

March 13, 2024

Re: SF 4399

Chair Hoffman and members of the Senate Human Services Committee,

I am writing in support of Senate File 4399 – specifically the provision prohibiting issuance of 14(c) certificates which authorize payment of subminimum wage to people with disabilities.

I am a mom of a child with a disability, provider of Employment Services, serve on the board of directors for MN APSE, serve on the board of directors for National APSE, in the Coalition for Disability Wage Justice and served on the Task Force to Eliminate Subminimum Wage in Minnesota.

I truly believe that the time is now to eliminate subminimum wage within the state. There are 16 other states that have gone before us to complete this, and if Minnesota wants to pride ourselves on being an example for other states to be able to follow, this step needs to take place. It can't wait any longer. The Taskforce developed a plan as to how to complete this, and ICI Minnesota has been working with providers for the past two years doing this work. There are the 10 elements of provider transformation to utilize and each provider can work with ICI to develop this and complete this work in a way that will work for them as a provider. Each provider is at a different place beginning this work, and this plan allows for that.

As you know, federal law allows businesses to pay people with disabilities less than minimum wage through Section 14(c) of the Fair Labor Standards Act. More than 3200 people with disabilities in Minnesota legally earn less than minimum wage, and our state – a purported leader in disability rights – employs more people with disabilities earning subminimum wage than any other state in the nation (per capita).

On average, Minnesotans with disabilities who work under 14(c) make just \$4.15 per hour, but some earn as little as 7 cents per hour.

Many people earning subminimum wage are in segregated settings. This contradicts the integration mandate of the Americans with Disabilities Act (ADA), which requires that people with disabilities have access to the most integrated settings possible – including employment. Just last year, the United States Department of Justice found that employers who pay less than minimum wage in these segregated settings may be in violation of the ADA.

We urge the Minnesota Senate to support the prohibition of 14(c) certificates as outlined in SF 4399, which will help ensure that all workers with disabilities are paid minimum wage or higher by 2028.

This change is possible. The Minnesota Task Force on Subminimum Wage created a robust transition plan that would make sure no one is left behind in the transition away from 14(c). Service providers that have electively and successfully ended subminimum wage are available to provide technical assistance so other providers remain viable. And just last year, the legislature funded historic investments in individualized, integrated employment programming so all people with disabilities can earn minimum wage in jobs that build on their skills and interests. People who do not want to work will have robust, enriching programming to support their needs during the day.

Minnesota has learned from the sixteen states nationwide that have already passed legislation protecting the rights of people with disabilities to earn minimum wage. It is time for us to follow their lead and live up to our stated commitment to integration, inclusion, belonging, and justice for all Minnesotans. We call on the legislature to support wage equity for all Minnesotans with disabilities now.

Respectfully signed,

Larissa Beck