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Washington Insider – Monthly Newsletter

To build a better economic future for people with disabilities and their families

National Disability Institute (NDI) is a not-for-profit research and community development organization dedicated exclusively to promote work, saving, and asset building for persons with disabilities and their families nationwide. As the creator of the Real Economic Impact Tour, in collaboration with the IRS, FDIC, US Departments of Labor, Education, Health and Human Services, and the Social Security Administration, over 20 national organizations, and support from Bank of America, AT&T, Wal-Mart Foundation, Acorda Therapeutics and Darden Restaurants Foundation, NDI and the Tour volunteers have assisted over 151,750 taxpayers with disabilities in 60 cities nationwide gain refunds of over 136 million dollars. With financial education programs, improved access to matched savings accounts and other asset development strategies, NDI is creating a roadmap to financial stability and independence for people with disabilities and their families. From Capitol Hill to state capitols, from urban centers to rural communities across the country, NDI invites you to join with us to promote an economic empowerment agenda, with a focus on policy change and public-private collaboration. Help advance solutions to the challenges of poverty adversely impacting the independence and quality of life for millions of individuals with disabilities regardless of age, gender or

NDI Participates in Quarterly Asset Development Kitchen Cabinet to Discuss 2009-2010 Federal Policy Priorities

The *Asset Development Kitchen Cabinet* is a quarterly-sponsored meeting convened by CFED, in which the nation's top policy organizations focused on asset development and economic empowerment issues at the federal level come together to discuss various policy proposals and to create strategies for collaborating on opportunities of mutual interest. NDI participates to ensure that people with disabilities are considered and included in policy reform proposals being developed by the general asset development policy community. The Asset Development Kitchen Cabinet met on 30 March 2009 in Washington DC at the offices of CFED, and in addition to the National Disability Institute (NDI), other organizations in attendance included: the American Association of Retired Persons (AARP), Annie E. Casey Foundation, Aspen IFS, Bread for the World, Brookings Retirement Security Project, CFED, Democracy Collaborative, D2D Fund, First Nations Development Institute, Ford Foundation, New America Foundation, Oweesta Foundation, Woodstock Institute and the World Institute on Disability.

While asset issues are expected to be a high priority of the Obama Administration, very few details have been shared publicly with regards to what the Administration's savings agenda will include beyond the President's FY2010 budget outline (which mentioned in general terms support for Auto IRAs, Saver's Credit legislation, and asset limits reform). CFED has shared ideas with Administration officials (including Martha Coven, Director of the Mobility and Opportunity Office at the White House) as well as with policymakers at the U.S. Department of Treasury. Visits with Congressional staff on the House Ways and Means & Senate Finance Committees confirmed rumors of an impending Obama savings agenda, but no details have been shared to date as to what the priorities of the Congressional Committees of Jurisdiction would be for such legislation. However, House Republicans have recently established a 13-member task force which released its recommendations for a comprehensive savings bill, and are seeking national organizations to express support for all or parts of their proposal.

Congress is also currently focused on drafting a comprehensive tax bill in alignment with the Congressional Reconciliation process, and the Obama Administration announced on March 24th the appointment of a new Tax Reform Task Force, which will be challenged with examining the individual and corporate tax systems and recommending ways to simplify and streamline the tax code and prevent tax evasion. The task force will be charged with submitting recommendations to the Administration by December 4, 2009, with the expectation that their proposals could be incorporated into the fiscal year 2011 budget proposal. As a design feature of the task force, the recommendations cannot increase taxes on families earning less than $250,000 annually and cannot increase taxes generally during 2009 or 2010.

In anticipation of comprehensive savings legislation and tax reformation later in the year, it is critical to make sure that federal policy-makers are educated on the current barriers that reduce the opportunities of individuals with disabilities from saving for their future so that these issues are properly addressed in any savings or tax policy packages. NDI will continue to work with its partners to advocate for inclusion of key policy reforms that will provide greater opportunity and supports to individuals with disabilities to promote savings and financial planning while simultaneously protecting people with disabilities from complex, confusing, or overbearing taxation policies.

In the meantime, organizations are gearing up to influence the formation of several proposals that were generally outlined or mentioned in President Obama's FY 2010 Budget proposal, including Auto IRAs, Saver's Credit expansion, and asset limits.

- ***Auto IRA Proposals*:** Both AARP and the Brookings Retirement Security Project are working to provide a thorough analysis of the impact of various Auto IRA proposals currently being vetted through the Obama Administration. An Auto IRA would mandate a savings option into a retirement account with each paycheck from your place of employment unless you choose to opt out.
- ***Savers' Credit Legislation:*** Enhancements to the saver's credit is a high priority for the Obama

Administration. In the previous Congress, U.S. Representatives Rahm Emmanuel (now the White House Chief-of-Staff) and Representative Jim Ramstad introduced the *Retirement Savings for Working Americans Act* (H.R. 2724), which would have amended Internal Revenue Code provisions relating to the tax credit for retirement savings contributions (also known as the **saver's credit**) to: (1) require the Secretary of the Treasury to deposit saver's credit amounts directly into the designated retirement account of the taxpayer; (2) expand income eligibility levels for the saver's credit; (3) allow taxpayers that contribute to a qualified tuition program or a Coverdell education savings account to claim such contributions as retirement savings contributions; and (4) adjust the saver's credit maximum contribution amount for inflation beginning after 2007. CFED has recruited a lead sponsor in the House for the reintroduction of the Retirement Savings for Working Americans Act, and looking for a new Republican cosponsor now that Representative Ramstad is no longer a Member of Congress. There is also a slight possibility that U.S. Senator Max Baucus (D-MT and Chairman of the Senate Finance Committee, the Committee that would have jurisdiction over the bill in the Senate) will introduce the legislation in the Senate. CFED is seeking some changes in the bill from what Mr. Emanuel and Mr. Ramstad introduced last year.

- ***Asset Limits:*** The President also plans to take some action to raise asset limits to retain eligibility for a variety of public benefits including SSI, Medicaid and housing rental assistance, CFED, WID and NDI will collaborate in this area.

The group also discussed the status of several legislative proposals from the previous Congress where reintroduction has occurred or is anticipated, including the following:

- ***IDA Tax Credit Legislation:*** Although legislation (H.R. 1234) was introduced by House Republican lead sponsors Joseph Pitts (R-PA) and Kevin Brady (R-TX) on 26 February 2009, a new bipartisan version of the bill will be re-introduced in both chambers within the next few weeks. The legislation is expected to include funding for 2.7 million individual development accounts (IDAs) and $120 million for financial education. These enhancements represent a three-fold increase in the number of accounts and six fold for financial education from the previous legislation introduced in the 110th Congress. The bill remains the only asset bill with a role for the private sector. The elimination of a local match requirement and greater funding for financial education is designed to reach more families and simplify the program for practitioners.
- ***ABLE Act:*** The ABLE Act was also introduced on 26 February 2009 in the House (H.R. 1205) by Representatives Crenshaw (R-FL), Meek (D-FL), Kennedy (D-RI), and McMorris Rodgers

(R-WA). An identical companion bill was introduced on 27 February 2009 in the Senate (S. 493) by Senators Casey (D-PA), Hatch (R-UT), Dodd (D-CT), Brownback (R-KS), Burr (R-NC), and Kennedy (D-MA). Both bills have a growing bipartisan list of co-sponsors. No hearings have yet been held. The ABLE Act would give individuals with disabilities and/or their families access to savings accounts that would allow individual choice and control while protecting eligibility for Medicaid, SSI, and other important federal benefits for people with disabilities. They could create a disability savings account that would accrue interest tax-free. Withdrawals would not be taxed as long as they are used to pay for qualified expenses. The account could fund a variety of essential expenses for the person with a disability, including educational expenses; medical and dental care; health, prevention, and wellness expenditures; employment training and support; assistive technology; personal supports services; transportation; housing; and other expenses for life necessities.

- ***ASPIRE Act:*** In October 2007, a bipartisan coalition in Congress introduced the America Saving for Personal Investment, Retirement, and Education Act ("The ASPIRE Act") which would set up a "KIDS Account" at birth for every child in America which they can later use to pursue post-secondary education, buy their first home, or build up a nest-egg for retirement. The ASPIRE Act calls for each child's KIDS Account to be endowed with a one-time $500 contribution at birth. Children living in households with incomes below national median income will be eligible for both a supplemental contribution of up to $500 at birth as well as the opportunity to earn $500 per year in matching funds for amounts saved in the account. Financial education would be offered in conjunction with the accounts, which later can be used to pay for post-secondary education, a first home, or retirement. The ASPIRE Act, which primarily benefits low-income kids, is based on research provided by the New America Foundation's Asset Building Program. The New America Foundation is advocating for reintroduction of both the ASPIRE Act and Saver's Bonus legislation, and are seeking Republican Senate cosponsors for both.

Other important announcements & highlights of the Asset Development Kitchen Cabinet Meeting where feedback from localities and states are needed include:

- **Make Work Pay for Self-Employed:** Gene Severens from CFED is launching a campaign around the Make Work Pay tax credit ($400/$800) to reach self-employed individuals. He encourages partners and ideas. Please send them to seti@cfed.org.
- Please share innovations in helping low-income individuals access the **American Opportunity Tax Credit or**

First-time Homebuyer Tax Credit by contacting cwayman@cfed.org.

- Efforts to protect existing asset funds in the budget are underway, including anticipated **$5 million for the Beginning Farmer and Rancher IDA** in new funding expected in the President's budget. Please send Carol Wayman from CFED any examples of IDAs being used for agriculture, ranching or marine purposes at cwayman@cfed.org.

ABLE Act Update: Momentum Continues behind Savings Legislation

As reported in the February 2009 edition of the *Washington Insider,* Congressional champions reintroduced consensus legislation on February 25-26, 2009, to create tax deferred savings accounts for individuals with disabilities. The Achieving a Better Life Experience (ABLE) Act of 2009, (H.R. 1205/S. 493) would amend the Internal Revenue Code of 1986 to provide for the establishment of tax deferred accounts for the future care of family members with disabilities.

Savings accounts opened under the ABLE Act would differ from other savings instruments with tax advantages because they provide substantial flexibility:

- The individual with disabilities could hold/control the account, or parents or a guardian could hold it in trust.
- The allowed expenses are designed to be broad enough to accommodate the individual needs of account-holders.
- Most of the allowed expenditures are not limited to adulthood or retirement age, so they can be used whenever they are needed.
- The flexibility in expenses also allows families to save with confidence even though they cannot always predict how independent their child will become.
- A family that has saved money in a traditional account for a child who becomes disabled later in life can roll-over the funds into a disability savings account without penalty.
- The account should be easy and inexpensive to open, like a simple savings account.
- Unlike some savings instruments, such as "529" college accounts, the ABLE Act accounts would be created and regulated on the federal level, so they would operate under the same rules in every state, ensuring that they are portable for individuals and families who move across state lines.
- Individuals and families who find that the current individual or pooled trusts available under the Medicaid program will better address their needs may roll-over the account into the trusts.
- The ABLE accounts can be managed by pooled trusts, if the individual or family so choose.

In a manner similar to the treatment of Medicaid trusts, funds remaining in the accounts at the individual's death would be used to "pay-back" the state Medicaid program up to the value of services provided to the individual during life. NDI is also leading advocacy efforts to ensure that a refundable tax credit be provided to encourage low-income individuals with disabilities to take advantage of the new ABLE accounts.

The ABLE Act would give individuals with disabilities and their families an option for saving for their future financial needs in a way that supports their unique situation and makes it more feasible to live full, productive lives in their communities. Since its introduction five weeks ago by Representatives Crenshaw (R-FL), Meek (D-FL), Kennedy (D-RI), and McMorris-Rodgers (R-WA), H.R. 1205 now possesses over 62 cosponsors. Additionally, the Senate version (S. 493) introduced by Senators Casey (D-PA), Hatch (R-UT), Dodd (D-CT), Brownback (R-KS), Burr (R-NC), and Kennedy (D-MA) have added two additional cosponsors, including Specter (R-PA) and Wicker (R-MS). No hearings have yet been held, though NDI is partnering with other organizations in support of the bill to host a series of educational briefings on Capitol Hill in the May-June timeframe. NDI will continue to track progress on the bill and provide timely updates of its momentum in Congress.

ARRA Funding Update: Implementation Process Begins with Supplemental Funding for Special Education, Medicaid & Vocational Rehabilitation Anticipated by Struggling States

Amidst passage of the American Recovery & Reinvestment Act of 2009 (ARRA), federal agencies have begun to outline specific details on the process for distributing funds to states, localities, and non-profit & private entities. Due to numerous questions posed by a number of stakeholders in the past month related to the dissemination of funding in key programs impacting individuals with disabilities, NDI is providing the following additional information for key program funding administered through the Department of Education, Department of Labor, and Small Business Administration. Instructions for accessing further details for each of these agencies is outlined below and for more general information pertaining to the implementation of ARRA, readers are encouraged to review www.recovery.gov for timely updates.

Special Education & Vocational Rehabilitation

The Department of Education will send approximately $100 billion to states and school systems within the next few months as part of the $787 billion American Recovery and Reinvestment Act (ARRA). Approximately $44 billion will be released by mid-April and another $49 billion will be distributed before the beginning of the 2009-2010 school year. School systems will receive the new funding without needing to do any additional paperwork, but will be required to commit to raising academic standards, better testing, improving teacher effectiveness and intervening with poorly performing schools. By mid-April, states will also receive their share of the $32.5 billion state stabilization fund. A total of $87 billion for state stabilization will ultimately be sent to states to help restore or avoid education funding cuts.

- The ARRA dedicates $11.3 billion for the Individuals with Disabilities Education Act (IDEA) state grant, $500 million for the IDEA Early Intervention program and $400 million for the IDEA Preschool program.
- The ARRA also provided a supplemental $680 million to support existing vocational rehabilitation related programming, including: $540 million for vocational rehabilitation services; $18.2 million for state grants; $87.5 million for independent living centers; and $34.3 million for services for older blind individuals. The majority of these funds will also be administered through the U.S. Department of Education.
- The U.S. Department of Education's website offers an array of informational updates to help entities and individuals navigate the ARRA funding streams and implementation processes at: http://www.ed.gov/policy/gen/leg/recovery/implementation.html**.** The website provides a number of user-friendly materials on the roll-out of the ARRA, including a slide presentation providing a general overview of the ARRA as well as specific information related to state-by-state allocations from the U.S. Department of Education.

U.S. Department of Labor

The Department of Labor received $3.95 billion for workforce investment programs, $120 million for community service programs aimed at supporting older Americans; and $400 million to support states in the administration and expansion of employment service grants.

Additionally, the ARRA expanded several existing programs to ensure greater protections for individuals who have been recently unemployed due to recent economic conditions. The following list outlines key programs and identifies specific locations where readers may extract more specific details on how to access programmatic funding and support.

- **Workforce Investment Act (WIA) programs**: Provides $3,950,000,000 for WIA programs, including:
    - **Adult Employment and Training Activities**: $500,000,000 is provided for programs described at http://www.doleta.gov/programs/general_info.cfm. Priority use of funds is for services to public assistance recipients and other low income individuals.
    - **Youth Activities, including summer jobs for youth**: $1,200,000,000 is provided for programs described at http://www.doleta.gov/youth_services. Particular emphasis is placed on creating summer employment opportunities for youth, but year-round youth activities are also envisioned. Age eligibility for youth services with these funds is raised from 21 to 24.
    - **Dislocated Worker Employment and Training Activities**: $1,250,000,000 is provided for formula funded programs described at http://www.doleta.gov/programs/ET

A_default.cfm?#Dislocated. An additional $200,000,000 is provided for National Emergency Grants to respond to plant closings, mass layoffs and other worker dislocations, as described at http://www.doleta.gov/NEG/definition.cfm.
    - **Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors**: $750,000,000 is provided for a program of competitive grants for worker training and placement in high growth and emerging industry sectors. Of the total, $500,000,000 is to be used for research, labor exchange, and job training projects that prepare workers for careers in energy efficiency and renewable industry industries. In awarding remaining funds, priority shall be given to projects that prepare workers for careers in the health care sector.
    - **YouthBuild Activities**: $50,000,000 is provided for the program described at http://www.doleta.gov/youth_services.
- **Community Service Employment for Older Americans**: $120,000,000 is provided for part-time employment opportunities for low income seniors, as described at http://www.doleta.gov/seniors.
- **Employment Service Grants to States**: $400,000,000 is provided for services described at http://www.doleta.gov/programs/Wagner_Peyser.cfm. Of this total, $250,000,000 is to be used for reemployment services to connect unemployment insurance claimants to employment and training opportunities that will facilitate their reentry into employment.
- **Unemployment Insurance (UI)**:
    - **EUC Extension**: The Emergency Unemployment Compensation Act of 2008 (EUC) which would have expired on March 31, 2009 is extended through December 31, 2009. The EUC program is described at http://www.workforcesecurity.doleta.gov/unemploy/supp_act.asp.
    - **Increased UI Benefits**: Benefit payments are increased by $25 per week through December 31, 2009 for individuals receiving Trade Readjustment Allowances, Disaster Unemployment Benefits, regular Unemployment Compensation, Extended Benefits, or EUC. The programs are described through links at http://www.workforcesecurity.doleta.gov/unemploy/.
    - **Special Transfers for Unemployment Compensation Modernization**: Up to $7 billion is transferred from the Federal Unemployment Account to the state accounts as "incentive payments" to encourage states to enact specific reforms, such as coverage of part-time workers. Incentive payments expire October 1, 2011.

- **Increased UI Administrative Funding**: An additional $500,000,000 is provided to states to administer their UI programs.
- **Temporary Suspension of Taxation of Unemployment Benefits**: Federal income tax on the first $2,400 of unemployment benefits is suspended for 2009.
- **Full Federal Funding of Unemployment Compensation for a Limited Period**: Extended Benefits would be 100% federally financed through January 1, 2010. Extended benefits are described at http://www.workforcesecurity.doleta.gov/unemploy/extenben.asp.
- **Temporary Assistance for States with UI Funding Advances**: Interest payments and accrual of interest on loans received by State unemployment trust funds are waived through December 31, 2010.

- **Work Opportunity Tax Credit (WOTC)**: A new targeted group is created for WOTC, which provides a tax credit to employers who hire members of targeted groups including individuals with disabilities. The new group is unemployed veterans and disconnected youth who begin work in 2009 and 2010. The credit applies to individuals who begin work for the employer after December 31, 2008. WOTC is described at http://www.doleta.gov/business/incentives/opptax/.
- **COBRA Continuation Coverage**: Provides funding for a 65% reduction in COBRA premiums for eligible individuals.

Small Business Administration

The American Recovery and Reinvestment Act includes critical relief for the small business community, providing specific tools to make it easier and less expensive for small businesses to get loans, gives new incentives for lenders to make more small business loans, and helps unfreeze the secondary markets to boost liquidity in the credit markets. The bill provides $730 million to SBA and makes changes to the agency's lending and investment programs so that they can reach more small businesses that need help. The funding includes:

- $375 million for temporarily eliminating fees on SBA-backed loans and raising SBA's guarantee percentage on some loans to 90 percent. The elimination of fees, announced on March 16, will remain in effect until the end of the calendar year or until the funding is exhausted. The elimination of fees is retroactive to the day the Recovery Act was signed into law.
- $255 million for a new loan program to help small businesses meet existing debt payments
- $30 million for expanding SBA's Microloan program, enough to finance up to $50 million in new lending and $24 million in technical assistance grants to microlenders
- $20 million for technology systems to streamline SBA's lending and oversight processes

- $15 million for expanding SBA's Surety Bond Guarantee program
- $25 million for staffing up to meet demands for new programs
- $10 million for the Office of Inspector General

More details on implementation will be coming over the next few weeks. However, a highly interactive online SBA Recovery Information Center has been established to address questions and provide specific support to individual small businesses. The SBA Recovery Information Center can be accessed at: http://www.sba.gov/recovery/RECOVERY_ACT_NEWS_RESOURCES.html.

Fiscal Year 2009 Omnibus Appropriations Act Signed into Law

President Obama signed the Omnibus Appropriations Act of 2009 into law on 11 March 2009, which includes $410 billion in investments through the remainder of FY 2009. The President's swift approval came amidst several weeks of debate and consideration of the bill by the Senate, which finally passed the high chamber by a cloture vote of 62 to 35 on March 10, 2009. Passage of the FY 2009 Omnibus Appropriations is the second of two significant funding bills completed in the first 50 days of the 111th Congress and the Obama Administration.

On the day of the Senate's successful cloture vote, Senate Appropriations Committee Chairman Daniel Inouye (D-HI) stated, "This legislation will not only compliment the recently enacted recovery package, but will also provide much-needed guidance to executive agencies that have been operating without such guidance for the past six months." However, he went on to reiterate that, "...an Omnibus bill is no way to fund the federal government, and it remains my firm intention as Chairman of the Senate Appropriations Committee to proceed with each Fiscal Year 2010 appropriations bill under regular order." (Senate Appropriations Committee Website, www.senate.gov/approps, 03/10/2009) For more information, a summary of key highlights of the FY 2009 Omnibus Appropriations bill is available in the March 2009 edition of the *Washington Insider.*

Upon signing the bill into law, President Obama took the opportunity to reiterate his support of proposed reformation of the practice of Congressional earmarking. The President was quick to recognize the important reforms already implemented in the 110th Congress, insisting that the previously adopted reforms ensure that the earmarking process has an unprecedented level of transparency, accountability and openness. Beyond the enactment of more stringent appropriations requests deadlines and the introduction of consistent documents requested by Appropriations Committee staff, specific details around other proposed reforms have yet to be announced publicly.

NDI Meets with Congressional Appropriations Committee Staff to Advocate for Increased Support for VITA Community Matching Grant Assistance Program

To ensure that people with disabilities achieve parity with regards to receiving tax assistance & support, NDI recently met with key Congressional staff with the House & Senate Appropriations Committee to brief them on the initial success of the VITA Community Matching Grant Assistance Program and advocate for significant increase in federal funding to support the VITA grant program in FY 2010. Additionally, NDI also advocated that additional resources be allocated to ensure that people with disabilities are properly educated about key tax credits including the Earned Income Tax Credit (EITC) and other tax provisions available as a result of the American Recovery & Reinvestment Act of 2009 (ARRA). During conversations with Congressional Appropriations Committee staff, NDI offered the following recommendations:

(1) Significantly increase federal funding for the VITA Matching Grant program in order to adequately address the growing needs of underserved populations not currently being assisted by existing IRS tax preparation/assistance programs.
(2) Allocate specific resources to enhance education efforts aimed at informing and assisting taxpayers with disabilities.

Three federally-supported taxpayer education & assistance programs are funded through the Internal Revenue Service, each program aimed at supporting low-income individuals and targeted subpopulations during the tax preparation process. These programs include the Low-Income Taxpayer Clinic Program (LITC), Tax Counseling for Elderly Program (TCE), and the Community Volunteer Income Tax Assistance Program (VITA). The VITA program offers free tax assistance to low-to-moderate income individuals who cannot afford professional assistance. More than 75,000 VITA volunteers prepare basic tax returns for low income taxpayers with a focus on at least one specific underserved group with special needs, including persons with disabilities, non-English speaking persons, Native Americans, rural taxpayers, and the elderly. Unfortunately, most of these sites are chronically underfunded, and will rely heavily on federal funding in the future to support their continued existence and vitality.

In the joint explanatory statement accompanying the FY 2008 Financial Services & General Government Appropriations Act enacted on 26 December 2007 (P.L. 110-161), the House and Senate Appropriations Committees directed the Internal Revenue Service (IRS), in collaboration with the National Taxpayer Advocate Service, to submit a proposed design for a new matching grant component for the Community Volunteer Income Tax Assistance (VITA) program. The new matching program was intended to provide direct funds to enable VITA programs to extend services to underserved populations and hardest-to-reach areas, both urban & non-urban, as well as to increase the capacity to file returns electronically, heighten quality control, enhance training of volunteers, and significantly improve the accuracy rate of returns prepared by VITA sites. The Congress provided $8 million initially for the program in FY 2008, which was renewed in FY 2009. However, future federal expenditures for the program are at risk, and NDI conveyed to Committee staff that the program would need to be significantly expanded to truly address the growing needs of low income populations requiring tax assistance.

In addition to providing information on trends in EITC claims and tax returns among people with disabilities, NDI also advocated for greater parity and increased support for VITA programs servicing individuals with disabilities. Prior research has identified persons with disabilities as a major underserved market segment in terms of receiving support from national low-income tax assistance programs, asset building coalitions and the private sector financial services. NDI will continue to brief its partners on developments during the FY 2010 Appropriations process, and will continue to identify opportunities for partners to actively engage in advocating for increased federal funding of this important program.

Ticket to Work Program Calendar

The U.S. Department of Labor has made available a calendar of events for the Ticket to Work Program, which is intended to provide an opportunity to reach people engaged in disability and work-related activities. Persons with disabilities who are receiving Social Security and interested in returning to work may wish to attend a local Work Incentives Seminar Event, and specific information for upcoming events may be obtained at the following website: http://www.cessi.net/WISE.

Department of Labor Releases Latest Data on Trends in Employment/Unemployment among Individuals with Disabilities

As reported in the February 2009 edition of the *Washington Insider,* the addition of disability-specific demographic questions within the Current Population Survey CPS) have enabled BLS to better identify persons with a disability in the civilian non-institutional population age 16 and older. Thus, DOL's Bureau of Labor Statistics (BLS) has begun releasing monthly labor force data from the CPS for persons with a disability, and the collection of these data is sponsored by the Department of Labor's Office of Disability Employment Policy (ODEP). Publication of CPS disability data began in February 2009 with the issuance of labor force data for January 2009.

In March 2009, the unemployment rate of persons with a disability was 13.1 percent (as compared to 14.0 percent in February 2009), compared with 8.9 percent for persons with no disability, not seasonally adjusted. The employment-population ratio for persons with a disability was 19.8 percent, compared with 64.6 percent for persons with no disability. And the number of individuals with disabilities not in the labor force by choice increased from 20,596,000 in February 2009 to 20,728,000 in March 2009.

More details can be found at the BLS website page for the Current Population Survey at: http://stats.bls.gov/cps/cpsdisability.htm.

Amidst Exploitation Scandal, Harkin hosts Senate HELP Committee Hearing on Protection of Individuals with Disabilities in the Workforce and Focuses on Sub-minimal Wage Regulations

U.S. Senator Tom Harkin (D-IA) conducted a hearing of the Senate Health, Education, Labor & Pensions Committee on 9 March 2009 entitled, "Preventing Worker Exploitation: Protecting Individuals with Disabilities and Other Vulnerable Populations." The hearing focused on federal enforcement of wage and hour provisions related to the employment of individuals with significant disabilities, including the Section 14 (c) subminimum wage regulation.

The hearing was announced after recent allegations of exploitation and abuse by a turkey service company in Iowa that employed at least 21 workers with intellectual disabilities for over 30 years. The workers were originally sent to the employer in Iowa from Texas as part of that state's deinstitutionalization initiative. The employer, Henry's Turkey Service, has since served as the caregiver, representative payee for SSI payments to the individuals, and landlord. The employer paid each worker only $65 a month after deducting room and board and other care giving expenses. The "bunkhouse", where the men resided, was shut down in early February by the local fire marshal when numerous violations were discovered. The men have since been relocated to group homes in another part of Iowa.

Presiding over the hearing, Senator Harkin stated, "For too long, we have been complacent for the potential for abuse and exploitation of people with disabilities, as well as other vulnerable populations in the workplace." (Congressional Record, 9 March 2009) He referred to the alleged exploitation case in Iowa as a "rude awakening", and committed his support to ensuring that legislative action would be taken to prevent these abuses from taking place in the future, including reviewing existing regulations that allow sub-minimal wage practices. Senator Harkin has also expressed an interest in introducing comprehensive employment legislation focused on individuals with significant disabilities in the 111th Congress. This interest, coupled with the interest of key Congressional champions focused on intellectual disabilities, provides a significant opportunity to advocate for comprehensive policy reform aimed at significantly increasing meaningful employment opportunities and simultaneously encouraging and supporting individuals with disabilities to work, save, and build assets for their future financial security.

The ICDR Seeks Public Recommendations on Emerging Topics for 2010 Research Agenda

For the first time, the federally mandated Interagency Committee on Disability Research (ICDR) is utilizing an innovative Web-based approach to collect online disability research comments to assist in developing a federal disability and rehabilitation 2010 research agenda. This technology-driven approach gives the public a three-week time frame from March 27-April 17 to submit their recommendations. Public comments from stakeholders are the focal point of the disability research recommendations in the ICDR Annual Report to the President and Congress. Specifically, the ICDR is seeking comments with special emphasis placed in the following areas:

- Collaboration and coordination among federal agencies;
- Health information technology and/or electronic health records;
- Health disparities;
- Health promotion in the workplace;
- Employment and health; and
- Other critical research issues.

This public comment period provides NDI and other stakeholders to raise questions and concerns about the lack of attention focused thus far on federally-funding research focused on better understanding the connection between poverty, asset development, and disability. It also provides an opportunity for the disability policy community to recommend the inclusion of research topics focused on the advancement of economic self-sufficiency through asset development and economic empowerment.

The ICDR is authorized by the Rehabilitation Act of 1973 (as amended) to promote overarching coordination and cooperation among federal departments and agencies conducting rehabilitation research programs and activities. Major roles of the ICDR are to identify research duplication and gaps, secure public input and compile data to inform future research, promote communication and coordination, and facilitate interagency collaboration. The ICDR brings together agency representatives, policy makers, advocates and people with disabilities through a Senior Oversight Committee (SOC) and subcommittees. The SOC is the ICDR administrative body that spearheads interagency collaboration and research coordination. The subcommittees represent specific areas of disability research including education, disability statistics, employment, medical rehabilitation, and technology.

Comments must be submitted no later than 3:00 p.m. EDT on 17 April 2009. Online public voting is available via ICDR's website from April 22-29, 2009. Additional information on submitting comments and voting can be found at www.icdr.us or by contacting: icdr@cessi.net. Organizations are highly encouraged to take advantage of this opportunity and advocate for the inclusion of policy research priorities aimed at advancing the economic self-sufficiency of individuals with disabilities. Stakeholders should also participate in the online public voting process to ensure that topics related to the promotion of income generation, asset development and economic empowerment are prioritized in the ICDR's 2010 research agenda.

Obama Administration Expands Focus of new Special Assistant for Disability Policy, Raising Questions regarding Overall White House Commitment

After initial enthusiasm of President Obama's rapid appointment of Chicago-native attorney Kareem Dale as the first-ever Special Assistant to the President for Disability Policy, questions are being raised as to whether or not the solid commitment to the disability community will continue. Rumors began when the New York Times reported on 17 March 2009 that the White House would soon be giving Mr. Dale a second position as White House Staff Advisor on the Arts & Culture.

Since that time, there has been no official confirmation of this dual appointment, a sign that the Obama administration may be rethinking its initial expansion of Dale's portfolio. In an interview in Disability Scoop on 24 March 2009, Dale did not clarify whether his role was expanding beyond disability policy advisor to include arts & culture in his portfolio, nor did he confirm whether or not disability policy would remain his top focal point and priority in his new role at the White House.

Critics have argued that the White House is sending mixed messages to people in the arts and disability community and may be diluting efforts by combining the two portfolios. Andrew Imparto, President of the American Association of People with Disabilities, expressed concerns that Dale's potential dual-position could be viewed as "a mixed bag" and that "with disability issues alone, Dale already has a pretty full plate." (Chicago Reader, 03/17/2009)

During the 24 March 2009 interview conducted by Disability Scoop, Dale responded vaguely to targeted questioning on a number of key disability policy reform topics, including IDEA funding, waiting lists, Medicaid community-based waivers, and DOL's recent release of disability-specific unemployment data.

When questioned about President Obama's commitment on the campaign trail to support full funding of the IDEA, Dale evaded answering the question directly, but did affirm that, "The administration is still committed to funding and enforcement of IDEA. I think that once the budget comes out we will certainly be looking at all of the options related to funding…..I think people will see what our funding plan is for IDEA and all of the other important funding issues that relate to people with disabilities." (Disability Scoop, 03/24/2009)

When asked about the Administration's response to the growing number of individuals on waiting lists across the country for Medicaid waiver services, Dale agreed that "all [of our] systems have to be examined" to identify "where are there inefficiencies and figure out how we can best deliver services to all Americans and particularly for Americans with disabilities." However, Dale did not confirm whether or not the Medicaid community-based waiver program was something the new

Administration was planning review or prioritize anytime in the near future.

In order to ensure that the Obama Administration maintains its commitment to having an individual solely focused on disability policy issues at the White House as well as develop a solid and comprehensive disability policy agenda, stakeholders are encouraged to communicate their concerns and desired priorities to Kareem Dale directly at the following email address: **kdale@who.eop.gov**.

WE WANT TO HEAR FROM YOU!!!

NDI welcomes any comments or feedback that you may have on the information provided in this newsletter, as well as how we can improve communication with you and others. Please feel free to email your suggestions to Serena Lowe at slowe@ndi-inc.org.

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DISCLAIMER

This monthly publication is intended primarily for the thousands of volunteers, community organizers, asset building coalition members, business and government leaders and individuals with disabilities and family members who join with the National Disability Institute (NDI) to promote and build a better economic future for youth and working age adults with disabilities nationwide. This publication will provide a general overview of the federal government process and key developments in the federal policy arena. The content is intended to provide factual information, and any interpretative statements are solely those of the editor.