



Co-Opportunity, Inc.

1305 Hill St SE
Albany, Oregon 97322
Phone: 541-928-2178
Fax: 541-928-1532

Chair Fagan, and members of the Committee:

I am Charles Edelson, Director of Operations for Co-Opportunity, Inc., a small employment center for adults with developmental disabilities, in Albany.

I oppose HB 2925.

I've been in my current position for a little over 3 years. Before that I practiced law since 1984. Co-Opportunity would be a qualified nonprofit agency under the terms of this bill. At any one time we employ about 40 disabled workers.

HB 2925 would require that we pay all of our disabled workers who work at a site other than our facility at least the State minimum wage. Co-Opportunity currently operates under a special 14c license from the federal Dept. of Labor allowing sub minimum wages which are directly proportional to worker productivity.

Co-Opportunity runs work crews doing janitorial and landscape maintenance at our customer's locations. In addition we have a sheltered workshop where lower functioning clients shred paper.

The State regulatory landscape changed dramatically over the last couple of years. The employment first initiative, wisely or not, has been pushing qualified individuals toward integrated mainstream work. By definition those people will be paid at least minimum wage. By administrative rule workers in the small group employment category will be paid minimum wage by July 1, 2015, some have been since December 28, 2014. These two groupings constitute the most productive subsets of the DD population. Both of these trends are fairly recent and not enough time has passed to gauge their effect on the disabled community.

Other aspects of state regulation are squeezing out the traditional sheltered workshops, without legislative action. By governor's executive order and administrative rule referrals of new clients to sheltered workshops are now severely curtailed. Program compensation rates which "incentivize" community based work are leaving the workshops funded at uneconomic levels.

Co-Opportunity reacted to the current sheltered workshop environment by shifting as many of the affected individuals as possible to a community based setting. Please note that this in no way makes them any more productive, it just shifts the workplace.

Most of our janitorial and grounds workers are operating in the 40-60% productivity range compared to non disabled workers. The sheltered workshop client are more like 5-20%.

Paying all of them as though they were non disabled and subject to the minimum wage would cost our program an additional \$9,000 per month. A glaring omission from this bill is any additional funding to cover this expense. Some might think that the sheltered workshops are making a lot of money at the expense of the disabled. The ones I've spoken with are hurting. Co-Opportunity is already losing money at an alarming rate.

Forcing us to pay at a minimum wage would put us out of business in a hurry. It's that simple. Instead of the presumed goal of providing financial self sufficiency and confidence our clients would likely be stuck at home all day in their apartments or group homes with far less income than they have now.

It should be noted that a couple of our clients left another program, which does pay minimum wage, and opted to migrate to ours. In other words, they chose to value other attributes of their employment more highly than just their wage. A few of our clients tried the state's vocational placement program and left traumatized from the experience.