

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

May 19, 2022

Memorandum

To: Members, Committee on Financial Services
From: FSC Majority Staff
Subject: May 24, 2022, Diversity and Inclusion Subcommittee Hearing entitled, “Diversity Includes Disability: Exploring Inequities in Financial Services for Persons with Disabilities, Including Those Newly Disabled Due to Long-Term COVID”

The Subcommittee on Diversity and Inclusion will hold a hearing entitled, “Diversity Includes Disability: Exploring Inequities in Financial Services for Persons with Disabilities, Including Those Newly Disabled Due to Long-Term COVID” on Thursday, May 24, 2022 at 12:00 PM on the meeting platform Cisco Webex. There will be one panel with the following witnesses:

- **Alison Cannington**, Senior Manager, Advocacy and Organizing, The Kelsey
- **Cynthia DiBartolo**, Founder and CEO, Tigress Financial Partners
- **Thomas Foley**, Executive Director, National Disability Institute
- **Vilissa Thompson**, Fellow, The Century Foundation & Co-director, Disability Economic Justice Collaborative
- **Caroline Sullivan**, Executive Director, North Carolina Business Committee for Education, Office of the Governor

Background

Nearly one in four adults in the United States live with a disability, including difficulty walking or climbing stairs (13.7%), cognition (10.8%), deafness or serious difficulty hearing (5.9%), and blindness or serious difficulty seeing (4.6%).^{1,2} Persons with disabilities are more likely to experience lower employment levels, lower wages and savings, poverty, increased costs of living, and homelessness compared to those without a disability.³ Persons with disabilities include those born with a disability and those who acquire a disability due to injury, illness, and age. As the United States continues to battle the COVID-19 pandemic, the population of adults with disabilities has grown significantly and continues to increase.⁴ According to the U.S. Bureau of Labor Statistics, roughly 1.2 million more Americans identified as having a disability in 2021 compared to 2020. In August 2021, 4.9 million veterans, or 27 percent, had a service-connected disability.⁵ More than 40 percent of older adults aged 65-79 have at least one self-

¹ Centers for Disease Control and Prevention, [Disability Impacts All of Us](#) (2018).

² Defining Disability: Persons with disabilities represent a diverse group with a wide range of needs. The UN Convention on the Rights of Persons with Disabilities defines persons with disabilities as those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others. Some individuals are living with ‘invisible’ disabilities, which are not immediately apparent such as cognitive impairments and learning difficulties, epilepsy, chronic pain, and others. Disabilities can prevent a person from completing self-care tasks such as using the restroom or taking a shower, household activities such as washing and folding and mobility disabilities such as being able to climb stairs or walk for extended periods of time. Sources: United Nations, [Convention on the Rights of Persons with Disabilities, Article 1, Purpose](#) (accessed May 17, 2022); and [Inclusive Banking](#), International Finance Corporation (April 2022).

³ The World Bank, [Disability Inclusion](#) (accessed May 10, 2022).

⁴ Lily Roberts, Rose Khattar & Mia Ives-Rublee, [Covid-19 Likely Resulted in 1.2 Million More Disabled People by the End of 2021—Workplaces And Policy Will Need to Adapt](#), Center for American Progress (Feb. 9, 2022).

⁵ U.S. Department of Labor, Bureau of Labor Statistics, [Employment Situation of Veterans – 2021](#) (April 2022).

care, household activity, or mobility disability, and for those 80 and over, this portion rises to nearly 71 percent.⁶

Based on guidance from the U.S. Department of Health and Human Services, long COVID describes a post-infection illness that can lead to physical impairment impacting the neurological, respiratory, cardiovascular, and circulatory systems or mental impairment affecting mental health.⁷ According to some estimates, as many as 7 million adults, or 2.3% of American adults, are suffering from disabling long COVID.⁸ Removing barriers to financial inclusion for people with disabilities has always been a matter of importance, which is now more urgent than ever, given the recent increase in the number of people with disability during the pandemic.

This hearing will examine current barriers for persons with disabilities in experiencing full economic inclusion, including accessing employment opportunities, affordable and accessible housing, as well as legislative solutions to address such barriers, including best practices for creating a more inclusive work environment, especially in the financial services industry, as well as solutions to address such barriers.

Wealth Disparities and Access to Financial Services

Persons with disabilities experience greater levels of poverty and lower levels of wealth than persons without disabilities. Persons with disabilities who are Black, Indigenous, or Latinx have higher poverty rates (36%, 34%, and 28%, respectively) than persons with disabilities who are White (23%).⁹ Households with an adult with a work disability require, on average, 28 percent more income or an additional \$17,690 a year to obtain the same standard of living of a household without a disability.¹⁰ Economic insecurity can be both a consequence of having a disability and an accelerant because poverty and economic instability can reduce access to health care and/or increase the chance a person with a disability lives and works in an unsafe environment.¹¹

Persons with disabilities are also disproportionately left out of traditional banking. In 2019, 16.2% of households with a disability were unbanked, compared to just 4.5% of households without a disability being unbanked.¹² Analyses by the Federal Deposit Insurance Corporation (FDIC) have found that unbanked rates among people with disabilities remained virtually unchanged between 2011 (18.9%) and 2017 (18.1%) while declining in 2019 (16.2%).¹³ When looking at the intersection of race and disability, Black and Latinx people experience desperate access to banking, with 28.5% of Black Americans and 22.2% of Latinxs with a disability being unbanked.¹⁴ While some persons with disabilities are unbanked due to potential cognitive or physical impairments, the disparity between households with and without disabilities cannot be explained exclusively by the presence of this population. Research from the National Disability Institute suggest that the intersections of disability, education, income, and race account for the gap in banking, rather than disability alone.¹⁵ For example, while some choose not to use banks because of a lack of accessibility (strictly disability related), others rely on nonbank services to avoid overdraft

⁶ [Disabilities Among Older Adults](#), Joint Center for Housing Studies of Harvard University (accessed May 12, 2022).

⁷ U.S. Department of Health and Human Services. [Guidance on “Long COVID” as a Disability Under the ADA](#). Section | [HHS.gov](#) (accessed May 10, 2022).

⁸ [Long Covid Impact on Americans: Early Indicators Estimating Prevalence and Costs](#), Solve Long Covid Initiative (April 5, 2022).

⁹ [Race, ethnicity and disability](#), National Disability Institute (accessed May 11, 2022).

¹⁰ [The Extra Costs of Living with a Disability in the U.S. – Resetting the Policy Table](#), National Disability Institute, Stony Brook University and University of Tennessee, Knoxville (Oct. 2020).

¹¹ [Economic Justice is Disability Justice](#), The Century Foundation (April 21, 2022).

¹² [Inequality in Bank Account Ownership](#), National Disability Institute (accessed May 11, 2022).

¹³ [FDIC National Survey of Unbanked and Underbanked Households](#), FDIC (Oct. 2020).

¹⁴ Ibid.

¹⁵ [Banking Status and Financial Behaviors of Adults With Disabilities: Findings from the 2017 FDIC National Survey of Unbanked and Underbanked Households and Focus Group Research](#), National Disability Institute (2019).

fees.¹⁶ As examined in past committee hearings examining overdraft fees, overdraft risks are largely related to race and income level.¹⁷ Though income level might be connected to disability status, disability alone does not account for the stark differences in unbanked rates.

Access to financial services is an ongoing challenge for persons with disabilities, especially those who are blind or have limited vision. Title II of the Americans with Disabilities Act (ADA) considers a company's website a place for public accommodation. Still, as of 2018, 58% of banking websites failed accessibility tests that examine websites for operability, understandability, perceivability, and robustness.¹⁸ As banking moves to web-based ecosystems, web accessibility lawsuits have increased by around 20%, with 3,503 complaints filed in 2020 compared to 4,195 complaints in 2021.¹⁹

However, some organizations have invested in solutions to make financial products more accessible. In October 2021, Mastercard introduced an accessible card for people who are blind and partially sighted.²⁰ The card includes tactile features that allow a person to distinguish between a credit, debit, or prepaid card. Several banks have deployed audio-assisted ATMs which allow for verbal cues.²¹ In 2020, JPMorgan Chase bank opened its first retail banking location for deaf and hard of hearing customers in Washington, DC. The bank provides financial planning guidance in American Sign Language.²² Printed currency can also pose challenges for those who are partially sighted or blind. In May of 2011, the Bureau of Engraving and Printing, which prints U.S. currency, approved methods for the Department of the Treasury to provide individuals who are blind and visually impaired with access to U.S. currency to include a raised, tactile feature to all currencies that can be changed lawfully; add large high contrast numerals and different colors to each denomination, and to provide currency readers at no cost.²³

Employment Challenges and Opportunities

Persons with disabilities are under-employed in the US workforce. In 2021, the unemployment rate for people with disabilities was 10.8%, compared to 5.2% for those without disabilities.^{24,25} Persons with a disability who are employed are less likely to work in the financial services and the private sector more broadly and are more likely to work in service occupations and to be self-employed.²⁶ Though some financial institutions have begun to develop meaningful employment opportunities for persons with disabilities, these efforts typically focus on service roles such as inventory management, fulfillment, and printing.²⁷ Furthermore, these employment efforts tend to target persons with intellectual development disabilities, rather than the full spectrum of disabilities (e.g., vision impairment, deaf, mental health conditions, etc).²⁸

¹⁶ Ibid.

¹⁷ House Committee on Banking and Financial Services, [Testimony of Santiago Sueiro, The End of Overdraft Fees? Examining the Movement to Eliminate the Fees Costing Consumers Billions](#), 117th Cong. (Mar. 31, 2022).

¹⁸ [Accessibility Analysis of Banking Industry Websites](#) – 1Q2018, Bureau of Internet Accessibility (Mar. 14, 2018).

¹⁹ James Melton, [Web accessibility lawsuits on track to increase nearly 20% in 2021](#), Digital Commerce 360 (July 7, 2021).

²⁰ [Mastercard introduced accessible card for blind and partially sighted people](#), Mastercard (Oct. 25, 2021).

²¹ [TCF Bank to Install Talking ATMs and Enhance Other Services for Customers with Visual Impairments](#), TCF Bank, (Dec. 3, 2008); Bill Miller, [Chevy Chase Bank to Use 'Talking' ATMs for Blind](#), The Washington Post (June 29, 2001).

²² Nowel Gasca, [Chase Opens First Location for Deaf and Hard of Hearing in D.C.](#), National Public Radio (Jan. 30, 2020).

²³ U.S. Department of the Treasury Bureau of Engraving and Printing, [Meaningful Access Program](#), (accessed May 11, 2022).

²⁴ U.S. Department of Labor, Office of Disability Employment Policy, [Disability Employment Statistics](#) (accessed May 12, 2022).

²⁵ The unemployment rate is a calculation of those who are unemployed and actively looking divided by those who are in the labor force and multiplied by 100. Those in the labor force are both employed and unemployed. Those who are not employed and are not looking to be employed are counted as not in the labor force. Source: U.S. Bureau of Labor Statistics, [Labor Force Statistics from the Current Population Survey: How the Government Measures Unemployment](#) (accessed May 19, 2022).

²⁶ [Enhancing Economic Opportunity and Mobility for People with Disabilities through Asset and Income Limit Reforms](#), JP Morgan Chase & Co. Policy Center (accessed May 10, 2022).

²⁷ [The Power to Deliver Together](#), Bank of America Support Services (accessed May 10, 2022).

²⁸ Ibid.

Efforts have been made by advocacy groups and publicly traded companies to increase the representation of persons with disabilities at all levels within a company. Disability:IN, a nonprofit resource for business disability inclusion, developed the Disability Equality Index (DEI) to help fortune 1000 companies build a roadmap of measurable actions that they can take to achieve disability inclusion and equality.²⁹ Of the CEOs that have agreed to participate in the DEI, roughly 15% were financial services institutions. Disability:IN has also encouraged investors to approach disability-inclusion through an environmental, social, and governance (“ESG”) lens, being that “disabilities cut across virtually every “S” issue in ESG.”³⁰ The organization Valuable 500, a global collective of 500 CEOs focused on disability inclusion, has a similar ambition to improve reporting related to disability data across publicly traded companies.³¹

Barriers to Entrepreneurship

As a result of barriers to traditional employment, many persons with disabilities pursue entrepreneurship.³² According to recent data from the Bureau of Labor Statistics, people with disabilities are self-employed at a rate nearly twice that of their non-disabled peers.³³ Though approximately 700,000 entrepreneurs with disabilities are self-employed, these individuals face significant barriers such as lack of financial resources and access to capital to support business start-ups.^{34,35} As it relates to venture capital, a study by the Office of Disability Employment Policy shows that venture capital offers limited funding opportunities, if any, for initial start-up and ongoing costs. According to the study, the entrepreneurs that were most successful in addressing funding barriers obtained financing from foundations and nonprofits.³⁶

Efforts have been made to increase funding for businesses owned by persons with disabilities. For example, Disability:IN works to certify disability-owned business enterprises, veteran disability-owned businesses, and Service-Disabled Veteran Disability-Owned Business Enterprises to link them to organizations looking to diversify their supply chains.³⁷ Additionally, The Department of Labor’s Office of Disability Employment Policy has made efforts to “build the capacity of small businesses that are owned by people with disabilities to compete and be valued subcontractors in the public or private sector.”³⁸ The Office drafted recommendations that include clarifying the Community Reinvestment Act to include small business start-ups owned by persons with disabilities in its definition of financial institutions serving disadvantaged and low-income communities.³⁹

The Federal Government does not maintain a program to support enhanced contracting opportunities for people with disabilities broadly. However, it does have a program for Service-Disabled Veteran-Owned Small Businesses (SDVOSBs). In 2020, the Federal Government’s goal was to award no less than 3% of all prime and subcontract awards to SDVOSBs; and the government awarded 4.28% or \$23.9 billion to SDVOSBs in prime contracts and 2.14% or \$5.5 billion in subcontracts.⁴⁰

²⁹ [Disability Equality Index](#), Disability:IN (accessed May 10, 2022).

³⁰ Ibid.

³¹ [Reporting](#), Valuable 500 (accessed May 17, 2022).

³² [Born for Business-Disability Entrepreneurship Toolkit](#), (accessed May 10, 2022).

³³ U.S. Department of Labor, [Persons with a Disability: Labor Force Statistics](#), (Feb. 24, 2022).

³⁴ Gus Alexiou, [Disabled Entrepreneurs Speak Out On the Choice To Go It Alone And Be Your Own Boss](#), Forbes (Nov. 28, 2021).

³⁵ United States Department of Labor, Office of Disability Employment Policy, [Self-Employment for People with Disabilities](#), (Dec. 15, 2013).

³⁶ Ibid.

³⁷ [Disability:IN Get Certified](#), Disability:IN (last visited May 11, 2022).

³⁸ United States Department of Labor, Office of Disability Employment Policy, [Self-Employment for People with Disabilities](#), (Dec. 15, 2013).

³⁹ Ibid.

⁴⁰ United States Small Business Administration, [Government-Wide Performance: FY2020 Small Business Procurement Scorecard](#) (2020).

Fair, Accessible, and Affordable Housing

The United States' housing stock is not meeting the needs of seniors and people with disabilities as many struggle to find housing that is affordable, accessible, and located in integrated residential settings. As the nation's population of people with disabilities increases and federal investment in housing solutions that meet their needs has remained largely stagnant, these challenges are becoming more acute. In 1999, the U.S. Supreme Court ruled in *Olmstead v. L.C.* that the "unjustified segregation" of people with disabilities is illegal under Title II of the Americans with Disabilities Act, requiring states and local jurisdictions to eliminate unnecessary segregation of people with disabilities, including in institutional facilities, and ensure that they receive services in the most integrated setting possible.⁴¹

Despite the obligation to provide accessible and integrated housing for persons with disabilities, "only 3.5% of US homes had single floor living, no-step entry, and extra-wide halls and doors. If electrical controls reachable from a wheelchair and lever-style handles on doors or faucets are included in the list, the share drops to just 0.9%."⁴² According to Apartment List, there are 15.2 million households with a physical disability, but only 6.6 million housing units to house them.⁴³ In fact, the majority of fair housing complaints received by HUD and state fair housing agencies under the Fair Housing Act of 1968 are on the basis of disability.⁴⁴

A lack of accessible, integrated, and affordable housing stock, as well as ongoing housing discrimination, has resulted in significant housing insecurity for persons with disabilities. Not only are people with disabilities more likely to rent than own their home, data from 2021 shows that almost 40 percent of renters with disabilities experienced housing insecurity and struggled to pay their rent compared with the national average of 25 percent.⁴⁵ Black and Latinx renters with disabilities in 2021 were even more likely to face housing insecurity at 52 percent and 50 percent, respectively.⁴⁶ Indeed, as of 2020, 27% of people experiencing homelessness were chronically homeless.⁴⁷ The Department of Housing and Urban Development has published data in their Annual Homeless Assessment Report that indicates as many as 48.5% (approximately 550,000) single adults and heads of households who used homeless shelters over the course of a year report having a disability.⁴⁸ Challenges regarding homelessness are also outsized for those who have served in the U.S. Armed Forces, approximately 53% of homeless veterans have disabilities.⁴⁹

While HUD's Section 811 Supportive Housing for People with Disabilities Program and Mainstream Voucher Program help people with disabilities live independently in a community setting and receive voluntary supportive services, these programs have limited funding that does not meet the demand for assistance. As a result, many have no other choice but to live in congregate settings, such as large group homes or institutions where services and housing are linked and there can be restrictions on basic rights, such as limits on the hours a person can leave the facility or when visitors are allowed.⁵⁰

⁴¹ [Olmstead v. L.C., 527 U.S. 581](#) (1999).

⁴² [Housing America's Older Adults: A Supplement to the State of the Nation's Housing Report](#), Joint Center for Housing Studies of Harvard University (2018).

⁴³ [How Accessible Is The Housing Market?](#), Apartment List (Feb. 19, 2020).

⁴⁴ [Making Every Neighborhood a Place of Opportunity: 2018 Fair Housing Trends Report](#), National Fair Housing Alliance (2018).

⁴⁵ Rebecca Vallas, Kimberly Knackstedt, & Vilissa Thompson, [7 Facts About the Economic Crisis Facing People With Disabilities in the United States](#), The Century Foundation (April 2022).

⁴⁶ Ibid.

⁴⁷ [Part 1: Point-In-Time Estimates of Homelessness](#), HUD (Jan. 2021); Note that chronically homeless individuals are defined as "individuals with a disability who have been continuously homeless for one year or more or have experienced at least four episodes of homelessness in the last three years where the combined length of time homeless on those occasions is at least 12 months."

⁴⁸ Ibid.

⁴⁹ [Homelessness & Housing](#), The Disabled Veterans National Foundation (DVNF).

⁵⁰ Autistic Self Advocacy Network, *supra* note 14. See also National Council on Disability, "Institutions: Definitions, Populations, and Trends," (Sept. 2012).

Appendix: Legislative Proposals

- **H.R. _____, the “Disability Disclosure Act of 2022” (Waters).** This bill would require public companies to include information on the disability status of their employees in annual reports to shareholders and the public.
- **H.R. _____, the “Promoting Housing Accessibility Act.”** This bill would promote housing accessibility for persons with mobility, hearing, or vision impairments, requiring that no less than 10 percent of units in a federally assisted development must be accessible for persons with mobility impairments, and no less than 5 percent shall be accessible for persons with hearing or vision impairments.
- **[H.R. 4695](#), the “Eleanor Smith Inclusive Home Design Act of 2021” (Schakowsky).** This bill would require that certain newly constructed, federally assisted housing not covered by the Fair Housing Act, including single-family homes and town houses, contain at least one level that is accessible to individuals with disabilities. Under the bill, federal housing assistance may be withheld for projects out of compliance. Additionally, the bill allows for aggrieved persons or the Attorney General to commence a civil action for violations.
- **[H.R. 2498](#), the “Private Loan Disability Discharge Act of 2021” (Dean).** This bill directs the holder of a private education loan to discharge the loan in the event of the borrower's death or total and permanent disability. The obligation of a cosigner for a private education loan is also discharged in the event of total and permanent disability of the borrower. The bill also extends indefinitely the exclusion of student loan debt discharge from gross income for federal income tax purposes.
- **H.R. _____, the “Equal Credit Act of 2022.”** This bill would amend the Equal Credit Opportunity Act to include persons with a disability as a protected class and protect them from lending discrimination.