Congress of the United States U.S. House of Representatives Committee on Small Business 2361 Rayburn House Office Building Washington, DC 20515-0515

To: Members, Committee on Small Business
From: Committee Staff
Date: May 19, 2016
Re: Full Committee Hearing: "Help Wanted: Small Business Providing Opportunities for All"

On Thursday, May 19, 2016 at 10:00 a.m., the Committee on Small Business will meet in Room 2360 of the Rayburn House Office Building. The Committee will meet to examine the role small businesses have played in employing individuals with intellectual or developmental disorders, syndromes, or disabilities, and the lessons that have been learned.

I. Introduction

Small businesses represent about half of all private sector employment, and they are responsible for about two-thirds of net new private sector jobs.¹ Small businesses also make up 99.7 percent of all United States employer firms.² Therefore, in order to understand the state of employment opportunities, it is crucial to examine the role small businesses play.

One segment of our society that is often overlooked when discussing economic opportunities through new job growth is the special needs community.³ Obtaining meaningful and sustaining employment is especially difficult for individuals with intellectual disabilities or developmental disorders or syndromes. For example, a study commissioned by the Special Olympics examining employment of individuals with intellectual disabilities found that only 34 percent were employed, and only 26 percent of employed adults with intellectual disabilities have full-time jobs.⁴

¹ The United States Small Business Administration (SBA) Office of Advocacy defines small businesses as those with 500 employees or less. SBA OFFICE OF ADVOCACY, FREQUENTLY ASKED QUESTIONS 1 (2014), *available at* <u>https://www.sba.gov/sites/default/files/advocacy/FAQ_March_2014_0.pdf</u>.

 $^{^{2}}$ Id.

³ According to the Bureau of Labor Statistics, only 20.4 percent of individuals with disabilities in the United States are participating in the labor force, whereas the percentage for individuals without disabilities is 68.3 percent. *See* <u>http://www.bls.gov/news.release/empsit.t06.htm</u>.

⁴ Gary N. Siperstein, Robin C. Parker, & Max Drascher, *National Snapshot of Adults with intellectual Disabilities in the Labor Force*, 39 Journal of Vocational Rahabilitation 157, 161 (2013), *available at* <u>http://www.specialolympics.org/uploadedFiles/Sections/What_We_Do/Research_Studies_Description_Pages/Siperstein</u>-Parker-Drascher-JVR-National-snapshot.pdf.

II. Resources

Within the federal government, the Office of Disability Employment Policy (ODEP) was created to help ensure that people with disabilities are able to be integrated into the workforce. ⁵ Located within the Department of Labor, it was created to "develop and influence policies and practices that increase the number and quality of employment opportunities for people with disabilities."⁶

Private sector foundations are playing a leading role in working with small businesses to create and expand employment opportunities. That National Down Syndrome Society,⁷ for example, created #DSWORKS, an employment initiative with the goal to "educate the general public about how individual with Down syndrome are employable individuals and should be included in all aspects of the work force; encourage corporations and businesses to invest in hiring people with Down syndrome; and increase the number of opportunities for individuals with Down syndrome to work in meaningful and competitive employment settings."⁸

Autism Speaks, a leading advocacy group for individuals with autism spectrum disorders (ASD),⁹ created a small business initiative in 2013.¹⁰ With an estimated 500,000 teens and young adults with autism entering adulthood over the next decade, and seeing the unemployment rate for adults with autism as high as 90%, Autism Speaks looked to expand ways small businesses can provide employment opportunities.¹¹ The initiative focused on "the innovation and flexibility unique to small businesses and entrepreneurs that allows them to sustainably employ individuals with autism."¹² The small business initiative was organized around four prongs:

- Learning from small businesses who have been able to provide employment opportunities for adults with autism;
- Hosting town halls across the country to highlight the opportunities small businesses can have in their local areas;
- Convening a two-day small business and entrepreneurship conference where businesses could gather to share their business models; and
- Disseminating the findings so that anyone interested in this area would be able to access the resources needed learn from previous success stories.¹³

⁵ <u>https://www.dol.gov/odep/about/</u>.

⁶ *Id*.

⁷ Down syndrome is a genetic condition that occurs when an individual has a full or extra copy of a chromosome. Some of the physical trains of Down syndrome include low muscle tone and small stature, and it can also cause cognitive delays. For more information, see <u>http://www.ndss.org/Down-Syndrome/What-Is-Down-Syndrome/</u>.
⁸ http://www.ndss.org/DSWORKS/.

⁹ Autism is a general term used to describe a group of complex developmental brain disorders– autism spectrum disorders– caused by a combination of genes and environmental influences. These disorders are characterized, in varying degrees, by communication difficulties, social and behavioral challenges, and repetitive behaviors. An estimated 1 in 68 children in the U.S. is on the autism spectrum. For more information, see https://www.autismspeaks.org/what-autism.

¹⁰ See <u>https://www.autismspeaks.org/family-services/ault-services/autism-and-employment/small-business-town-halls.</u>

¹¹ Summary Report, Advancing the Role and Impact of Small Businesses in Employing Adults with Autism (on file with Committee).

¹² Id.

 $^{^{13}}$ *Id*.

III. Hearing Witnesses

The Committee will welcome four witnesses to this hearing. These witnesses have seen first-hand the role small businesses can play in employing individuals with intellectual or developmental disabilities or disorders. The Committee will hear directly from this panel about how these individuals can be an important asset for small businesses, and importantly, how employment helps them live more satisfied and happier lives.

a. Joe Steffy¹⁴

Joe Steffy, a young man with Down syndrome and ASD, is the owner of Poppin Joe'sTM Gourmet Kettle Korn. Joe's parents didn't agree with the assessment of the school district, which had said Joe would never be able to work or live independently. The Steffys wrote up a business plan and helped Joe secure \$25,000 in grants from programs like the Social Security Administration's Plan to Achieve Self-Support program (PASS). In 2005, Poppin' Joe's Kettle Korn was born. Joe is no longer on Social Security disability payments; instead, he pays state sales tax and state and federal income tax. Poppin Joe'sTM Gourmet Kettle Korn can be found poppin' at Walmarts, fairs, craft shows, car shows and events throughout Kansas and Georgia. Joe is nonverbal, and will be accompanied by his father, Ray Steffy, who will assist in answering questions.

b. Lisa Goring¹⁵

Lisa Goring is the Executive Vice President of Programs and Services for Autism Speaks in New York City. In her current role, she has initiated the implementation of a variety of resources and support to hundreds of thousands of families and individuals with autism across the country. One such resource is the Small Business Accelerator Program, which featured an 8-session training focusing on different topics and exercises designed to help participants define the steps they need to take in order to build sustainable jobs and plan for long-term success. While these training sessions were only in the Midwest and South Florida region in 2015, Autism Speaks hopes it will provide a blueprint for small businesses and individuals with autism across the country.

c. <u>Terri Hogan</u>

Terri is the Chairman/CEO of Contemporary Cabinetry East in Cincinnati, Ohio. Contemporary Cabinetry East is a small business employing 70-80 employees, including Mike, a young man with Down syndrome. Contemporary Cabinetry East partners with local schools and organizations to provide career exploration tours that enable teachers to connect real-world labor skills with the academic and life-skills curriculum. This helps students gain the skills they need to seamlessly transition into the labor force post-graduation.

d. <u>Rajesh Anandan¹⁶</u>

Rajesh Anandan is the Co-founder of ULTRA Testing in New York, NY. Founded in 2012 by two MIT engineers, ULTRA Testing is a New York-based technology company that provides high quality, highly responsive software testing services. ULTRA Testing delivers consistently

¹⁴ For more information on Poppin Joe's Kettle Korn, see the company's website: <u>http://poppinjoes.com/.</u>

¹⁵ For more information on Autism Speaks, see the organization's website: <u>https://www.autismspeaks.org/.</u>

¹⁶ For more information on ULTRA Testing, see the company's website: <u>http://www.ultratesting.us/.</u>

superior results through onshore teams that include individuals with autism spectrum disorders. For adults on the autism spectrum, ULTRA provides a work environment designed for exceptional talent and the opportunity for every team member to excel at their job.

IV. Conclusion

Small businesses play a crucial role in our nation's economy, but just as important is the role small businesses play in the community. This hearing will allow Members of the Committee to hear from individuals who have stepped up and worked to provide job opportunities to individuals who all too often can be overlooked. Committee Members will have the chance to hear their stories, and learn from their experiences.