The Ohio Employment First and Greater Opportunities for

Persons with Disabilities Act, HB225

HB225

As Introduced 136th General Assembly Regular Session 2025-2026 H. B. No. 225 Representatives Jarrells, Young Cosponsors: Representatives Abdullahi, Brennan, Brewer, Denson, Grim, Isaacsohn, Lett, McNally, Mohamed, Piccolantonio, Russo, Thomas, C., Troy, Upchurch, Lorenz, Johnson, Barhorst, Ritter, Jones to enact sections 3304.45, 4111.061, 5747.87, and 5751.56 of the Revised Code to phase out the subminimum wage for individuals with physical or mental disabilities, to authorize a tax credit for purchases made from nonprofit corporations that hire such individuals, and to name this act the Ohio Employment First and Greater Opportunities for Persons with Disabilities Act.

This bill is a step toward ensuring people with disabilities are **compensated** fairly for their work and have access to better job opportunities. It focuses on phasing out subminimum wages and providing the support needed for a smooth transition. The bill is ensuring that people with disabilities receive at least the state’s minimum wage, just like everyone else. For example, if a person with a disability works at an employer, they will have to pay them at least the minimum wage (in 2025, that will be $10.70 an hour for non-tipped employees).

This change will take place over the next 5 years, giving employers time to adjust and support their employees. To help employers transition, the bill requires them to submit a plan that shows how they’ll phase out paying lower wages. Furthermore, the plan will also focus on helping employees with disabilities to find jobs that are part of the community, where they can interact and work alongside others without disabilities. For example, an employer may offer more job training, bring in job coaches, or adjust job roles to ensure that employees with disabilities can succeed in the same kinds of roles as their peers.

Additionally, support from state agencies will provide resources, training, and support to employers to help them adjust to the new rules. Agencies like Opportunities for Ohioans with Disabilities will assist both the employers and individuals with disabilities. This might mean offering resources to employers on how to create an inclusive workplace or providing training to employees to help them move toward jobs that are more integrated and fulfilling.

The bill also encourages businesses and individuals to support nonprofit organizations that employ people with disabilities. For example, if a local business buys products from a nonprofit that employs individuals with disabilities, they can receive a tax credit of 15% of their purchase. This helps by encouraging more businesses to support disability-inclusive employers, which can lead to more job opportunities for persons with disabilities.

Moreover, the bill provides a framework for employers to offer persons with disabilities health insurance. If the person already has health coverage through Medicaid or Medicare, the employers still have to meet the requirements, meaning they must offer insurance, even if some employees don't need it because they already have coverage. An employee is not required to take it if they prefer to keep their current coverage.

Again, the transition time for employers will be 5 years to fully phase out subminimum wages, which gives them time to create inclusive workplaces. This timeline is designed so that people with disabilities won’t be left behind but will have steady support as they make the transition to better, more inclusive jobs. Also, with this bill, people with disabilities can access a wider range of job opportunities in the community, not just in sheltered settings. This ensures that persons with disabilities will earn the same as anyone else for the same work, which is vital for their financial independence and dignity.

The bill’s goal is not just to increase wages but to make sure people with disabilities have opportunities for real, long-term jobs that allow them to live fulfilling and independent lives. Working in integrated environments means that individuals with disabilities can build relationships with their peers and have jobs that make them feel like they belong.

Frequently Asked Question: For employers who currently pay subminimum wages, the main concerns might revolve around the potential impacts on their operations, costs, and how they provide services to individuals with disabilities.

Here's a Q&A to help address those concerns:

1. Question: Employers who currently pay subminimum wages may be concerned that transitioning to paying the full minimum wage would increase their operational costs, potentially leading to higher prices for services or even layoffs. How will employers be able to afford paying the full minimum wage? Answer: By backing this initiative, employers are not left to face change alone—the state is responsible for providing extensive support and resources throughout the transition. The tax credit program is a significant change, offering financial incentives for businesses that partner with organizations employing individuals with disabilities, thereby lightening the fiscal load and promoting a more inclusive economy. Moreover, employers can benefit from Ohio's comprehensive job training programs and other specialized assistance designed to facilitate a smooth adjustment to the new wage standard.

2. Question: Some may worry that employers may not be able to afford paying full minimum wages, and as a result, they might reduce the number of job opportunities available to people with disabilities. What happens if employers can't afford to pay the new wage rates and have to reduce the number of jobs available? Answer: The purpose of this bill is not to cut opportunities, but to open doors for people with disabilities by phasing in minimum wages and expanding access to competitive, integrated work settings. Over the next five years, employers will receive robust support to facilitate a smooth transition. Moving away from subminimum wages means that employees with disabilities, who choose, will have a better chance to secure jobs in regular community settings. This change promises improved long-term career prospects, increased independence, and a richer level of social inclusion for all.

3. Question: Employers might argue that the five-year transition period is too short to make significant changes—especially if they rely on subminimum wages to fund their programs and services. Is five years enough time to adjust to this change? Answer: While the transition period spans five years, it offers employers ample time to strategically phase out subminimum wages and adjust their business models. The state is committed to ensuring a smooth transition by working closely with employers to develop personalized transition plans. Additionally, agencies like Opportunities for Ohioans with Disabilities will provide expert assistance, guaranteeing that this shift is executed effectively— without compromising the quality of services.

4. Question: Nonprofit organizations that employ individuals with disabilities at subminimum wages may feel that their funding structure will be disrupted, potentially leading to the closure of some programs. How will nonprofit organizations that rely on subminimum wages be impacted? Answer: Nonprofits will receive robust transition planning and dedicated state assistance, ensuring they are fully prepared to adapt to new standards. In addition, the tax credit for purchases from qualifying nonprofit organizations creates a powerful incentive for businesses to support these employers, offering much-needed financial relief. This strategic approach not only bolsters the long-term sustainability of nonprofits but also guarantees that individuals with disabilities are compensated fairly for their work, paving the way for a more inclusive and equitable future.

5. Question: Some may fear that eliminating subminimum wages might lead to unintended consequences, such as employees with disabilities being excluded from the workforce or being pushed into other, less supportive environments. Could eliminating subminimum wages have negative consequences for employees with disabilities? Answer: The bill is purposefully crafted to unlock new job opportunities for individuals with disabilities by fostering inclusive, competitive work environments. It ensures that employees with disabilities receive continued support while earning fair wages. This initiative doesn't reduce opportunities—it enhances access to community-based employment and provides the essential tools and resources for a successful transition. The state is dedicated to working closely with employers, guaranteeing that this shift not only benefits workers but also strengthens the overall workforce and community.

6. Question: Will employees be able to move in and out of services such as Adult Day Support (Day Hab or Adult Day Array), and Vocational Habilitation service, after this change? Answer: Individuals will continue to have the ability to move in and out of services throughout their day. This flexibility will continue to remain a choice, allowing individuals to access various support and activities, throughout their day, as outlined in their Individualized Service Plan (ISP, regardless of the change in wage policy).

7. Question: Sheltered workshops that rely on subminimum wages might argue that, without the ability to pay a lower wage, they will no longer be able to operate or will be forced to shut down—leaving their workers without any job options. What happens to sheltered workshops under this new law? Answer: Sheltered workshops are encouraged to evolve into providers of integrated community services, where individuals with disabilities work side by side with their peers, receiving at least minimum wage. This bill is designed so that employers will receive detailed transition plans and comprehensive support, ensuring that every shift leads to more meaningful, sustainable, and empowering job opportunities for people with disabilities.

8. Question: Employers might be concerned about the additional paperwork, reporting, and administrative burden of developing and implementing transition plans. How will employers handle the administrative aspects of creating transition plans? Answer: The state is tasked with empowering employers by providing comprehensive guidance and clear instructions to develop effective transition plans. Under the expert leadership of the Director of Developmental Disabilities, employers will receive tailored support—ranging from essential resources and firsthand training to expert assistance with reporting requirements. This collaborative approach ensures that every employer is fully equipped to implement a smooth and successful transition to fair wages and community-integrated employment.

9. Question: Some might feel that the long-term effects of this change are unclear, and they are unsure if it will truly lead to better employment outcomes for people with disabilities. What assurances do we have that this will lead to better outcomes for people with disabilities? Answer: The bill outlines robust mechanisms for tracking progress

and assessing outcomes, including annual reports to the Governor and General Assembly detailing the implementation of transition plans and their impact on employees with disabilities. This data will be crucial in confirming that the changes are delivering the intended results and enabling adjustments where necessary.

Please co-sponsor HB225.

For more information, contact:

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