

Statistics on developmentally disabled persons are difficult to acquire. However, disabled persons likely comprise about .5 percent of the New Mexico population, assuming their fraction of the population is similar to that of disabled persons in New Jersey.¹ Since the New Mexico employed civilian labor force currently consists of approximately 800,000 people, roughly 4,000 workers would qualify for the deduction (.005 x 800,000), assuming they comprise .5 percent of the workforce. If each of the 4,000 workers works 2,000 hours annually, roughly 8 million hours of employment would be subject to credits under the proposal. Multiplying 8 million by 125 percent of the federal minimum wage and dividing by two suggests a potential of \$25.7 million in credits under the proposal. The actual figure would likely be substantially less than \$25.7 million, however, because developmentally-disabled individuals often do not work full time, and, although they probably comprise about .5 percent of the New Mexico population, they probably do not comprise .5 percent of the New Mexico labor force. If they represent only .125 percent of the labor force and work an average of 1,000 hours annually, the resulting credits would total roughly \$3.2 million – the figure shown above.

ADMINISTRATIVE IMPLICATIONS

None

OTHER SUBSTANTIVE ISSUES

The HPC provided the following background information:

Developmentally disabled in New Mexico

- The *Olmstead* decision (1999) determined that unnecessary institutionalization of persons with disabilities is a form of discrimination, and required the states to develop integration plans to administer services and programs for the developmentally disabled in the most integrated setting appropriate for each individual.
- There are an estimated 337,430 New Mexicans who have a disability of some sort, and DOH estimates that more than 27,000 of these have mental retardation or other developmental disabilities.

People with Disabilities in the Workplace

- The Americans with Disabilities Act of 1990 (ADA) is a federal civil rights law that prevents discrimination against people with disabilities in all aspects of employment, including hiring, training, pay, promotion, benefits, etc. The fundamental principle of the law is that individuals with disabilities who want to work and are qualified to work must have an equal opportunity to work.
 - The ADA defines disability as a mental or physical impairment that substantially limits a major life activity such as hearing, seeing, speaking, thinking, walking, breathing or performing manual tasks.
 - Protected individuals must also be able to do the job they are hired to do, with or without reasonable accommodation.
 - However, disabled workers have the right to request a reasonable accommodation

¹ <http://www.bergen.org/Bergen/HealthReport/disabledpop.htm>.

in the workplace. Reasonable accommodations are any change in the job, the work environment or the work process that would help a disabled person work successfully. These could include physical changes like ramps, services like sign language interpreters, making work processes more accessible through TTY phones or training materials in Braille.

(ADA website, www.usdoj.gov/crt/ada)

- Many employers are concerned that the requirement to provide reasonable accommodation will result in an economic burden for their business. In fact, no accommodation must be provided if it would result in an undue hardship on the employer. A recent study by Sears found that of the 436 reasonable accommodations provided by the company between 1978 and 1992, 69% cost nothing, 28% cost less than \$1,000 and on 3% cost more than \$1,000.
(ADA website, www.usdoj.gov/crt/ada)
- According to a report in the Journal of Rehabilitation, 2000:
 - Of 15.6 million working-age adults with disabilities, only 34.6% were employed in 1993.
 - Employer attitudes are potential barriers to employment for people with disabilities.
 - Employers were more likely to have positive attitudes toward disabled persons with physical or sensory disabilities than those with intellectual or psychiatric disabilities.
 - Employers are generally more positive about workers who were placed by vocational, employment, and supported-employment programs.
 - Persons with disabilities have difficulty gaining employment and feel excluded.

Tax credits and deductions

- The federal government offers two tax incentives for hiring disabled persons.
 - A small business tax credit of up to 50% of allowable expenses for architectural adaptations, purchasing equipment, and/or providing services.
 - A deduction for businesses of any size of up to \$15,000/year for architectural and/or transportation adaptations.
- The State tax credit proposed in SB828 would benefit the State by encouraging employers to hire developmentally disabled persons, thereby making those persons relatively more self-reliant and less dependent on State programs. This should save the State some financial resources – and will no doubt result in increased autonomy and self-esteem and an improved quality of life for many developmentally disabled New Mexicans.