

**STATEMENT FOR THE RECORD OF EMILY STOVER DEROCCO  
ASSISTANT SECRETARY OF LABOR  
EMPLOYMENT AND TRAINING ADMINISTRATION  
BEFORE THE COMMITTEE ON WAYS AND MEANS  
SUBCOMMITTEE ON HUMAN RESOURCES  
SUBCOMMITTEE ON SOCIAL SECURITY  
U.S. HOUSE OF REPRESENTATIVES**

**September 30, 2004**

Mr. Chairman, thank you for the opportunity to provide the Employment and Training Administration's (ETA) perspective on "return to work" efforts for individuals with disabilities.

ETA supports the return to work efforts carried out by the Social Security Administration (SSA), which has been a subject of this hearing. We also believe that the One-Stop Career Center system established under the Workforce Investment Act can play a vital role in helping individuals with disabilities enter jobs or return to work.

**Striving for Full Engagement in the Labor Market**

On February 1, 2001, President Bush announced his New Freedom Initiative, an effort to eliminate barriers to equality that many Americans with disabilities face. One of five key components of this initiative is "Integrating Americans with Disabilities into the Workforce." This includes expanding educational and employment opportunities and promoting full access to community life for people with disabilities. ETA is committed to achieving this goal.

Although it is critically important that individuals with disabilities have the opportunity to become fully engaged in the labor market, unfortunately, unemployment and underemployment remain unacceptably high for people with disabilities. According to the 2000 Census, among the civilian non-institutionalized population age 21-64, only 57% of individuals with disabilities are employed, compared with 77% of individuals without disabilities.

Meanwhile, the demand for skilled workers in our nation is outpacing supply, resulting in attractive high-paying jobs that go unfilled. It is necessary that we tap into new or previously untapped or underutilized skilled labor pools, such as individuals with disabilities, to help ensure that industries have the supply of skilled workers they need in order to successfully compete in today's economy. Through our efforts surrounding the President Bush's High Growth Job Training Initiative (HGJTI), we have been hearing directly from employers about the importance of this critical issue.

The HGJTI is a strategic effort to prepare workers to take advantage of new and increasing job opportunities in high-growth/high-demand and in economically vital industries and sectors of the American economy. The foundation of this initiative is partnerships that include the workforce investment system, business and industry, training providers and economic development entities working collaboratively to develop solutions to workforce challenges facing industries and to develop maximum access for American workers to gain the competencies they need to obtain jobs and build successful careers in these industries.

To date, ETA has focused on 12 "high-growth" industries. These industries have high growth in new jobs, a high rate of change in workforce skill needs, or are industries

with new and emerging careers. The targeted industries include: automotive, advanced manufacturing, biotechnology, construction, energy, financial services, geospatial technology, health care, hospitality, information technology, retail, and transportation sectors.

Through the HGJTI we have conducted executive forums to identify the challenges these industries face. Through these forums, I have personally had the opportunity to meet with these industry leaders and listen as they identify their greatest workforce challenges. Although different industries may face unique challenges, one clear, overarching challenge faced by these diverse industries is finding a sufficient pool of skilled labor.

In response to the challenges that are identified, ETA holds “solution forums” to help these industries find solutions to the challenges they face. Representatives from all sectors have agreed with ETA that one “solution” to the shortage of skilled labor is finding access to new and/or previously untapped or underutilized labor pools, including individuals with disabilities. ETA believes that the One-Stop Career Center system can play a strong role in brokering relationships between these industries and the skilled labor they need, including individuals with disabilities, and helping individuals with disabilities obtain the current skills needed for gainful employment.

### **Interagency Coordination**

In addition to our efforts under the HGJTI, we are also working closely with other federal agencies to develop coordinated strategies designed to move individuals with disabilities into competitive employment. These efforts support President Bush’s New

Freedom Initiative by addressing several policy issues surrounding integrating Americans with disabilities into the workforce.

To enhance coordination across agencies, ETA has convened an *Inter-Agency Coordinating Forum for Individuals with Disabilities and the Workforce*. The forum offers an arena in which federal leaders can develop strategies, share information, and coordinate efforts around serving individuals with disabilities. Participants in this *Forum* include high-level participation from DOL's Office of Disability Employment Policy (ODEP), Veterans Employment and Training Services (VETS) and ETA; the Department of Education's Office of Special Education and Rehabilitative Service (OSERS); the Social Security Administration's Office of Disability and Income Support Programs; and the White House Domestic Policy Council.

At our most recent *Forum*, we had the opportunity to meet with employers to discuss strategies that the federal government can undertake to help employers hire individuals with disabilities. They identified challenges and activities, including:

- Making the "business case" for hiring people with disabilities, and letting other businesses know the value of hiring individuals with disabilities.
- Integrating information at the Federal level to provide tools, resources, and promising practices.
- Not only making information available, but also conducting an awareness campaign around hiring individuals with disabilities.
- Helping employers access and recruit individuals with disabilities, and, conversely, helping persons with disabilities understand the pathway through the public workforce system to employers with good jobs with career ladders and good benefits.

ODEP, working with its DOL colleagues, is engaged in activities that address a number of these challenges. ODEP is currently compiling promising disability employment practices from both the federal and private sectors and providing the information and resources that employers need to successfully recruit, develop, retain,

and return individuals with disabilities to work. Through its Employer Assistance Referral Network (EARN), ODEP is in the process of developing the “business case.” This work will help employers access, recruit and retain individuals with disabilities. Furthermore, ODEP’s Job Accommodation Network (JAN) provides free, nationwide technical assistance and training on accommodation strategies for new and returning workers.

Moreover, over the past 18 months ODEP has partnered with HHS’ Office on Disability (OD) to address, with other federal partners (Education, Commerce, Justice, Transportation, HUD, SSA, and Interior), the comprehensive service needs, including employment, of young adults with disabilities between the ages of 16 to 30. ODEP, in conjunction with ETA, has also worked with the HHS Substance Abuse and Mental Health Services Administration (SAMHSA) as a key federal partner in helping to develop and implement SAMHSA’s mental health systems transformation plan pursuant to the report of the President’s New Freedom Commission on Mental Health.

### **Efforts to Enhance the Capacity of One-Stop Career Centers**

In order for the One-Stop Career Center system to fully assist individuals with disabilities and the industries who seek to hire individuals with disabilities, One-Stop Career Centers must be physically and programmatically accessible. Although there is still work to be done, the One-Stop Career Center system has become increasingly accessible through initiatives such as the Disability Program Navigator, Work Incentive Grants, and the issuance of the Workforce Investment Act (WIA) Section 188 Disability Checklist.

First, the Disability Program Navigator (DPN) is a collaborative effort funded by DOL and SSA. The DPN is a position in the One-Stop Career Center that helps people with disabilities “navigate” through the enormous challenges of seeking work. Complex rules surrounding entitlement programs, along with fear of losing cash assistance and health benefits, can often discourage people with disabilities from working. DOL and SSA have established the DPN to better inform beneficiaries and other individuals with disabilities about the work support programs now available through One-Stop Career Centers, including facilitating access to counseling on the impact of employment on the individual’s cash assistance or health benefits.

Navigators work closely with other programs funded by SSA. Examples include the Benefits Planning, Assistance, and Outreach (BPAO) program, which helps SSA beneficiaries make informed choices about work, and Area Work Incentives Coordinators (AWIC) whose duties include assisting with public outreach on work incentives, training on SSA’s employment support programs for personnel, and monitoring disability work-issue workloads in their areas.

Through grants to seventeen states, approximately 120 Navigator positions were established in One-Stops in program year 2003, with another 80-100 positions to be added in program year 2004. These navigators are building the capacity of the One-Stop Career Center system to serve individuals with disabilities and to help these individuals find and retain employment.

Also, Work Incentive Grants have helped local areas increase the employability, employment and career advancement of people with disabilities through enhanced service

delivery in the One-Stop Career Center system. These grants have been used to support physical access to services for people with disabilities.

In addition, DOL's Civil Rights Center (CRC), in cooperation with ETA and ODEP, developed a "WIA Section 188 Disability Checklist" to help ensure One-Stop Career Centers are accessible for individuals with disabilities. The Checklist is designed to ensure meaningful participation of people with disabilities in programs and activities operated by recipients of financial assistance under WIA.

Finally, there is opportunity for One-Stop Career Centers to participate more fully as Employment Networks in the Ticket-to-Work program, authorized by the Ticket to Work and Work Incentives Improvement Act (TTWWIIA). Through this program, eligible individuals are given a ticket that can be voluntarily used to obtain employment-related services at Employment Networks (EN) or State Vocational Rehabilitation (VR) agencies. The purpose of the Ticket program is to give SSI and SSDI beneficiaries greater choice of service providers, beyond the traditional VR agencies. An EN or VR agency that accepts a ticket assumes responsibility for coordinating and delivering employment-related services to the beneficiary.

To date, One-Stop Career Center participation as Employment Networks has been minimal. ETA is committed to continue working with SSA to maximize One-Stop Career Center participation in the Ticket-to-Work program.

**Conclusion:**

In conclusion, ETA is working to carry out the mandates of the President's New Freedom Initiative, to meet the needs of employers and to help individuals with disabilities integrate into the labor force. As such, ETA strongly supports SSA in its

return to work efforts. ETA and SSA continue to work collaboratively to help individuals with disabilities enter the workforce for the first time or return to work. Further, the One-Stop Career Center system can play a strong role in helping individuals with disabilities find or return to work, through community connections, connections to employers and the system's pulse on the labor market.