

Beyond Compliance: The Economic Case for Digital Accessibility

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Digital Accessibility at a Crossroads

The 2024 Department of Justice Final Rule on Web and Mobile App Accessibility pushes digital accessibility beyond the legal checkboxes for state and local governments. Implementing the rule can also serve as a strategic opportunity for economic development, cost savings and more efficient service delivery. As public and private entities race to comply with final rule implementation deadlines, the economic case for accessible design has become impossible to ignore. Despite this clear need, states face obstacles in pursuing digital accessibility. One main obstacle is a major reduction in funding across the nation, for example, cuts to the Digital Equity Act and other broadband initiatives. Without supplemental federal funding, a state's ability to maintain and expand digitally accessible services is impeded, risking the exclusion of people with disabilities (PWDs) and other marginalized communities from accessing essential government services online. Lower budgets also lead to slower progress in achieving accessibility goals and a prioritization crisis where state governments must decide between competing budget demands, potentially delaying or stopping crucial digital accessibility initiatives.

As states continue to improve digital citizen service delivery, investing in digital accessibility upfront can protect agencies from growing legal, reputational and operational risks and allow state governments to uncover the spending power of a growing disabled population. Spending power is important to state governments because investing in digital accessibility allows them to fully engage all residents, including PWDs, unlocking the significant economic contributions of all residents accessing government services online. This not only **broadens the tax base** and drives local economic development but also leads to cost savings through more efficient digital service delivery and increased resident trust in government. State governments collect revenue from user charges (e.g., tuition, hospital fees, tolls and business licenses) that contributed to **nine percent of general revenue** in 2021. Improved digital accessibility can increase access to online services used to pay these fees. While sales and income tax are still the largest revenue sources for states, digitally accessible services ensure that all people are included in a state's economic system and limits citizens being penalized financially for inaccessibility. Contrarily, failing to act regarding digital accessibility can produce higher service costs, revenue loss and diminished public trust. For state and local governments to prosper in a digital world, accessible digital services are imperative.

Today's Accessibility Economy

The 2024 Global Economics of Disability report found the following:

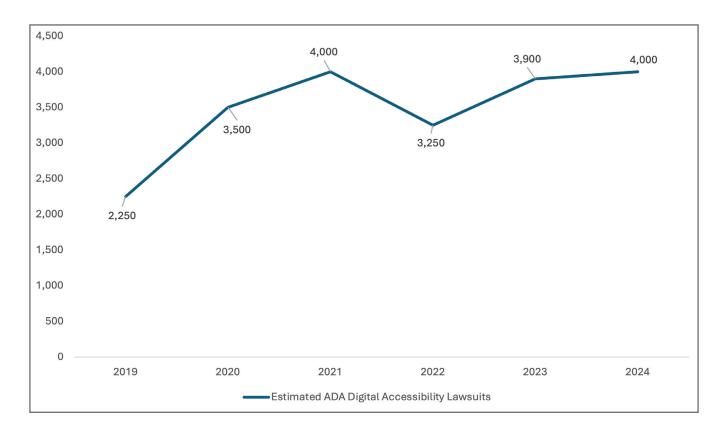
- People with disabilities (PWDs) across North America and Europe hold a combined disposable income of over \$2.6 trillion, with the global disability market influencing over \$18 trillion in annual spending.
- 22% of the global population (approx. 1.58 billion people) have at least one disability.
- 756 million working-age people (25-64) have at least one disability globally.
- In the United States, PWDs control over \$1.3 trillion in spending power.
- As of 2024, 38% of PWDs in the US between the ages of 16 and 64 are employed (approx. 6.22 million).

Disability is about identity **and** functionality – how people, especially PWDs, interact with digital services and systems. Many people experience increasing functional limitations as they age without

classifying themselves as having a disability, making the true number of people who need more digitally accessible platforms unknown. However, the public sector fails to fully leverage this market, instead focusing on visible disabilities and/or regulatory compliance. Without digital accessibility for all constituents, the result is a consistent gap between legal requirements and socioeconomic optimization. Digitally accessible platforms and universal design standards create solutions that work for PWDs but also improve usability for every constituent. Further, universal design allows state and local governments to expand their market adoption through digital citizen services, in turn boosting both satisfaction and trust in government among constituents. This is known as the "curb cut effect," where solutions created for one target population provide universal benefits (e.g., sidewalk ramps and disability-friendly restrooms).

The Costs of Inaction

The financial risks of digital inaccessibility are staggering, with <u>lawsuits</u> focusing on inaccessible digital services increasing. The chart below shows the <u>estimated number of lawsuits</u> filed in the United States under the Americans with Disabilities Act (ADA) regarding digital accessibility from 2019-2024.



While exact numbers vary by source and jurisdiction, the chart shows an increase in digital accessibility lawsuit filings during and after the COVID-19 pandemic (2020, 2021) when digital citizen services became more critical. The DOJ final rule became a mandate in 2024 and could potentially influence litigation volume in the coming years. A single accessibility lawsuit can cost up to \$350,000, not including remediation costs and damage to an agency's reputation. For state and local governments, these costs can negatively impact allocated budgets. Below are examples of recent digital accessibility lawsuits and their outcomes:

- A blind resident sued a state government after key public websites, including health and family services, were inaccessible to screen readers. The lawsuit seeks <u>website accessibility and compensation</u>; the court allowed the case to proceed, exposing the government to legal fees and mandated remediation.
- A legally blind individual <u>settled</u> with a county government for \$15,700 after being unable to access online public records due to inaccessible PDFs. The county must now ensure its website meets accessibility standards.
- A serial plaintiff filed <u>multiple lawsuits</u> against local governments for inaccessible websites. One county settled for \$16,000 and agreed to improve digital accessibility.
- Two blind students won over \$240,000 in damages after suing a community college district for inaccessible course materials. The jury found the district violated the ADA and Section 504 by failing to provide accessible textbooks, websites and software.

Inaccessible digital platforms can also increase costs by forcing users, including PWDs, to rely on **costly in-person or call center support** instead of more efficient self-service options. Agencies that treat accessibility regulation, like the **DOJ final rule**, as a compliance-only task miss the opportunity to invest in broader usability improvements to remedy current inadequacies. The socioeconomic benefits of digital accessibility (increased participation, decreased digital exclusion and litigation prevention) **outweigh the initial investment** into accessible digital platforms.

Digital accessibility is further hindered by factors outside of subpar web platforms, like a lack of broadband, limited digital literacy and language proficiency. While more than forty million Americans have a seen or unseen disability, twenty-five percent do not have home broadband. Given this, digital accessibility design in state and local government agencies should also consider connectivity and digital skills to ensure equitable access for all.

Designing for Inclusion, Delivering Value

The upside of accessible digital design is **significant and compounding**. Accessible technologies, like screen readers, adaptive input devices and speech recognition software boost workforce productivity, improve retention and facilitate more regulatory compliance. For employees, these tools help recruit and retain talent who may develop disabilities later in life or already have a seen or unseen disability, maintaining knowledge of job duties and reducing recruiting costs. **Forty-four percent** of organizations reported that employees with disabilities can perform most, if not all, tasks with company-provided assistive technologies.

For constituents, accessibility in digital citizen services expands the customer base, increases engagement and reduces the need for <u>costlier alternative service delivery formats or staff assistance</u>. The "walk away pound," which refers to the money lost from inaccessible digital services, quantifies the financial risk of access exclusion and reiterates the new revenue opportunities that are possible with accessible digital design. Designing for digital accessibility reduces service delivery costs by creating efficient self-service opportunities.

A 2016 Forrester study found that <u>seventy-nine percent of organizations</u> improved customer experience with accessible technologies, directly supporting core business goals. Sixty-seven percent reported compliance and risk mitigation as major drivers for investing in digital accessibility. Top technology companies have also demonstrated that designing for digital accessibility can drive higher revenues and broader market reach, a lesson that applies equally to the public sector.

Cost-benefit analyses confirm that the socioeconomic returns on digital accessibility investments are persistently positive, especially when considering the impact of cost <u>avoidance from lawsuits and reduced digital exclusion</u>. State and local governments can avoid future financial risks and discover new opportunities to increase the value of digital citizen services to constituents by being intentional about digital accessibility.

Real-World Returns on Inclusive Design

The benefits of digital accessibility are apparent in entities that have already taken the first steps on their journey. Agencies prioritizing digital accessibility have reported higher constituent satisfaction, lower complaint rates and prevention of costly remediation efforts. Organizations that integrate accessibility into projects and initiatives from the start see substantial improvements in service delivery, workforce productivity and cost savings. For example, entities that use more diverse user personas and test products directly with PWDs are more likely to provide inclusive and effective digital services. Using universal and disability-focused design approaches benefits a vast number of users, making it increasingly recognized in the public and private sectors. Below are a few stories of federal, state and local entities who have reaped the benefits of early investment into digital accessibility:



• Seattle, Washington: Seattle's 2024 Technology Access and Adoption Study revealed the benefits of their long-term commitment to digital accessibility. Investing into accessibility and digital inclusion programs led to an increase in technology adoption, higher citizen satisfaction in city services and a decrease in digital access issues across neighborhoods. Further, these initiatives helped more people become digitally independent, reducing the need for staff intervention and other expensive tools.



• State of Minnesota: The Minnesota Department of Health and Human Services embedded accessibility into their online licensing system at the project's outset, avoiding expensive retrofits and improving the experience of all using the system. The project team found that accounting for accessibility early led to clearer documentation, improved vendor performance and smoother project delivery.



• **U.S. Social Security Administration:** The U.S. Social Security Administration took steps to make their website and online application accessible. In turn, the need for in-person visits and phone calls was reduced, saving millions in operational costs and improving user satisfaction – especially for senior citizens and people with limited digital skills.

Recommendations for States

State and local technology leaders can do the following to fully realize the economic benefits of digital accessibility:

- Prioritize accessibility in digital strategy: Make accessibility a core pillar of all digital initiatives.
 Set clear accessibility goals at the start of each project and ensure stakeholder buy-in at every step.
 Accessibility principles should be included in digital roadmaps, project charters and performance metrics to help it become a fundamental success measure. Regular progress reviews and strategy updates based on constituent and PWDs feedback will keep accessibility front and center.
- Integrate accessibility into procurement: Since the DOJ final rule requires third-party vendors that contract with states be accessibility compliant, it is important to include accessibility in all new contracts before the final rule deadline. When creating requests for proposal (RFPs) and moving through vendor negotiations, make it clear that compliance with Web Content Accessibility
 Guidelines (WCAG) and/or Section 508 is a mandatory requirement. Evaluate products and services for accessibility before purchases and test end-user acceptance processes.
- **Invest in training and innovation:** Provide continuous accessibility training for staff, designers and content creators to help create a culture of continuous improvement. Training should cover more than compliance and focus on providing practical, role-specific guidance on designing, developing and testing accessible digital services. Encourage employees to stay updated on shifting standards and emerging assistive technologies. Share lessons learned across teams and departments to support innovation.
- Establish leadership accountability: Assign executive leaders to be accessibility sponsors and measure progress with clear KPIs or hire an accessibility coordinator. Having an IT accessibility lead in-house will ensure accessibility receives consistent attention and resources. Use dashboards or scheduled reports to track and disseminate accessibility metrics. These metrics can include user satisfaction scores, the percentage of digital tools meeting accessibility standards and the number of accessibility complaints resolved. Share these regularly with employees and the public to build constituent trust.
- Leverage partnerships and peer learning: Work with advocacy groups, vendors and other agencies to share best practices and resources. Collaborating with disability advocacy organizations (see additional resources at end of paper) can provide great insights into user needs and allow for the co-design of more effective solutions. Joining interagency working groups or professional networks can lead to exchanging knowledge, tools and case studies. Partnering with universities can also support user testing and innovation. PWDs should be included in all steps allowed when testing a new product.
- Showcase and publicize success: Highlight accessibility wins to build momentum and secure more long-term investments. Publicizing success stories gives credibility to the value of accessibility efforts. Use case studies, press releases and social media to recognize teams and individuals who contribute to accessibility milestones. This can also position an organization as an accessibility leader, creating more opportunities with other agencies who are further behind.

The Bottom Line: Accessibility Matters

Digital accessibility is not just about compliance or social morality – it is a powerful driver of economic growth, operational efficiency, risk reduction and constituent trust in government. The penalties for noncompliance and inaction can be steep with legal, reputational, financial and service delivery risks that can outpace any potential savings from refusing to design for digital accessibility. Governments can unlock new opportunities by investing in digital accessibility, including revenue boosts, service cost reduction and more efficient digital citizen services. The choice is clear: invest in accessibility today, or pay a higher price for it tomorrow.

Additional Resources

G3ict - The Global Initiative for Inclusive ICTs

The Edison Alliance

Digital Equity Leaders Network

World ENABLED

Author & NASCIO Contact

Kalea Young-Gibson

Policy Analyst

licy Analyst NASCIO

Marie Cohan

Peer Reviewer

Statewide Digital Accessibility Officer

State of Texas



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