Economic Recovery and Resilience for People with Disabilities: A 15-Point Agenda for the Biden-Harris Administration

Thirty years after the passing of the Americans with Disabilities Act (ADA), people with disabilities still face disparities in poverty rate, educational attainment, employment status and asset accumulation. These issues are further exacerbated if the individual is at the intersection of race or ethnicity and disability.

- One in four people with a disability in the U.S. lives in poverty.[i]
- The labor force participation rate for working-age people with disabilities was 33.6 percent in November 2020.[ii]
- People with disabilities are three times as likely to be unbanked as individuals without a disability (16.2% vs. 4.5%).[iii]
- Households with a working-age, disabled adult were denied credit, or not given as much credit as requested, nearly two times more than nondisabled households (28.6% vs. 16.4%).
- Across all racial and ethnic groups, households with a disabled, working-age adult had a net worth average of $14,180, compared to households without disability, which were worth an average of $83,985. The group with the lowest net worth is Black households, where the householder has a disability, at $1,282.[iv]

The following 15-point agenda offers the Biden-Harris administration opportunities to lead important executive and congressional action that will significantly improve the financial health and economic status of working-age adults with disabilities.

1. Eliminate the cash cliff for Social Security Disability Insurance (SSDI) recipients that results in beneficiaries losing their entire cash benefit if their earned income exceeds a fixed amount (the fixed amount is referred to as substantial gainful activity – $1,310 per month for non-blind individuals and $2,190 for blind individuals in 2021). Encourage increased income production by instead implementing a gradual reduction system, so that for every three dollars earned above the substantial gainful activity amount, one dollar of federal cash benefit will be reduced.

2. Treat dependents with disabilities the same as children under any future COVID-19 economic stimulus payments to generate equivalent payments to families.
3. Have all three bank regulators adopt from the Office of the Comptroller of the Currency (OCC) final rule the language that provides a specific focus on low- and moderate-income (LMI) individuals with disabilities as a target for qualified Community Reinvestment Act (CRA) investment, lending and services with examples of qualifying activities related to small business support, workforce development, financial education and counseling and assistive technology lending. Require that all bank performance reviews by federal regulators seek evidence of CRA activities targeted to LMI individuals with disabilities as a key factor in performance rating.
4. Make the passage of the ABLE Age Adjustment Act a priority to allow eligibility for ABLE accounts for individuals with disabilities with an age of onset of disability up to age 46, instead of the current 26 years. Require federal agencies to report annually to the National Council on Disability (NCD) on their ABLE education and outreach activities with evidence of outcomes and with particular attention to communities of color. New efforts to seed child savings accounts should allow the option of seeding ABLE accounts for children with disabilities.
5. Eliminate 14(c) of the Fair Labor Standards Act to no longer allow payment of subminimum wages to individuals with disabilities.
6. Reduce the match requirements by 50 percent for State Vocational Rehabilitation Agencies (SVRAs) in fiscal years 2021 and 2022 to mitigate the impact of COVID-19 and other state economic challenges that limit states' ability to provide the matching dollars required to draw down their full federal allocation. People with disabilities have been disproportionately impacted by job loss due to the pandemic as compared to any other group (gender, race, ethnicity) and need well-funded State Vocational Rehabilitation Agencies (SVRAs) for comprehensive return-to-work services.
7. Require financial goal setting and delivery of financial education and financial counseling for youth in transition and adults with disabilities as part of individual education plans and individual employment plans required under the Individuals with Disabilities Education Improvement Act (IDEA) and the Rehabilitation Act.
8. Expand opportunities for entrepreneurs with disabilities by creating a coordinated effort between the Small Business Administration (SBA), U.S. Department of Labor Employment and Training Administration and the Rehabilitative Services Administration that provides $100 million for demonstration projects nationwide. Increase the number of certified Disability-Owned Business Enterprises (DOBEs) to 5,000 over the next four years. Add small businesses owned by people with

disabilities to the list of preferential groups for federal government contracting under the 8A program. Add a lead position at SBA to focus on small business development by people with disabilities.

9. Lower the age of Earned Income Tax Credit (EITC) eligibility to individuals, with and without disabilities, to 18 from the current age of eligibility of 25 to promote the importance of work for youth in transition. Increase the benefit to individuals without children to reduce the current disparity of EITC benefit between households with children and single individuals.
10. Increase employment of people with disabilities in the federal government by 100,000, which was first issued as an Executive Order in the Obama administration, and encourage state-level issuance of similar mandates.
11. Modernize the Supplemental Security Income (SSI) program. Raise the asset limit for SSI beneficiaries and index for inflation retroactive to 1973 when the program was started. Consider additional adjustments to address new findings of the extra out-of-pocket costs of living with a disability, which amounts to 28 percent of household income. Simplify the calculation used to determine how SSI benefits are reduced when a person enters the labor market, so that people do not unknowingly end up owing debt to SSA.[v] Allocate funding to expand the Work Incentives Planning and Assistance (WIPA) projects to dispel myths and educate beneficiaries and service providers about the Social Security incentives that do exist to encourage and help people enter the labor market.[vi]
12. Increase opportunities for people with disabilities to acquire assistive technology with affordable financing through the expansion of Alternative Financing Programs (AFPs) within the Assistive Technology Act. These programs integrate financial education with flexible, low-cost consumer loans that make it possible for people to get needed assistive technology while building good credit and entering the financial mainstream. With these devices, people with disabilities are able to go to work and school, live in their own homes and be active participants in the community.
13. Appoint a subject-matter expert on disability to the White House Domestic Policy Council to advance implementation of the new Executive Order 13985: Advancing Racial Equity and Support for Underserved Communities Through the Federal Government to identify challenges in access to benefits and services in federal programs, help address historic failure to invest sufficiently, justly and equally in the disability community and serve on the Equitable Data Working Group to improve collection in federal data sets and analysis of data disaggregated by disability to measure and advance equity.

14. Appoint an economist to the Council of Economic Advisers with an expertise on labor and economic challenges historically impacting individuals with disabilities.
15. Expand funding of Community Development Financial Institutions (CDFIs) with increased attention to respond to lending needs of small businesses owned by persons with disabilities and the need for affordable home and consumer loans, including purchasing of assistive technology devices and other equipment to advance inclusion and productivity.

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[i] Erickson, W., Lee, C., von Schrader, S. (2021). *Disability Statistics from the 2018 American Community Survey (ACS)*. Ithaca, NY: Cornell University Yang-Tan Institute (YTI). www.disabilitystatistics.org

[ii] Filanoski, K. (2020, December 4). *nTIDE November 2020 Jobs Report: Americans with disabilities remain engaged in labor force*. Research on Disability. https://researchondisability.org/rod-news/2020/12/04/ntide-november-2020

[iii] Federal Deposit Insurance Corporation (FDIC). (2020). *How America Banks: Household Use of Banking and Financial Services*, 2019 FDIC Survey.

[iv] National Disability Institute. (2020). *Race, Ethnicity and Disability: The Financial Impact of Systemic Inequality and Intersectionality*. https://www.nationaldisabilityinstitute.org/reports/research-brief-race-ethnicity-and-disability/

[v] *Work-Related Overpayments to Social Security Disability Insurance Beneficiaries: Prevalence and Descriptive Statistics* (ssa.gov)

[vi] *The Extra Costs of Living with a Disability in the U.S. — Resetting the Policy Table*: https://www.nationaldisabilityinstitute.org/wp-content/uploads/2020/10/extra-costs-living-with-disability-brief.pdf