United States Senate

COMMITTEES
ARMED SERVICES

COMMERCE, SCIENCE, AND TRANSPORTATION

ENVIRONMENT AND PUBLIC WORKS

SMALL BUSINESS AND ENTREPRENEURSHIP

July 18, 2019

VIA ELECTRONIC DELIVERY

Ms. Sharon Durbin President and CEO Land of Lincoln Goodwill Industries, Inc. 1220 Outer Park Drive Springfield, IL 62704

Dear Ms. Durbin:

We write to express our strong opposition to your offensive public comments that sought to pit the well-being of Americans with disabilities against the interests of other hardworking hourly wage workers. Your initial decision to terminate, or threaten to terminate, Land of Lincoln Goodwill Industries' employees with intellectual disabilities unless the Governor of Illinois blocked a gradual increase in the minimum wage was wrong. Your actions and statements call into question your judgement, your commitment to the organization's mission and your fitness to continue serving in your current leadership role.

While we appreciate the Land of Lincoln Goodwill Industries' willingness to apologize for its harmful effort and reverse course, fixing a manufactured crisis that you created is far from an admirable effort. We also remain deeply troubled that the Land of Lincoln Goodwill Industries' statement announcing the reversal failed to address whether after rehiring all 50 employees with intellectual disabilities, you will make sure all 50 employees are paid at least the State minimum wage of \$8.25 per hour.

As the leader of a large non-profit with total revenues in excess of \$20 million (who received annual compensation of \$164,849.00 and other compensation valued at \$6,145.00, according to the 2017 Form 990 your organization filed with the Internal Revenue Service), your focus should have been on managing costs in a manner that enabled Land of Lincoln Goodwill Industries to continue employing workers with disabilities as the minimum wage gradually rises, making sure that none of your employees earn less than \$8.25 in 2019, and \$9.25 per hour in 2020.

Your unsubstantiated claim that the forthcoming gradual increase of the Illinois minimum wage by \$1 dollar per year beginning in 2020 and through 2025 required *immediately* firing employees with disabilities remains highly questionable – especially since the minimum wage will only rise to \$9.25 per hour beginning in January 2020. Furthermore, it is deeply troubling that neither you nor the Board of Directors effectively planned for increasing workforce costs, especially given your organization's continual growth and aggressive expansion plans in recent years.

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The reality for far too many hardworking Illinoisans is that they have gone without a pay raise since 2010. The stagnant minimum wage of \$8.25 is too low for any of your employees, and I am alarmed that the Land of Lincoln Goodwill Industries' financial situation may be so precarious as to prevent your organization from managing an increase in personnel costs without harming your employees with disabilities, especially since you only pay 27 of those individuals subminimum wages.

To better understand the Land of Lincoln Goodwill Industries' troubling decision to harm its workers with disabilities and make sure your organization is in compliance with all applicable statutory and regulatory requirements, please provide us with the following information:

- 1. All documents relating to the analysis that justified or informed the decision to cease (or announce the pending cessation of) providing paychecks to workers with disabilities;
- 2. All documents relating to the Land of Lincoln Goodwill Industries' compensation for every employee with a disability, including hourly wages per employee for the following calendar or fiscal years (whichever is most efficient to compile): 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011 and 2010;
- 3. All documents relating to your executive compensation for the following calendar or fiscal years: 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011 and 2010;
- 4. All documents relating to internal Land of Lincoln Goodwill Industries employee communications discussing potential cuts in executive compensation levels to help mitigate increased costs from the rise of the minimum wage from \$8.25 to \$9.25 per hour in 2020;
- 5. All documents relating to the recruitment, selection and hiring of Mr. Brian Durbin to be Vice President of Retail Operations at an annual salary of \$95,747, including all communications between you and members of the Board of Directors relating to this hire and all communications between you and members of the Compensation Committee that reviews and approves awards of merit increases;
- 6. All documents relating to the Land of Lincoln Goodwill Industries' efforts to phase out subminimum wages for 27 employees with disabilities, which you characterized as your organization "progressing away from that" in a July 16, 2019, WCIA news report.
- 7. All documents relating to how the Land of Lincoln Goodwill Industries' calculated the cost increase estimate of \$2 million annually from the gradual increase of the State minimum wage; and
- 8. Copies of the Land of Lincoln Goodwill Industries' financial statement audits conducted for 2018, 2017, 2016, 2015 and 2014.

We strongly urge you to carefully reflect on your comments and harmful course of action in the coming days.

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The Land of Lincoln Goodwill Industries would likely be better served in transitioning to new leadership whose commitment to the mission and well-being of its employees would not be subject to suspicion and undermined by past actions. Thank you in advance for responding to our request and we look forward to reviewing your timely response.

Sincerely,

January Puliath Tammy Duckworth

United States Senator

Richard J. Durbin United States Senator Letter to Land of Lincoln Goodwill Industries, Inc. July 18, 2019
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Guidance - Responding to Request

- 1. In complying with this request, you are required to produce all responsive documents that are in your possession, custody, or control, whether held by you or your past or present agents, employees, and representatives acting on your behalf. You should also produce documents that you have a legal right to obtain, that you have a right to copy or to which you have access, as well as documents that you have placed in the temporary possession, custody, or control of any third party. Requested records, documents, data or information should not be destroyed, modified, removed, transferred or otherwise made inaccessible.
- 2. In the event that any entity, organization or individual denoted in this request has been, or is also known by any other name than that herein denoted, the request shall be read also to include that alternative identification.
- 3. The term "document" means any written, recorded, or graphic matter of any nature whatsoever, regardless of how recorded, and whether original or copy, including, but not limited to, the following: memoranda, reports, expense reports, books, manuals, instructions, financial reports, working papers, records, notes, letters, notices, confirmations, telegrams, receipts, appraisals, pamphlets, magazines, newspapers, prospectuses, inter-office and intraoffice communications, electronic mail (e-mail), contracts, cables, notations of any type of conversation, telephone call, meeting or other communication, bulletins, printed matter, computer printouts, teletypes, invoices, transcripts, diaries, analyses, returns, summaries, minutes, bills, accounts, estimates, projections, comparisons, messages, correspondence, press releases, circulars, financial statements, reviews, opinions, offers, studies and investigations, questionnaires and surveys, and work sheets (and all drafts, preliminary versions, alterations, modifications, revisions, changes, and amendments of any of the foregoing, as well as any attachments or appendices thereto), and graphic or oral records or representations of any kind (including without limitation, photographs, charts, graphs, microfiche, microfilm, videotape, recordings and motion pictures), and electronic, mechanical, and electric records or representations of any kind (including, without limitation, tapes, cassettes, disks, and recordings) and other written, printed, typed, or other graphic or recorded matter of any kind or nature, however produced or reproduced, and whether preserved in writing, film, tape, disk, videotape or otherwise. A document bearing any notation not a part of the original text is to be considered a separate document. A draft or non-identical copy is a separate document within the meaning of this term.
- 4. The terms "and" and "or" shall be construed broadly and either conjunctively or disjunctively to bring within the scope of this request any information which might otherwise be construed to be outside its scope. The singular includes plural number, and vice versa. The masculine includes the feminine and neuter genders.
- 5. The term "referring or relating," with respect to any given subject, means anything that constitutes, contains, embodies, reflects, identifies, states, refers to, deals with or is pertinent to that subject in any manner whatsoever.