



The State Exchange on Employment & Disability (SEED): Disability Employment Policy Options for States

January 26, 2026

SEED in Action

- ✓ Policymaker engagement at the state and local levels
- ✓ Research existing policies and conduct gap analyses for states and localities
- ✓ Share state examples and best policies and practices
- ✓ Track disability employment policy trends
- ✓ Work with state and local partners to build capacity, education, outreach, and customized technical assistance
- ✓ Share success stories and best policies and practices through engagement activities

Policy Options: Best and Promising Policy and Practices

- ✓ Career Readiness
- ✓ Behavioral Health at Work
- ✓ Stay-at-Work/ Return-to-Work
- ✓ Private Sector Engagement
- ✓ Entrepreneurship and Self-Employment
- ✓ Interagency Coordination and Collaboration
- ✓ State as a Model Employer

Career Readiness

- ✓ Promote career readiness, development, and planning, including opportunities
- ✓ Strengthen and expand the infrastructure for Work Based Learning Experiences
- ✓ Provide job seekers with career supports and services
- ✓ Promote innovation and universal design in career pathways programming

Examples in Action: Career Readiness

- [**Kentucky SB 94**](#) (2022) expands eligibility for the Work Ready Kentucky Scholarship Program to include students with intellectual disabilities enrolled in comprehensive career readiness and postsecondary programs. The goal is to provide individuals with affordable access to meaningful credentials to prepare for employment.
- [**Virginia HB 1805**](#) (2025) requires postsecondary institutions to accept that IEPs are sufficient to establish that such individual is an individual with a disability under the federal Americans with Disabilities Act. This streamlines the accommodation process because individuals will no longer be required to provide additional verification of a known disability.



Behavioral Health at Work

- ✓ Strengthen workers' health insurance coverage for mental health conditions and substance use disorder
- ✓ Strengthen access to workplace care and supports for individuals with mental health conditions or substance use disorder
- ✓ Expand the behavioral health workforce to include people with disabilities
- ✓ Address mental health disparities for rural workers

Examples in Action: Behavioral Health at Work

- [**Kentucky HB 505**](#) (2024) set training and registration requirements for alcohol and drug peer support specialists.
- [**Texas SB 1401**](#) (2025) created the Texas Mental Health Profession Pipeline Program to streamline the transition for community college students into bachelor's and graduate programs for mental health licensure. It requires participating universities to ensure full credit transfer, accelerated degree completion, and conditional automatic admission to advanced degree programs.



Stay-at-Work/ Return-to-Work (SAW/RTW)

- ✓ Establishing and enhancing public-sector employee SAW/RTW programs
- ✓ Providing private employers with subsidies, incentives and grants to establish SAW/RTW programs
- ✓ Facilitate connections between employers, health care providers, and insurers, including providing access to best and promising practices
- ✓ Offer employee incentive, wellness, and injury prevention programs

Examples in Action: Stay-at-Work/ Return-to-Work (SAW/RTW)

- [Alaska SB 147](#) (2024) established a workers' compensation stay-at-work program and a workers' compensation benefits guaranty fund, under which an employee may opt to receive support from a rehabilitation specialist to develop a stay-at-work plan.
- [Washington HB 2127](#) (2024) extended the period injured workers' wages for light duty or transitional work are eligible for reimbursement for insured employers from 66 to 120 workdays within a consecutive 24-month period, up to \$25,000.

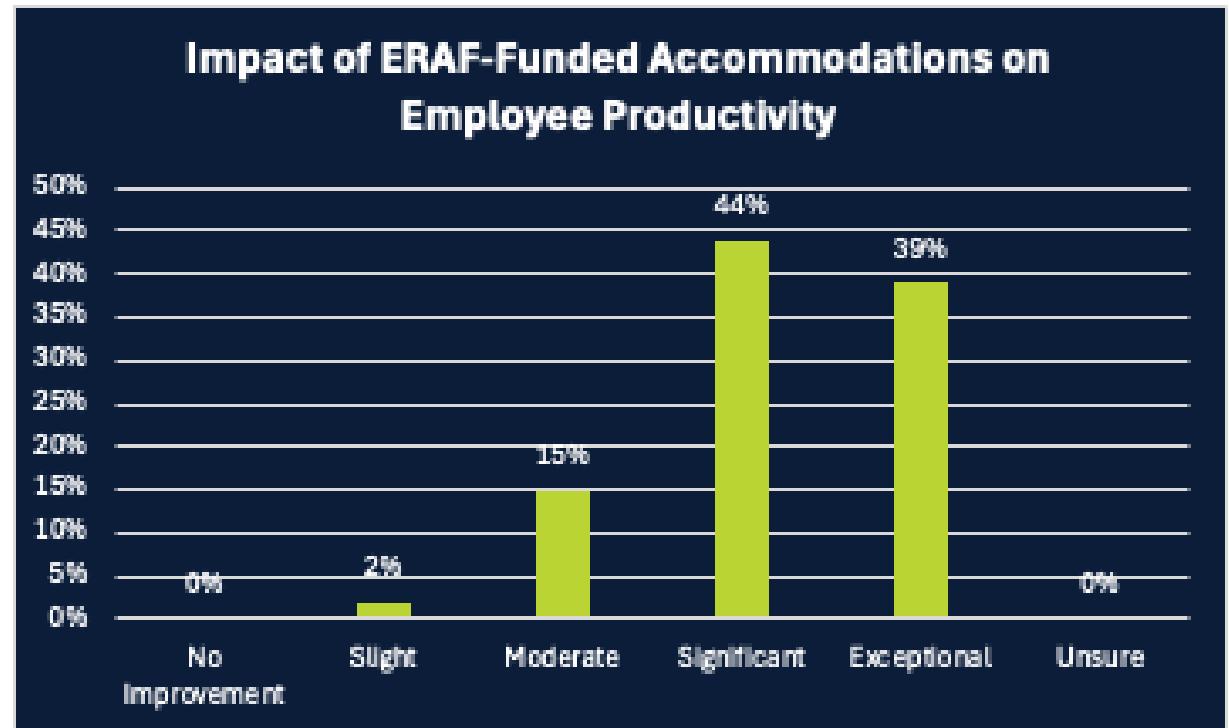


Private Sector Engagement Policy Options

- ✓ Provide businesses with technical assistance and education on the benefits of hiring individuals with disabilities.
- ✓ Establish tax credits and incentives
- ✓ Encourage businesses that employ individuals with disabilities to participate in state procurement
- ✓ Create public-private partnerships to facilitate collaboration around disability employment
- ✓ Support entities designing and deploying emerging technologies
- ✓ Expand accessible transportation options

Example in Action: Private Sector Engagement

- In 2023, Minnesota established the [Employer Reasonable Accommodation Fund](#), which allows small-to-midsize Minnesota employers to request reimbursement for expenses related to providing reasonable accommodations for qualifying job applicants and employees with disabilities.



Entrepreneurship and Self- Employment

- ✓ Formalize entrepreneurship and self-employment as viable strategies for individuals with disabilities
- ✓ Promote opportunities and set goals and priorities for disability-owned businesses to contract with the state for goods and services
- ✓ Provide efficient and expedited certification processes for businesses contracting with state government
- ✓ Offer incentives and technical assistance to support entrepreneurs and start-up efforts

Examples in Action: Entrepreneurship and Self- Employment

- [**New Jersey AB 862**](#) (2024) establishes a state program that sets procurement goals for contracting agencies to increase the participation of socially and economically disadvantaged businesses in government contracts. It expands eligibility to include individuals with physical disabilities, and other groups.
- [**Virginia HB 1404**](#) (2024) establishes the Small Business Procurement Enhancement Program, aiming for a statewide goal of achieving 42% of certified small business utilization, including disabled veteran-owned businesses, in all discretionary spending by executive branch agencies and covered institutions through procurement orders, prime contracts, and subcontracts.



Interagency Coordination and Collaboration

- ✓ Establish an interagency coordinating council to improve wraparound services for individuals with disabilities
- ✓ Improve data collection and reporting mechanisms to gather program performance data (what gets measured gets done!)
- ✓ Integrate systems among agencies providing employment, training, and other supports
- ✓ Use blending, braiding, and sequencing of funds within and among agencies to maximize the efficient and effective use of program funds

Example in Action: Interagency Coordination and Collaboration

- [Illinois HB 655](#) (2009) created the Employment and Economic Opportunity for Persons with Disabilities (EEOPD) Task Force to analyze programs and policies of the State to determine what modifications may be necessary to remove barriers to employment for persons with disabilities. EEOPD provides reports to the Governor's office and legislative leadership.



State as a Model Employer of People with Disabilities

- ✓ Create strategy for people with disabilities, including coordination and communication with stakeholders (e.g., enact policies with a clear plan of action)
- ✓ SAME implementation must include interagency coordination, tracking of progress toward objectives and accountability for continued alignment and improvement
- ✓ Implement recruitment and hiring initiatives (e.g., hiring authorities, appointment lists, trial work periods, apprenticeships, and paid internship opportunities)

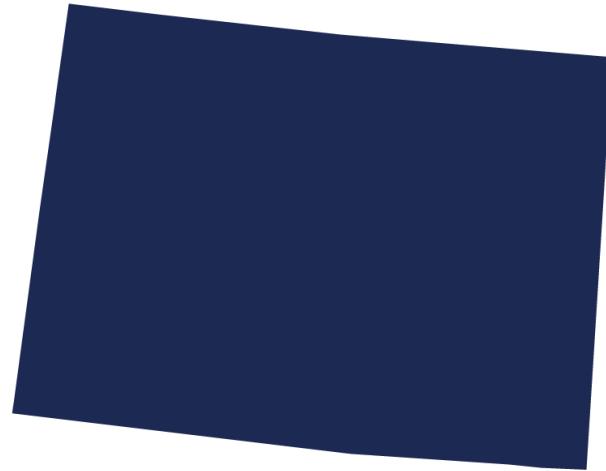
Example in Action: State as a Model Employer of People with Disabilities

- California AB 313 (2021) requires each state agency to develop its own reasonable accommodation policy for individuals with disabilities, consistent with state and federal law, to address requests for reasonable accommodations. The bill also requires the department to develop model policies for equal opportunity employment programs, including a model policy on reasonable accommodation.



Example in Action: State as a Model Employer of People with Disabilities

- **Colorado HB 1360** (2024) created the Colorado Disability Opportunity Office (CDOO) in the Department of Labor and Employment, moving the Colorado Disability Funding Committee and its functions from the Department of Personnel to the Colorado Disability Opportunity Office, and making and reducing an appropriation. CDOO is required to implement a statewide strategy to facilitate economic stability for individuals with disabilities and promote successful economic, social, and community integration and to identify and address issues related to integration.



Example in Action: State as a Model Employer of People with Disabilities

- New Jersey A 5296 (2022) specifies that the Division of Equal Employment Opportunity and Affirmative Action shall, in consultation with the Civil Service Commission, develop a State as a Model Employer of People with Disabilities program, which shall be implemented by each state agency. The purpose of the SAME program shall be to: increase awareness of employment opportunities for persons with disabilities; provide appropriate avenues and remove barriers to the application and hiring process; and create mechanisms to increase advancement and retention rates for persons with disabilities employed in the state workforce. Each state agency shall provide sufficient and qualified staff and sufficient resources and funding for the SAME program, including, as appropriate, the appointment of a disability program manager, selective placement program coordinator and stay-at-work and return-to-work coordinator.



Example in Action: State as a Model Employer of People with Disabilities

- New York EO 31 (2023) commits the state to becoming a model employer for people with disabilities by establishing “best practices to reduce, and eventually eliminate, the gap between working people with disabilities and working people without disabilities.”

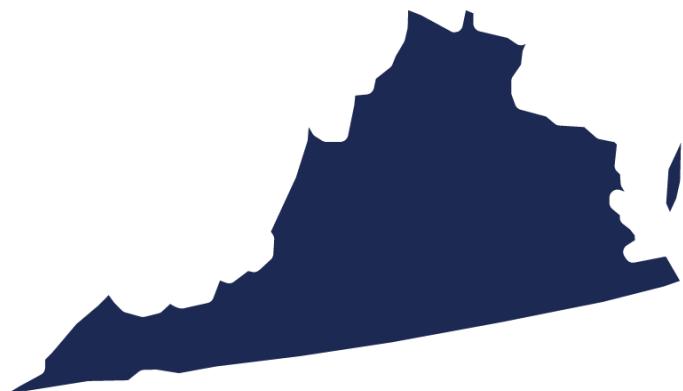
Components:

- ✓ Mandatory Strategic Plans from Agencies
- ✓ Accessible Website & Document Audits
- ✓ Continuous Accommodation Monitoring
- ✓ Data-Driven Accountability
- ✓ Proactive Recruitment Integration

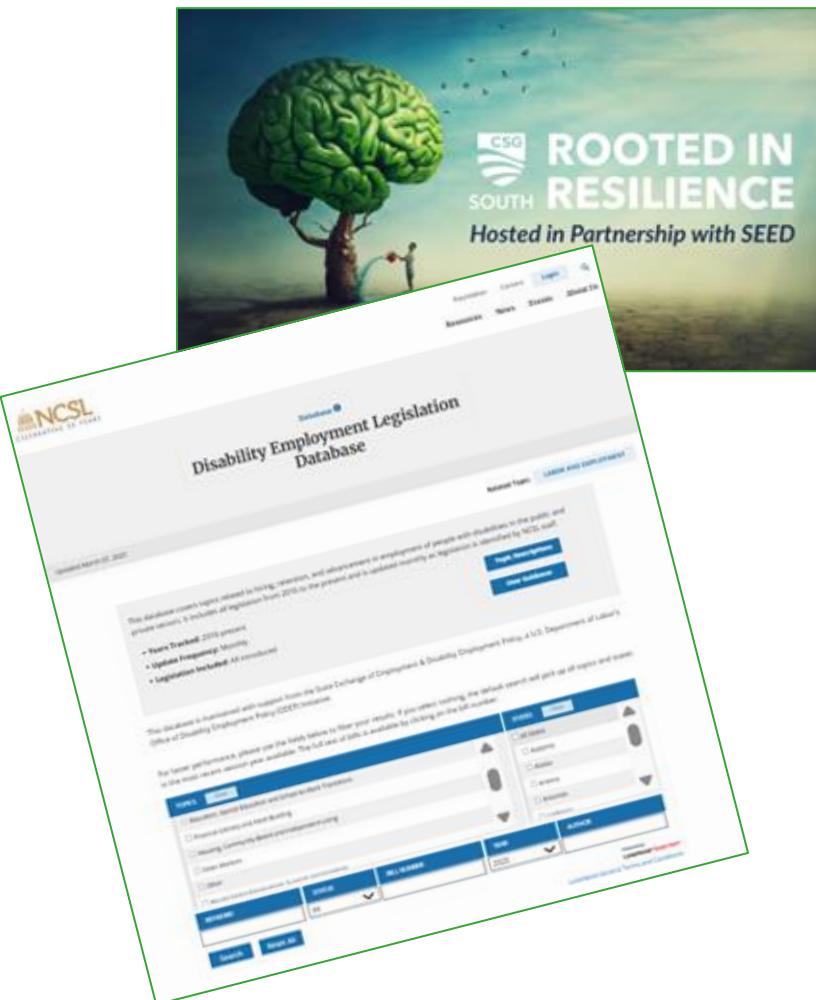


Example in Action: State as a Model Employer of People with Disabilities

- Virginia HB 710 (2022) in addition to honorably discharged veterans, directs localities to take into consideration or give preference to an individual's status as a person with a disability in its employment hiring policies and practices, provided that such an individual meets all of the knowledge, skills and eligibility requirements for the available position.



SEED Resources



The image contains two screenshots of resources. The top screenshot is for 'Rooted in Resilience' from CSG South, featuring a green brain-shaped tree and the text 'Hosted in Partnership with SEED'. The bottom screenshot is for the 'Disability Employment Legislation Database' from NCSL, showing a search interface with filters for 'Employer Type' and 'State'.

- Council of State Governments Southern Office (CSG South) **Rooted in Resilience: Strengthening Workforce Mental Health Supports in Rural Communities**
- National Conference of State Legislatures (NCSL) **Disability Employment Legislation Database**
- NCSL Policy Brief on **Quality Apprenticeship Opportunities for Individuals with Disabilities**
- National League of Cities (NLC) **Expanding Opportunity for All: How to Increase Employment for People with Disabilities**





- **Job Accommodation Network (JAN)**

- The leading source of free, expert and confidential guidance on workplace accommodations.
- Visit JAN at AskJAN.org to learn about the ways employers can accommodate workers with mental health conditions.

- **Employer Assistance and Resource Network on Disability (EARN)**

- Offers information and resources to help employers recruit, hire, retain and advance qualified individuals with mental health conditions.
- Visit EARN at AskEARN.org to learn how its resources can help.

ODEP Resources (cont.)

- **Center for Advancing Policy on Employment for Youth (CAPE-Youth)**
 - CAPE-Youth is a collaborative initiative that helps states improve employment outcomes for youth and young adults with disabilities through research, policy analysis, and technical assistance.
 - Visit CAPE-Youth at CapeYouth.org to learn about the ways state leaders can improve employment outcomes for young adults with disabilities.
- **Partnership on Employment & Accessible Technology (PEAT)**
 - Promotes the employment, retention and career advancement of people with disabilities through the development, adoption and promotion of accessible technology policy.

Contact Us

- Katia Albanese, Project Director, SEED
(202) 302-7535 | KAlbanese@SEEDDisabilityPolicy.org
- Dina Klimkina, Policy Director, SEED
(859) 333-6148 | DKlimkina@SEEDDisabilityPolicy.org
- Rachel McGreevy, State & Local Outreach Liaison, SEED
(703) 980-1280 | RMcGreevy@SEEDDisabilityPolicy.org
- Ben Gruer, Policy & Research Analyst, SEED
(515) 450-3875 | BGrauer@SEEDDisabilityPolicy.org