

**Committee on Financial Services
Subcommittee on Diversity and Inclusion**

Hearing on
Diversity Includes Disability: Exploring Inequities in Financial Services for Persons
with Disabilities, Including Those Newly Disabled Due to Long-Term COVID

**Testimony of Vilissa Thompson, LMSW
Fellow, The Century Foundation
Co-Director, Disability Economic Justice Collaborative**

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Good afternoon.

Thank you for the opportunity to testify today. My name is Vilissa Thompson, and I'm a Fellow at The Century Foundation, where I am a part of TCF's Disability Economic Justice Team and serve as co-director of the Disability Economic Justice Collaborative. The Disability Economic Justice Team's work at TCF aims to better understand and improve the economic status and security of disabled people in this country by addressing the barriers that stymie their chance to achieve the economic goals, dreams, and opportunities that matter dearly to them.

I speak before you today not just in my role at TCF, but also by bringing forth my intimate understanding of the issues I will discuss as a Black disabled woman who is a social worker, writer, and activist. **It is vital not only to understand the economic barriers faced by Americans with disabilities—but to apply an *intersectional* lens, to ensure that policies and reforms meant to address those barriers are effective at doing so for all disabled people rather than just the most privileged members of our community.** Thus, for my testimony, I want to bring the issues I'll cover to life by discussing them through the lens of a disabled young adult I'll name Keisha. Keisha is like many of our young students at this time of year—preparing to graduate from high school and enter the next chapter in her life as a Black young disabled adult.

People like Keisha face many roadblocks on their path to success, including independence, acquiring an education and that first job post-graduation, renting an apartment for the first time, learning how to balance a checkbook and save up for a rainy day, and other common firsts.

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Disabled young people with intersecting identities like Keisha's—being disabled, of color, and a woman/femme—face unexpected barriers that defer and discourage them. These roadblocks are not happenstance; they are systematically put in place to delay progress for the few who are deemed undeserving of achieving their own dreams simply due to how they look and present in our country.

As I share my testimony today, I will focus on the following three key points:

- 1. Defining the disability community, as diversity includes disability.**
- 2. Explaining the economic barriers disabled people, and especially young disabled women of color, face.**
- 3. Describing the economic power of disabled Americans if changes are made.**

I appreciate the opportunity to testify today to both help the Committee better understand who disabled people are as well as to identify the barriers to economic independence that we face in the U.S. today.

1. WHO IS THE DISABILITY COMMUNITY IN THE UNITED STATES?

The U.S. disability community comprises 61 million people, or 1 in 4 adults. This number is steadily growing due to the pandemic, the mass disabling event of our time.

The Native/Indigenous community has the highest prevalence of disability, with 2 in 5 members in that community. And women make up 1 of every 4 disabled people..

There are many different types of disability, such as physical disability, being blind or low vision, being deaf or hard of hearing, intellectual/developmental disability, mental illness, chronic illness, among many others. A person can have more than one disability, and disability can be experienced at different times in one's life, due to aging, accidents/traumas, environmental factors, etc.

Disability can be a significant contributor to economic insecurity. It can lead to lower job retention and earnings, including living in poverty. Disability can be a factor in whether a person thrives in a country where productivity and one's ability to contribute to the labor force are prioritized more than who they are as an individual and the value they possess that goes beyond their labor to further the economic strength of society.

To better understand the economic realities faced by disabled people and the policies that they need to thrive, it is necessary to understand the intersectional aspects that affect who disabled people really are. So, getting back to Keisha, and how poverty, disability, and race affect the economic status of the disabled community, next I will discuss several barriers to economic security in the life of a disabled, young, Black woman.

2. ECONOMIC BARRIERS DISABLED PEOPLE FACE IN THE U.S.

Disabled people in the U.S. are *twice* as likely to live in poverty as their non-disabled peers. There are a number of factors that undermine the economic security of disabled people, including lack of access to needed supports and services as they transition to young adulthood; discrimination and marginalization within the education system; added costs that come with living with disability, also known as the “crip tax;” employment discrimination; outdated policies in our Social Security disability programs that can trap people in poverty; insufficient affordable, accessible housing; over-criminalization and police brutality; and more. It is critical to note that each of these barriers is even more profound for disabled people of color, as systemic racism in the U.S. only further compounds the structural and cultural ableism that disabled people face.

For the purposes of today’s hearing, I will highlight just a few of these barriers.

LOSS OF SERVICES AND SUPPORTS IN YOUNG ADULTHOOD

Young adulthood should be an exciting time, as Keisha prepares to finish high school and get her first job. But disabled young adults understand that their concerns for independence and self-sufficiency are tied to their disability—prompting many to wonder, will I be able to have the same education and employment opportunities as my non-disabled peers? As a disabled young person reaches 18-21, the support they may have had throughout childhood often disappears; the transition from youth to adulthood can be shocking when key supports that have kept them afloat, such as Supplemental Security Income (SSI) or IDEA services, are suddenly no longer available. This places disabled young adults and their families in a bind—how do I continue to make progress towards the goals that matter to me, with limited to no resources or supports? The aging-out predicament that disabled young people find themselves in can be the beginning of setbacks that may take years, if ever, to recover from.

DISCRIMINATION AND MARGINALIZATION WITHIN EDUCATION

Disabled young people understand how their disability can be, and is, used against them—the discrimination our students face in schools is often their first encounter with systemic ableism. Ableism is the social prejudice against disabled people, and disabled young people sadly become aware of ableism from the way they may be treated at school. I remember all too well the way teachers treated and discussed disabled students in mainstream classes versus those in accessible settings—those sentiments do not leave one’s psyche even years after graduation. That prejudice dictates whose educational experience is valued or devalued due to their ability to succeed and socialize in school. For disabled young adults whose disabilities and presentation were met with negativity or resentment, they become aware of how their disability can be weaponized against them.

For a graduating disabled young adult like Keisha, that weaponization can impact the kind of documentation they receive upon completion of their studies. Currently, there are states that allow an unequal two-tier system to exist—receiving a diploma or a certificate. Whether one receives a diploma or certificate is determined by the classroom settings they were in—mainstream or accessible classes. The idea behind certificates is that they offer an alternative for students who may not be able to complete typical diploma requirements. But the reality is, disabled students who receive a certificate instead of a diploma can have their ability to gain employment, post-secondary education, and other dreams stalled. A certificate is not viewed in the same manner as a diploma, and some students and families learn this too late before graduation nears. The inequality as to who gets to progress in society starts here, and is not the only block a young adult like Keisha can face.

ADDED COSTS OF LIVING WITH A DISABILITY (“CRIP TAX”)

Living with a disability is costly. Often called the “crip tax” within the disability community, disabled people are faced with paying extraordinary rates for services, tools, etc., that are needed to make their lives easier and accessible.

Take, for example, a service that has become more important for some in our community during the pandemic—food and grocery deliveries. For disabled people who are immunocompromised, reducing or eliminating the need to leave one’s home to get food is critical to keeping themselves and those they care about safe from contracting COVID. Other goods that have a high price tag are adaptive devices like wheelchairs and hearing aids, food for special diets, assistive technology for communication, personal attendant care, and even our medications.

Taken together, recent research suggests that households with a disabled adult **need an average of 28 percent more income**—an extra \$17,690 per year for a typical U.S. household—in order to achieve the same standard of living as a comparable household without a disabled member.¹ These added costs set Keisha even further back as she seeks independence and economic stability.

BARRIERS TO EMPLOYMENT

A disabled young adult like Keisha joins a workforce that has never fully considered disabled people as skilled or talented compared with their non-disabled peers. This is reflected in the numbers on disability and employment, and the way ableism has seeped into the workplace.

The Numbers

¹ “The Extra Costs of Living with a Disability in the U.S.—Resetting the Policy Table,” National Disability Institute, 2020, <https://www.nationaldisabilityinstitute.org/reports/extra-costs-living-with-disability/>.

When considering the employment-population ratio among disabled and non-disabled workforce demographics, the gap between disabled and non-disabled workers is profound. According to the Bureau of Labor Statistics, in 2021, the employment-population ratio for disabled people was 19.1 percent; a stark contrast when compared to their non-disabled peers at 63.7 percent. These numbers did shift slightly in 2020 and 2019 for disabled people, with the ratio being 17.9 percent and 19.3 percent respectively. (In the same timeframe of 2020 and 2019, the ratio for non-disabled people were 61.8 percent and 66.3 percent respectively.)

More than half of working-age disabled people in this country are not a part of the labor force; an astounding number for a country that encourages work the moment a person is legally able to do it.

Pay Gap and Subminimum Wage

Not only are we underemployed, but we are also sorely underpaid. A recent study by The Century Foundation and the Center for Economic and Policy Research found that disabled workers were paid 74 cents for every dollar paid to non-disabled workers in 2020.² The gap is even wider when you add race into the mix: Black disabled workers who work full-time were paid just 68 cents on average for every dollar paid to their white non-disabled counterparts. So, even if Keisha is able to find full-time work, she can expect to be paid significantly less than her white non-disabled peers.

And there's an even graver reality that often goes unnoticed: it is still legal to pay a disabled worker a subminimum wage. The Fair Labor Standards Act (FLSA) of 1938 created a federal minimum wage for most American workers; however, there is an exception for disabled people.

Section 14(c) of FLSA allows employers to legally pay disabled workers less than the full minimum wage, with no floor. The exception was intended to "sweeten" the buy-in to get employers to hire disabled workers. But today, subminimum wage has become one of the most egregious secret work exploitation tactics in our nation. Employers with 14(c) certificates pay disabled workers as little as pennies an hour for their labor, and disabled workers can end up trapped in what are known as "sheltered workshops," preventing them from advancing in their careers or finding competitive employment. Estimates suggest between 40,000 and 100,000 disabled workers are paid subminimum wages today. Many states have taken action to eliminate subminimum wages, yet more work has to be done to eliminate them across the country, as the Raise the Wage Act³ would do.

Ableism In Hiring

² Rebecca Vallas and others, "Economic Justice is Disability Justice," <https://tcf.org/content/report/economic-justice-disability-justice/>.

³ H.R. 603, Raise the Wage Act of 2021.

For disabled young adults like Keisha who desire to work, ableism in the workplace is yet another hurdle they may endure in seeking to be employed. Hiring discrimination towards disabled workers is rampant, and can keep us from gaining opportunities at all. For someone like Keisha, racism and ableism present a multi-layered barrier — not only to being considered a worthy job applicant, but also impacting the kind of workplace treatment and upward professional mobility opportunities offered to them to sustain their talents. Indeed, a survey of disabled workers by the Center for Talent Innovation found that 1 in 3 disabled workers experienced bias or discrimination in the workplace, including being insulted or excluded because of their disability.⁴ The intersection of race and disability undeniably affects who in our community can and does progress in their respective fields and the kind of support offered to guarantee their success.

OUT-OF-REACH AND OUT-OF-DATE SOCIAL SECURITY DISABILITY PROGRAMS

I will not go into great detail about Social Security here because I know this is not the Committee's jurisdiction, but, as stated earlier, our society's heavy focus on productivity as the measure of an individual's worth isolates many disabled people who cannot contribute in this manner. The ostracization of not being able to earn an income in the traditional sense can make someone feel useless and unimportant. This is made even worse by inadequate benefits that for many are not enough to keep them from poverty, and which are incredibly difficult for many disabled people to access without help from a lawyer.

Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) are crucial financial lifelines for millions of disabled people in this country, young and old. Though these disability programs are a vital resource for millions of people with disabilities in the U.S., they are still out of reach and out of date for too many individuals and families due to a too-strict definition of disability, how shockingly laborious the application and disability determination processes are, and because benefit levels and eligibility rules have failed to keep pace with rising costs.

Take just one example: currently, the SSI asset limits are \$2,000 for an individual and \$3,000 for a couple, levels which have remained unchanged even for inflation since 1989. The lack of action to ensure that disabled people on disability programs are able to save without penalty is startling. Having the ability to save for emergencies is something that all of us should be able to do; being disabled shouldn't steal away the ability to achieve our financial goals. The push for SSI asset limit reform has been propelled with the backing of policymakers and stakeholders in the business and finance community like JP Morgan Chase.⁵ This focus has heightened due to the pandemic, as awareness regarding the harsh saving restrictions can create disastrous outcomes for individuals and families who do not have the means to handle either small or grand emergencies to remain afloat.

⁴ Sarah Parker Harris, Rob Gould and Courtney Mullin, "Research Brief: Experience of Discrimination and the ADA," ADA National Network Knowledge Translation Center, 2019, https://adata.org/research_brief/experience-discrimination-and-ada.

⁵ See JP Morgan Chase, "Enhancing Economic Opportunity and Mobility for People with Disabilities Through Asset and Income Limit Reforms," 2022, <https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/policy-center-asset-limit-issue-brief-ada.pdf>.

INSUFFICIENT AFFORDABLE, ACCESSIBLE HOUSING

The housing crisis currently facing our nation is a disability rights issue. Everyone should have the opportunity to obtain housing that is affordable, accessible for their needs, and safe. Yet for disabled young adults like Keisha looking to rent or buy for the first time, the conditions of the market are especially discouraging. For many years, just 5 percent of federally funded affordable housing has been required to be accessible to people with mobility disabilities, and just 2 percent for those who are blind or low vision—figures that are woefully inadequate to meet disabled people’s needs. The pandemic has further exacerbated disabled people’s challenges maintaining housing, with 40 percent of disabled renters in a state of worry about paying rent or having to defer payment, one year after the onset of the pandemic, compared with the national average of 25 percent, according to research by The Century Foundation.⁶

Race and disability collide to make the realities even bleaker for Black and Hispanic renters, who were incredibly likely to experience this phenomenon (at 52 percent and 50 percent respectively); we cannot ignore how this intersection places members in our community in grave danger of being houseless, particularly while still living through a pandemic.

With accessible and affordable housing out of reach, where does this put disabled young adults like Keisha who desire to have their own place for the first time in their lives? How can they further their independence in this manner if the rent is too high, and leaves little room for them to afford their other monthly bills, let alone prosper? These are the questions disabled young people across our country are asking themselves, and are awaiting answers to.

OVERCRIMINALIZATION & POLICE BRUTALITY

State-sanctioned violence and criminalization in this country is a disability issue—over 50 percent of people killed by the police are disabled. This is an intersectional matter that affects Black and Brown disabled people at alarming rates. For instance, more than half of Black disabled people in this country have been arrested by the time they reach the age of 28; this is double the rate when compared to their white disabled peers. Those whose deaths at the hands of the police we all learned of over the last decade were disabled: Freddie Gray, Korryn Gaines, Tamir Rice, Sandra Bland, and sadly countless others. One cannot effectively discuss police violence and the need for criminal justice reform without mentioning how race and disability factor into who experienced this atrocity, and why. Critically, this is an economic issue as well, because having a criminal record can present additional, often lifelong barriers to employment, housing, education, and more—further compounding the barriers disabled people already face.

⁶ Rebecca Vallas and others, “Economic Justice is Disability Justice.”

3. THE ECONOMIC POWER OF THE DISABILITY COMMUNITY IF CHANGES ARE MADE

Achieving the as-yet unrealized promises of the Americans with Disabilities Act more than 31 years after that law took effect—and finally breaking the persistent link between disability and poverty in the United States—will require centering the perspectives and experiences of disabled people in our economic policymaking. That is the focus of the recently launched Disability Economic Justice Collaborative, for which I serve as co-director.

Critically, removing barriers to economic security for disabled people will not only reduce poverty and hardship among people with disabilities in the U.S.—it will unlock the significant, untapped economic power of the U.S. disability community. For example, at a time when employers report struggling to find workers, removing barriers to labor force participation for disabled workers should be something we can all agree is more important than ever. And, as leading stakeholders in the financial community such as JP Morgan Chase have noted, preventing disabled people from building savings is shutting a huge swath of the nation out of banking altogether, harming the economy as a whole.

While achieving long-denied economic justice for disabled people in the U.S. will require applying a disability lens across the entire economic agenda, several of the bills currently under review by this Committee deserve serious consideration and would take important steps to remove barriers to economic security and independence for disabled people like Keisha.

For example, the **“Promoting Housing Accessibility Act”** would promote housing accessibility for people with mobility disabilities, those who are deaf or hard of hearing, and those who are blind or low vision, by requiring that no less than 10 percent of units in a federally assisted development must be accessible for those with mobility disabilities, and no less than 5 percent shall be accessible for those who are deaf or hard of hearing, and those who are blind or low vision. And the **“Eleanor Smith Inclusive Home Design Act of 2021”** would require that certain newly constructed, federally assisted housing units not covered by the Fair Housing Act, including single-family homes and townhouses, contain at least one level that is accessible to individuals with disabilities. Increasing the supply of affordable housing that is accessible for disabled people is long overdue.

Additional steps are needed—and I hope that today’s hearing is just the beginning of this critical conversation about removing barriers to economic security for disabled people in the U.S., including the millions newly disabled due to “long COVID.”

Though I used Keisha to humanize the facts I shared, I want to be perfectly clear that what happens to disabled people in America is not hypothetical. In fact, I myself have faced many of the disparities I highlighted. I was this young Black disabled adult trying to navigate systems that had roadblocks to impede my success. The data isn't abstract to me; it is personal, as it is for millions of disabled people in this country.

The systemic and societal realities disabled people, particularly those of color, endure must not be ignored when we discuss the economic barriers that impact our ability to not just survive, but thrive. Thriving is something everyone should have a right to do when provided the appropriate resources; the fact is, when we have systems that work for some and not others, the chances of thriving becomes bleak for those who are intentionally prevented from accessing what is available.