daugaard shared South Dakota's dedication to developing statewide employment strategies as well as employment-first policies.

Employment first is a movement to guide policy, with a central philosophy that employment is the first priority and preferred outcome for people with disabilities.

It's not just Employment First policies that states are adopting to advance employment opportunities. For example, Connecticut Governor Dannel Malloy told us about an interactive web portal "ConnectAbility" with the mission to bring Connecticut's employers and people with disabilities together. The website has a wealth of information for people with disabilities of all ages and employers of all sizes and in all industries who are seeking valuable, qualified workers. The project is supported by partners crossing multiple sectors – from businesses to advocates to state agencies and a community college.

Iowa Governor Terry Branstad shared information about his conversations with Senator Harkin regarding initiatives to increase employment among Iowans with disabilities. The State of Iowa's initiatives are aimed to complement the efforts of business leaders. The state's approach integrates related efforts and resources to demonstrate that a cross-agency, collaborative, outcomes-based approach is the best strategy for success. Governor Branstad highlighted the efforts of private sector companies like Casey's, Hy-Vee, Walgreens, and Wellmark that have targeted training and skills-building initiatives for individuals with disabilities.

Virginia Governor Bob McDonnell talked about the Executive Order he signed last November, which states that it is the policy of the Commonwealth to encourage and enable persons with disabilities, including wounded soldiers, to engage in employment, with the goal of enhancing the employment opportunities for Virginians with disabilities.

In Minnesota, the disability employment efforts are connected to the state's economic development plan. The Pathways to Employment is to increase competitive employment of people with disabilities and meet Minnesota's workforce needs by bringing together people with disabilities, employers, businesses, government and providers.

Kansas Governor Sam Brownback and Kansas' Commission on Disabilities host "Disability Mentoring Day", where students and job seekers with disabilities (mentees) are matched with workplace mentors according to expressed career interests. Mentees experience a typical day on the job and learn how to prepare to enter the world of work.

The cross-section of Governors who shared their best practices during the NGA Winter Meeting underscores the response from governors has been tremendous across different regions and parties. Since the start of the initiative, Governors and business leaders from all over the country have expressed interest in the topic and support for the initiative. Business leaders from Fortune 500 companies to small businesses have come forward to express their support and share their experiences.

As CEOs of states and businesses, we all have an opportunity to help ensure that all citizens, including those with disabilities, have the chance to engage in productive employment and participate fully in community life. To that end, we have to invest in strategies that result in benefits for these individuals, and in turn, states and businesses.

Charting the Path Forward

Advancing employment opportunities for individuals with disabilities is the right thing to do. It's the smart thing for government to do. And it makes good business sense. I'm so proud of the work of my fellow governors to help make sure people with disabilities are part of the competitive workforce and fully included in society.

I am also proud of the work we're doing with the NGA initiative. We have worked hard to engage directly with a broad cross section of stakeholders to inform the initiative's efforts. Since the initiative began in July, NGA staff and my staff have taken more than 50 meetings with subject matter experts in the field of disability employment, including the businesses who employ people with disabilities, providers, researchers, policymakers, and – importantly - self-advocates, who speak from experience with disabilities. I am so grateful to everyone we've talked to for their enthusiastic support and valuable insights. In September and October, NGA held two roundtables – one among national advocacy organizations and the other with a broader cross section of experts—with the goal to learn two things:

What is working, and what is the path forward?

While everyone speaks with a different voice, from different parts of the country, and certainly different views: I've learned three key things or "lessons" that consistently pervade our conversations. One, employers don't care about labels, they care about skills. People with disabilities need to be part of the mainstream workforce, right alongside people without disabilities. Two, when businesses hire people with disabilities, they benefit in their bottom line and also report improvements in their culture. This is true for small businesses as well as large national corporations. It's true for the entire spectrum of industries – from manufacturing to entrepreneurship to STEM fields. And three, the path forward is one of shared responsibility – it's a path that business, government, and families are going to chart together.

Over the next several months, we will bring together state policymakers and business leaders in two regional summits. The goals of the NGA summits are, first and foremost: to share best practices across states and identify what's already working. The other key goal is to chart the path forward - together. The path forward is one of partnership and shared responsibility across sectors and stakeholders.

In August, NGA will release a blueprint to Governors and businesses capturing best practices and outlining options for carrying the momentum forward. At the end of the initiative, it is my goal to have a clearer picture of how Governors can continue to:

- Educate both private sector and public sector employers about accommodating people with disabilities in the workplace and the benefits of doing so;
- Support state governments in joining with business partners to develop blueprints to promote the hiring and retention of individuals with disabilities in integrated employment in both the public and private sectors; and
- Promote public-private partnerships to build out those blueprints and increase employment of individuals with disabilities.

Much is being learned through our work; and much more can be learned. If our nation is to be competitive and our economy is to grow, the skills and knowledge of all our citizens must be brought to bear. I'm so proud that governors are leading these efforts and working to streamline assess and training so that employers have a pool of job-ready individuals to draw upon.

As governors continue to push action and innovation to advance employment opportunities for people with disabilities, Congress can help. States need to have the flexibility to be innovative in order to support businesses in advancing employment opportunities for people with disabilities. Governors will need your leadership to support flexible federalism, like the Workforce Investment Act (WIA) 15% set-aside, in order to continue innovating so we can effectively serve people with disabilities and the business who hire them.

For years, states have relied on the 15% WIA set aside to support and seed innovations that allow us to partner with industry, attract new businesses, upskill our current workforce, and better serve our constituents who rely on America's Jobs Centers. For example, Washington State used the set aside funds to allow the

governor's office to facilitate a partnership across the public and private sectors to attract a new manufacturer, Profile Composites, to the state. The British Columbia based company—which makes collapsible wheelchairs, sport crutches and other assistive products—is committed to hiring veterans and individuals with disabilities and is designing its training and manufacturing facilities to accommodate all levels of physical ability. A \$100,000 investment of WIA set-aside funds will go toward workforce recruitment and integrating the company's training with established college degree and certificate programs. The company is investing \$10.4 million to build the facility and establish its training programs, creating at least 200 jobs.

As you can see, the 15% set aside is a valuable tool for states. But since 2008, funding for this flexible, innovative fund has been reduced by nearly 70%. In FY10, the cut to state set aside dollars from 15% to 5% hurt states' ability to serve our workers, including workers with disabilities. I want to thank Senator Harkin and this committee for your work to restore the set aside. What is really need from Congress now is a restoration of the full 15%.

Congress must also prioritize and modernize the Workforce Investment Act. It's been well over a decade since Congress revised this law. Much has changed in the work place, much has changed in business, and much has changed as evidence by today's modern, high-tech economy. We are also learning much. The ability for states to innovate in their own, unique set of circumstances will always yield the best outcomes for individuals, and the best lessons for other states.

Success depends on the shared passion and commitment that we see across so many diverse sectors of society. It has been heartening to already see advocates, researchers, businesses, individuals and government officials across the political parties and all regions of the country come together to support the NGA initiative and advance progress on this topic. Together, we can continue to make a difference so that persons with disabilities have the same opportunities as everyone else.