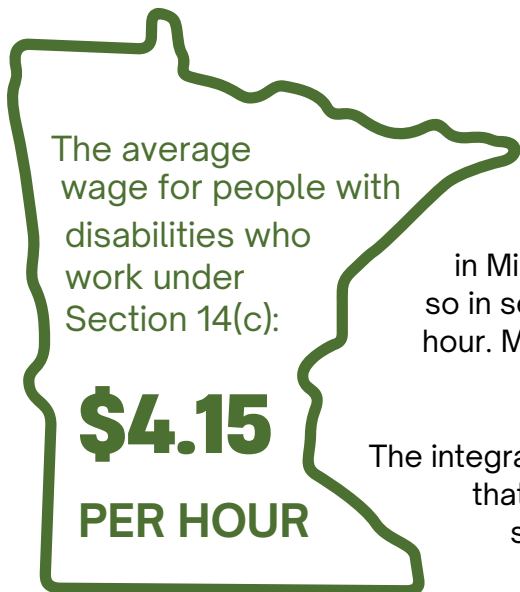


PAY PEOPLE WITH DISABILITIES MINIMUM WAGE OR HIGHER

The **Minnesota Coalition for Disability Wage Justice** is fighting so that people with disabilities are paid the minimum wage or higher for the work they do. We must phase out the use of Section 14(c) by 2028. **Minimum wage for all people with disabilities, now!**



THE PROBLEM

Federal law allows businesses to pay people with disabilities less than the minimum wage under Section 14(c) of the Fair Labor Standards Act. More than 3200 people with disabilities earn less than minimum wage in Minnesota. Many people who earn less than minimum wage do so in segregated settings. Some people earn as little as 7 cents an hour. Minnesota employs more people with disabilities earning less than minimum wage per capita than any other state.

The integration mandate of the Americans with Disabilities Act requires that people with disabilities have access to the most integrated settings available, including employment. In 2023, the United States Department of Justice found that employers who pay less than minimum wage may be in violation of this federal law.

THE SOLUTION

We recommend that the Minnesota State Legislature ensures all workers with disabilities are paid a minimum wage or higher by 2028. Minnesota should build on the legislative successes of 2023 — including historic investments in individualized, integrated employment programs — to ensure that all people with disabilities earn equitable, dignified wages.

This transition is possible. 16 states have successfully passed legislation to ensure people with disabilities are paid a minimum wage. There are multiple organizations in Minnesota that have shifted their models to ensure that all workers are paid minimum wage. With last year's legislation, there are now funds available to facilitate this transition.

It is time for Minnesota to live up to its commitment to wage justice for all Minnesotans. Minimum wage for all people with disabilities, now!



Minnesota Coalition
for Disability Wage Justice

THE COALITION FOR DISABILITY WAGE JUSTICE



LEARN MORE:



Legislative Task Force Report
on Ending Subminimum Wage



TRANSFORMATION PLAN FOR PROVIDERS



Minnesota Coalition
for Disability Wage Justice

Background

[Minnesota Transformation Initiative Technical Assistance Center](#) (MTI) was created through funding from the Minnesota State Legislature to support the reduction of reliance on subminimum wages, and expand customized, integrated employment for people with disabilities – especially intellectual or developmental disabilities – across Minnesota.

Employment means:

- Full-time, part-time, or self-employment with and without supports
- On the payroll of a competitive business or industry
- Pays at least minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by workers without a disability

Since the spring of 2022, MTI has supported 8 providers to successfully end the use of sub-minimum wages and increase employment outcomes for supported individuals. They are all still open and serving people. Six of the eight providers were in greater Minnesota; two were in the Twin Cities Metro area. MTI has supported 14 additional providers across the state to increase customized employment for the people they serve.

Every year, more and more organizations are making sure that people are paid at least the minimum wage.

You can watch the [videos of their success here](#).

What does this look like?

At the start of Technical Assistance (TA), the TA team does a “site visit” with the provider to meet with the project team, tour their sites/offices, interview stakeholders, get a sense of agency culture, and identify strengths and opportunities for transformation.

The TA team uses the research-based [10 Elements of Provider Transformation](#) to identify the strengths of the organization and goals/areas of focus for an action plan for transformation. The 10 elements outline the key action items that are part of a successful transformation plan, including:

- Identifying clear, consistent goals
- Developing an active, person-centered job placement process to support people to find and maintain customized, integrated employment.

- Outlining a communication plan that details the messaging that will be shared with each stakeholder group
- Reallocating and restructuring resources (including buildings, vehicles, staffing) to build up new or existing services while phasing out others
- Training staff to provide new services or provide services in new ways
- Engaging with the local business community and community partners
- Establishing performance measurement and quality assurance metrics to track progress and outcomes
- Integrating changes within other services areas of organization, when applicable

Following the site visit, the TA team works with project team to develop an individualized action plan, including training and TA needs. Based on their strengths and opportunities, MTI works with providers to create a plan that will support their organization to transition away from using subminimum wages and increase employment outcomes for service recipients. There is no one-size fits all approach.

The provider project team meets at least monthly with TA team to share updates, discuss roadblocks and discuss the next steps in the transformation process.

The TA team is available to provide trainings to agency staff, connect the provider to information and resources, troubleshoot challenges that arise, clarify policy, etc.

Providers join a *community of practice* with other providers receiving TA to share and learn from each other.

Providers are connected to organizational peer mentors who have successfully transformed their business model and are no longer using subminimum wages. These mentors are paid by MTI.

A Peer-to-Peer mentorship program for people with disabilities transitioning to customized, integrated employment is also provided through MTI. They work individually or in groups with people who are receiving services to support them through the process of moving to minimum wages or higher.

Moving Forward

MTI will continue to provide the following supports, which are funded through DHS via the Minnesota State Legislature through June 2026:

- Intensive and targeted technical assistance for providers
- Community of practice for providers undergoing transformation
- Quarterly webinars on topics related to transformation
- Organizational peer-to-peer mentoring
- Peer-to-peer mentoring for people with disabilities

THE COALITION FOR DISABILITY WAGE JUSTICE



LEARN MORE:

 MNDisabilityWageJustice

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Legislative Task Force Report
on Ending Subminimum Wage



Reports related to sub min wage in Minnesota and the task force plan

Task force legislative report <chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://edocs.dhs.state.mn.us/lfserver/Public/DHS-8397-ENG>

Background information: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://mn.gov/dhs/assets/TFESW%20Initial%20Background%20Brief-accessible_tcm1053-521663.pdf

Legal Aid Report chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://mylegalaid.org/uploads/Ending-the-Subminimum-Wage-in-Minnesota_October-2022-sm.pdf

MEDIA SUPPORT FOR SUB MINIMUM WAGE ELIMINATION

<https://www.pbs.org/video/disability-reframed-1696532601/>

<https://www.fox9.com/news/advocates-push-to-end-subminimum-wage-for-disabled-in-minnesota> https://www.youtube.com/watch?v=71dtK6_KpA4

<https://accesspress.org/movement-to-eliminate-subminimum-wages-is-sometimes-misunderstood/>

<https://www.arcamax.com/business/businessnews/s-3105319>

https://www.youtube.com/watch?v=26cS_fZELas

<https://www.startribune.com/minnesota-disabilities-subminimum-wage-work-sheltered-workshop-civil-rights-federal-legislation/600258249/>

<https://www.mprnews.org/story/2023/03/15/lawmakers-weigh-doing-away-with-subminimum-wages-for-minnesotans-with-disabilities>

<https://arcminnesota.org/beyond-equity-towards-justice/>

Date: March 12, 2024 at 11:59:48 AM CDT

Subject: Minimum wage

March 11, 2024

Dear Committee,

I am writing in support of the elimination of sub-minimum wage in Minnesota. As the parent of an adult child with significant disabilities, and a veteran vocational counselor with over 35 years of experience working with youth and adults around employment, I can understand both sides of the concerns around this issue. There is no justification for paying adults with disabilities less money per hour without admitting you think of them as inferior humans

I have observed and engaged with many individuals who have been stuck in sheltered work settings for years. When given the chance to try work in the community, they performed well. Some individuals have been in sheltered work for 20 years, and have matured, gained skills over time, and no one notices the personal growth, until a family member or case manager suggests considering a job search. If a person is attending a Workshop, working should not be mandatory, it should be a choice.

One of the big problems with our system is very few people have been taught how to teach individuals with significant disabilities job tasks. Task Analysis is used in our Spec Ed system to teach new tasks to students. But that evidence-based practice is rarely used working with adults. Most job coaches have no specialized training. They just point, use voice commands, or show the person how to do the task. Unfortunately, the job coaches build themselves into the process, so when the coach steps away, the process falls apart and then we say the person cannot work

Many people who have significant disabilities may need more support to learn a job or stay on the job. However, choosing a job that is a good fit for the person with a disability can really reduce the impact their disability has on work speed, performance, and mood. Often, participants in a sheltered settings are stuck in jobs that are available, not good fits or aligned with skills, and then staff complain the person needs a lot of support to get tasks done, and they are grouchy and have a bad attitude. If I had to do a job I did not enjoy and was not good at, I would be grouchy, too.

In Minnesota, the minimum wage is \$8.85 for small employers and \$10.85 for large employers, neither is a huge amount. We need to stop timing people doing jobs that are probably not good fits for them, to determine their wage per hour. I once worked with a gentleman who had the use of one arm, and he was timed doing his Workshop job. He earned 18 cents an hour. A year later he was earning around 16.00 an hour working in a store using his computer skills.

No one should be paid less than minimum wage. Some Workshops have already been able to make the transition to paying participants a fair wage. It's not rocket science! We need to pay people with disabilities at least minimum wage, we need to train job coaches and other staff on evidence practices supporting individuals with significant disabilities in the workplace, and we need to be more person-centered.

Thank you for allowing me to give input.

Sincerely,

Abbie Wells-Herzog
651-231-4980

March 17, 2024

Chair Fisher and House Human Service Policy Committee Members:

I am writing in support of the provisions in HF 4392 to increase wages for people with disabilities by phasing out subminimum wage in Minnesota. Making these changes in wages will demonstrate Minnesota's commitment and belief to our fellow Minnesotan's with disabilities that there is equality and value to their work and lives in our communities.

Certainly, we know the subminimum wage system that was created years ago was based on a system that did not believe people with disabilities could work. Today, we know that is not true. As the great state of Minnesota has grown and has developed person-centered services, we've learned our fellow citizens with disabilities have great skills and abilities just like you and I. They are valued and needed members of the workforce. With the right supports in place, people can work and employers need and want people to work.

In 2003 Accord discontinued the use of its 14c certificate because we believed people could work and deserved to work and be paid fairly. Today, we support individuals who are exploring careers and working in their community. We also support people who utilize day supports as part of their day to volunteer, for art and music enrichment and have other community involvement. People with disabilities can, do and should have options within their day. This can be done without the use of subminimum wage. Several organizations within Minnesota's systems have been able to make this transfer and Accord is happy to partner or mentor any organization to do so.

Accord believes the provisions in SF 4399 will support providers to transform programming to meet peoples' needs while paying at least minimum wage and enabling people to continue to have choice in their work and community lives. The growing support for this nationally makes this the right time for Minnesota to move forward on our commitment. Let's invest in people and strengthen our services to better support people and Minnesota's Employment First movement.

Sincerely,

Rita Wiersma

Rita Wiersma, CEO

TO: House Human Services Policy Committee
RE: Subminimum Wage Testimony on HF 4392
March 18, 2024

Chair Hoffman and Committee Members,

My name is Addison Loerzel. I am writing to testify in support of the provisions to phase out subminimum wage in HF 4392.

I was really sad when I found out that people with disabilities often get paid less money than those who don't have disabilities. My entire life, I have had to work really hard - sometimes harder than you, and rarely get to achieve the same level of success. This is wrong.

Even though I have shown myself to be a hard worker, there is still a chance that I might make a subminimum wage because society continues to believe that people with disabilities are helpless, unable to complete meaningful work, and don't really care about the size of their paychecks. This way of thinking is false!

When a person finds a job that matches their interests, skills, and supports, you will see them **thrive!** You will watch them blossom into a confident, accomplished, and valued employee. And this idea that people with disabilities don't really care about money is ridiculous. The majority of us do! We want to have hobbies and enjoy leisure time. We want to go on vacation, have nice clothes, and pay our bills. What does that take? **Money!** Come on! Of course we care about the size of our paychecks!

What if I was your daughter? Do you think this would be fair? I have friends that are older than me and some are starting to explore career options. Do you want to know some of their choices? Cleaning hotel rooms, cleaning restaurants, and cleaning stores. Cleaning can be a great job and it is very important but what if that was your only choice? Would you like that? Would you like it if somebody stood over your shoulder with a stop watch to time your work, at a job that you probably didn't even choose, and calculated your wage...your **worth (!)** based on a 60 minute snap shot of time?

That is not what I want for my future...and most people with disabilities would agree. I have goals, dreams, and passions just like other kids my age. I want to go to college and learn how to be a better cook. I want to open my own restaurant or bakery and make people happy with my food. I want to contribute to my local community and economy and help others who want careers in food service.

I hope you will look at me, and others like me, and see us for our worth. Please see my strengths and contributions. Stop focusing on what I **can't** do and listen to me when I tell you what I **can** do! Please vote to end subminimum wage.

Thank you.

Addie Loerzel, Moorhead, MN

Dear Committee,

The Autism Society supports the Governors Policy bill provision to guarantee minimum wage for people with disabilities and strongly opposed the amendment introduced last week.

As you know, AuSM has been committed to this work since the beginning and has been integrally involved with the task force and legislative work creating historic investments towards preparing providers to make the transition.

We know that this change comes with many emotions and a universe of new things. But we also trust in the work that the task force has done to help the legislature prepare our state for a fruitful outcome for all people with disabilities. Minnesota has always been a pillar in greatness for the disability community, being years ahead in special ed provisions, in service options, and in human rights and equitable living. This is the next stage of that.

Just as there was uncertainty and controversy when Minnesota committed to closing institutions, Minnesota demonstrated the high level of community standards to ensure our community was successful. People with disabilities now thrive in our community and contribute to the greatness of this state.

If we assume people can not succeed they will not succeed. Our assumptions will become reality. But if we assume there is possibility and that they can, we give those assumptions the potential to become reality.

[please watch this video](#). It may change your perception about who these workers are. <https://www.youtube.com/watch?v=9HpLhxMFJR8>

As a member of the task force we contemplated creating a step by step plan as part of our report, but we were also tasked with listening to community stake

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holders including providers. When asked what they would need in a plan to successfully move from sub minimum wage to minimum wage and/or customized employment the answer was remarkably unanimous. FLEXIBILITY.

Providers reported that they needed support and flexibility to adjust to their own timeline and choose their own pathway to create this change. That is why the task force made the recommendations they did, including technical assistance that would embrace mentorship, education for families and case managers and data tracking. This was the plan. So that each provider could find their own journey and their own individual transformation. BECAUSE THIS IS WHAT THEY ASKED FOR. This is also the plan that the legislature chose to fund in 2023. The idea that there is no plan illegitimizes the work that the legislature committed state funding to in 2023 because this work is in fact the plan that was laid out by the task force.

We have prepared with the same commitment to excellence to leave behind the antiquated practice of sub-minimum wage. Through the greatness of our community and our legislatures. We are prepared for this step. Please support Guaranteeing Minimum Wage for People with Disabilities through a sunset date for section 14C.

Jillian Nelson

Community Resource and Policy Advocate

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March 15, 2024

To: Chair Fischer and Human Services Policy Committee Members

Re: House File 4392

Good afternoon, Mr. Chair and members of the committee. My name is Brian Begin and I spent 9.5 years working for Lifeworks Services Inc., a provider of day and employment services to adults and transition age youth with disabilities in the metro area. In that role I managed a team of direct support professionals that helped folks meet their employment goals and thrive in their communities. This organization was offering subminimum wage work under their 14c Special Wage Certificate, but in 2017 decided to let it go and focus solely on community employment at or above minimum wage. There was anxiety during this transition, from folks receiving services, their parents/guardians, and other members of their support teams. In my personal experience, change is scary and comes with challenges. That said, the sky did not fall, people earning below minimum wages working in our centers found jobs in the community where they began earning minimum wage or higher, and the organization's doors did not shut.

I strongly urge you to support HF 4392, specifically the provision phasing out subminimum wages. There have been advances in the ways direct support professionals work with people with disabilities to help them find and maintain a job that they enjoy in their community. When DSPs leverage assistive technology and training such as Customized Employment and the Discovery process through Griffin-Hamis, Marc Gold & Associates, or MN DEED, anyone who wants to work can – it's about finding the right job and supports. We don't need the 14c Special Wage certificate anymore, it is a thing of the past. The state legislature recognized this when they passed Minnesota's Employment First Policy during the 2020 first special session, adding the following language to state law, "It is the policy of this state that all working-age Minnesotans with disabilities can work, want to work, and can achieve competitive integrated employment and that each working-age Minnesotan with a disability be offered the opportunity to work and earn a competitive wage" (MN Dept. of Human Services, 2020).

For the last 1.5 years I've worked at the University of Minnesota's Institute on Community Integration on a project called the MN Transformation Initiative, or MTI. In the past 2 years, MTI has been working with 8 providers across the state to develop and implement individualized transition plans to drop their 14c Special Wage certificate. Again, there have been challenges throughout the transition for the providers and for the people they serve, but more people are working in competitive paying jobs in the community than before. The MTI project demonstrates that when the right supports and technical assistance is available providers can successfully make the transition to providing community employment to individuals they serve.

In conclusion, I strongly support the plan to ensure wage justice in Minnesota and pay all people with disabilities the minimum wage or higher. Please support HF 4392 in its entirety.

Brian C Begin



www.co.dakota.mn.us

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One Mendota Rd. W., Ste 300
West St. Paul, MN 55118-4770
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March 18, 2024

Chair Fischer and Members of the House Human Services Policy Committee:

As Social Services Director in Dakota County, I am writing to express my full support for HF 4392 that phases-out the outdated and discriminatory practice of paying employees with disability less than minimum wage in Minnesota.

First, and most importantly, ending subminimum wage is the right thing to do. The practice is rooted in historical assumptions that people with disabilities can't work and earn real wages. These beliefs devalue the contributions of people with disabilities and have been disproven over and over. Dakota County has a long history of supporting people with disabilities to find jobs and careers that leverage their strengths, interests, and contributions.

We have invested in training for case managers on employment and informed choice; developed internal capacity to support transition-age youth in exploring career opportunities; established partnerships with employment services providers, employers, and state agencies to align employment efforts; and adopted our own Employment First policy to reflect a belief that all people can work and earn competitive wages. We are committed to increasing wages and economic opportunity for people with disabilities not only because it can be a ladder out of poverty, but also because it is what people tell us they want.

And while supporting these provisions is the right thing to do, it is also a practical matter. There is growing momentum nationwide to phase out subminimum wage federally. Minnesota - once a leader in employment for people with disabilities - has fallen behind. We can now build on the historic investments made last year in planning, and coordination to build capacity in our home and community-based services system to better support customized employment. These provisions would support that transition while finally ending sub-minimum wage in Minnesota.

Sincerely,

A handwritten signature in black ink, appearing to read "Evan Henspeter", written over a horizontal line.

Evan Henspeter
Director of Social Services, Dakota County

March 17, 2024

Chair Fisher and House Human Services Policy Committee Members:

Hello I am Dana and I have a disability. My work story is this: I worked with four people with disabilities (an enclave) in Rochester at a hotel. I cleaned rooms and staff were there too. I liked my job and I liked going to work but it was hard work. When I started I was paid less than \$3 per hour. I tried hard and thought when I learned the work I would get paid more. I did work my way up to over \$3.35. After several year working, I lost interest and it got harder to work. One day staff said I was too slow and they lowered my pay to almost \$2 per hour. I didn't want to work anymore.

I wanted to try something different in my town but my staff didn't believe I had the skills to work at a real job. So, I left. Through COVID I stayed home until Vocational Rehab was able to do in person meetings and I learned what other jobs I might be able to try. Michelle (my new staff) helped me find a new job in Rochester at the Hilton Garden Hotel. I like working with them and they pay me \$12.50 per hour. I started with cleaning rooms and it was hard. Michelle and my hotel supervisor customized my job to cleaning hallways and other areas of the hotel and it is going better. I work with all the housekeeping staff. I am a regular employee. Because the hotel was slow, my job ended.

Next week I will start a new job at St. Mary's Hospital working Monday-Friday 9-1 and I will earn \$10.85 per hour. I will have the support of a job coach and while I will be making less per hour than my last job, it's still minimum wage. I need that pay as my rent went up and the HRA will only pay so much. I pay all my bills and try not to use public dollars when I don't have too. I am a proud person.

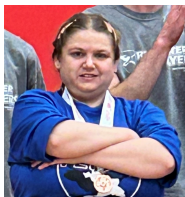
I deserved to be paid for my work like other people. Please support paying people with disabilities like me. I support of the provisions in HF 4392 to increase wages for people with disabilities by phasing out subminimum wage in Minnesota. People with disabilities like me support this provision. We matter and deserve to be paid.

Thank you,

Dana

Dana Wiersma

Rochester, MN



March 18, 2024

To: House Human Services Committee
RE: Subminimum Wage Provisions in HF 4392

Dupree Edwards – Testimony on SF 4399 – Subminimum Wage

My name is Dupree Edwards. I am testifying in support of the elimination of the subminimum wage. I live in Crystal, MN and have some mental health and cognitive disabilities. I grew up in the Twin Cities and moved to Arizona for a few years but have lived in Minnesota again since 1999. I live in licensed housing and receive the CADI waiver.

It took a lot of work to avoid being trapped in a subminimum wage job, because that is what I was offered after graduating from the Transition Plus program. However, I knew right away that I was capable of competitive employment. I knew that I might never have other opportunities if I took a “piece work” job at a DT&H. That was the name we used for subminimum wage.

After several agencies failed to find me employment, I was offered services with Workabilities, Inc. and they found me a job in the community in 2011. I was employed by a big salon with 40 stylists as someone who helped in the laundry with towels and other things needing to be washed, as well as janitorial work that needed to be completed. I was paid at least the minimum wage and appreciated that I got a real paycheck. I stayed until 2018.

Since 2018, I have worked for Lunds and Byerlys bagging groceries and taking them to people’s cars. I help to collect carts and do some cleaning work too. I have a second job at Upstream Arts as a teaching artist. I maintain my Medical Assistance through the MA-EPD program.

I believe that people with disabilities can work and should be offered support to work competitively. I was able to overcome that support not being offered to me because I believed in myself. I ask that you give other people the opportunity to find real jobs and not be stuck at subminimum wage.

Thanks for the opportunity to testify.

Dupree Edwards, Crystal MN

Nick Stumo-Langer

From: Gina Schaal <dgschaal4@comcast.net>
Sent: Sunday, March 17, 2024 8:09 PM
To: Nick Stumo-Langer
Subject: Oppose HF4392

Dear Committee administrator Stumo-Langer,

I am writing to you as well as all the MN House Human Services Policy Committee Members.

As the parents of a severely disabled adult son (Carter) we are very concerned about the current movement toward eliminating vocational and life choices for people with intellectual and/or developmental disabilities.

This movement, based on presumptions without data or research, has left the most vulnerable, like Carter & us, his parents/guardians, out of this conversation. He would be greatly affected by the eliminations of these options. His voice deserves to be heard!

We ask that you strongly support removing sections of HF4392 that would end center-based 14(c) sub minimum wage.

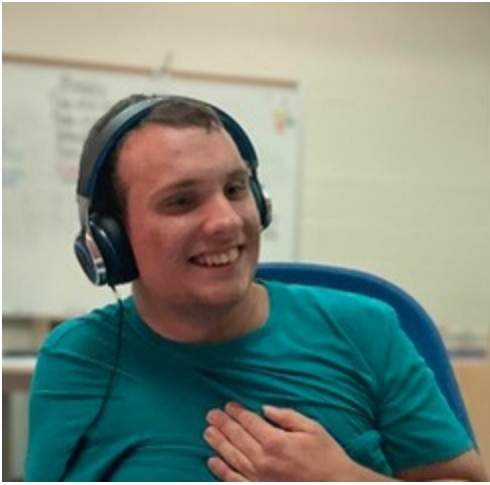
Carter is 19 & has severe autism. He is non verbal & has several other developmental challenges. He currently attends a transition program in the public schools, building the skills he will need to work a vocational sub minimum wage job when he ages out at the age of 22. He requires constant supervision and a consistent environment in order to be successful. It is not safe, appropriate or feasible to expect that ALL individuals can or should work in a competitive setting.

Eliminating 14(c) would leave Carter without a job upon completing school. All the skills he has been working on will be lost & he will be left with no options. He has value and has the right to participate in society in the best way he can. Working a sub minimum wage job will give him purpose as well as let him continue to work on both job & social skills as he ages.

Your support for removing the sections of HF4392 will be greatly appreciated!

Sincerely,

Dan & Gina Schaal
585 Saratoga Court
Chaska, MN 55318
dgschaal4@comcast.net



LAKE GEORGE FOSTER HOMES, LLC/HARMONY KNOWLES

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LGFHomes@gmail.com |

MARCH 11TH 2024

TO WHOM IT MAY CONCERN,

I am writing to express the importance of individuals with disability having the same rights as individuals without disability as it pertains to Minimum wage.

For over 21 years I have worked with individuals receiving supportive living services, emergency services, intensive residential services, and community services. Throughout the years I have always believed that all individuals with disability should be at minimum wage, for any employment.

There are some companies that have taken changes necessary and successfully made changes with supported employment minimum wage. This needs to be of equal option across the entire state, not just to certain work sites and supported services.

Working so closely with populations of disability, I see the difference in desire and drive to do successful production when the individuals I serve are making minimum wage. It also opens competitive employment for some who may not otherwise get this opportunity. I serve some individuals that do not have a drive to be employed because they would not be starting at minimum wage. This sets up an unfair precedent to drive success and creates failure. Companies seem to also express the willingness to pay higher wages to support people with disability achieve minimum wage.

In the area of being a provider, I see open opportunity to allocate the transfer of funds from one area of services to another, to created added support to a minimum wage law for people with disability.

It is overdue time we look at NOT supporting unfair prejudice and we provide successful options in supporting stability and consistency of a minimum wage law for people with disability.

Sincerely,
Harmony Knowles
Administrator

Mr. Chair and members of the House Human Services Committee,

My name is Heidi Maghan, Executive Director at Epic Enterprise Inc. in Dundas, MN. I speak to you as a provider who currently pays individuals sub-minimum wages under the 14c certificate. Epic Enterprise supports House File 4392-specifically the provision prohibiting issuance of 14c certificates which authorize payment of sub-minimum wages to people with disabilities. Epic currently has individuals working in the community at competitive wages in customized positions as well as individuals earning sub-minimum wages. At Epic we envision a community that values and embraces every individual while investing in individuals with disabilities as they pursue opportunities in the broader community. To this end, we support moving to minimum wages for work and discontinuing the use of the 14c sub-minimum wage certificate. We will be ending the use of our 14c certificate this year.

The State legislature, just last year, funded historic investments in individualized, integrated employment so that all people with disabilities who want to work can earn minimum wages in jobs that match their skills and interests. For those that do not wish to work or only work part of the day, our life enrichment services provide meaningful and integrated programming to support them if they choose. I have had many clients who are earning sub-minimum wages ask me for an increase as they would like to earn more money. They want to participate in all the ordinary things we take for granted, going out to eat, buying a specific brand of shoe or outfit, going on vacation, going to a Vikings/United/Twins/Wild game, going to a concert or the theater.

Sub-minimum wages perpetuate the discrimination and inequality that people with disabilities face in the workforce. Paying individuals with disabilities less than the minimum wage is not only unjust but also undermines their dignity and value as human beings. It reinforces harmful stereotypes and perpetuates a cycle of dependency and poverty. Minnesota has selected a minimum wage that is higher than the Federal wage, so why would we continue to offer a sub-minimum wage. Minnesota can do better.

It is essential to recognize the abilities and contributions of people with disabilities in our society. Individuals with disabilities are capable of performing meaningful work and should be given the opportunity to do so at a fair wage. Ending sub-minimum wages will promote inclusivity and equality in the workplace, fostering a more diverse and vibrant workforce in Minnesota.

Furthermore, ending sub-minimum wages aligns with the values of fairness and equality that are fundamental to our society. It sends a powerful message that all individuals,

regardless of their abilities, are valued members of our community who deserve to be treated with dignity and respect.

I urge you and the members of the Senate Human Services Committee along with the Governor to take action to end sub-minimum wages for people with disabilities in our state. Let us work together to create a more inclusive and equitable society for all.

Thank you for your time today.

Dear Chair and Committee members,

I have been a Minnesota citizen for over twenty of my forty-one years and since 2005 I have worked in social services, representing people whose voices have not traditionally been heard. I write you today from my own personal perspective and I represent no organizations, but I cannot deny that my twenty years of experience in social services including working with diverse populations of color and different cultures, people experiencing homelessness, people living with HIV, people dealing with substances, and people dealing with mental health crises does not inform my view. My whole career I have worked with people who have been seen as less than human in some way. I have seen a lot of movement in some of these areas throughout my career and life. Some backwards and some negative but I do believe that we have moved in a positive direction in terms of seeing people as people even if we have a negative view of them. I was disappointed when I learned that we have not moved forward as a state in this way when it comes to people with disabilities. To judge the value of someone's work based on something like disability status is not even the echo of eugenics and the 3/5th compromise. It's the literal evolution of those concepts being applied to the last population of people that we can get away with it. In every instance of American history in which we have tried to push forward, we have run up against real fears of people who are afraid to lose what they have in order to gain what seems impossible. My mother grew up as a black woman in segregation in the south and the parents of some of her fellow students in the sixties were against ending segregation because they were afraid that it would increase negative outcomes for their children. Today we see parents that are afraid to lose the support and income that their children do have. However, that choice is false, and they have been misled. We can both provide support and hold ourselves to a higher standard in terms of ethics. Where would we be had we listened to our fears in the past? As scary as it is you cannot sail to new adventures while still standing on the shores of "It's always been this way". For these reasons "I support the provisions in HF 4392 to increase wages for people with disabilities by phasing out subminimum wage in Minnesota". I hope that I can count on you to make the right choice in this matter and make history in a positive way.



Jacorey SkottMyhre
Saint Paul, MN

To: Chairman Peter Fisher and the Minnesota House Human Services Policy Committee

Subject: HF4392 Testimony to Sustain Special Minimum Wage provisions

From: James S Clapper, parent and co-founder of ATeam Minnesota

Date: March 14, 2024

This committee and the Minnesota Legislature have done some remarkable work over the last several years, in providing good policy and funding to protect, integrate, and develop people with Intellectual and Developmental Disabilities (ID/D) in Minnesota. I want to start my testimony by thanking you for this fine work. But there is much more work to be done and it is critical to maintain the choices people with ID/D have and not take away the employment option using Special Minimum Wages under the provisions of 14(c) of the Fair Labor and Standards Act. **HF4392 contains language that eliminates utilization of 14(c) which will result in irreparable harm for those who currently benefit from this employment choice.**

Good policies are data driven, but the ongoing debate about the utilization of Special Minimum Wages (SMW) in Minnesota does not include much in terms of good data. This leaves the Human Services Policy committees in the Minnesota Legislature listening to platitudes and anecdotal stories on both sides of the debate. The following are some facts that might be useful.

Minnesota has a high utilization of SMW, but we are not the highest. As of January 2, 2024, there are 54 certificate holders covering 3262 employees. Minnesota is #5 in the number of people using SMW, with Missouri, Pennsylvania, Illinois, and Ohio having more employees under SMW. Even on a per capita basis, Minnesota is #2 behind Missouri.¹

At this time 15 states have eliminated the utilization of Special Minimum Wages under 14(c). The implementation of the Workforce Innovation and Opportunity Act, starting in 2016, has also reduced the utilization of SMW. Section 511 of WIOA requires every person working under SMW to attend counseling every year with Vocation Rehabilitation Services, to chose whether to seek Competitive Integrated Employment (CIE) or continue with center based or community based employment under SMW. In Minnesota, since 2016 **almost 51,000 counseling sessions have been conducted with 86% choosing to stay with SMW.** These counseling sessions are mandatory, and those who choose to not attend these annual counseling sessions lose their SMW employment altogether.² These state and national policies have contributed to the decline of 14(c) participation, although there is good momentum in the remaining states and nationally to protect 14(c).

The Government Accountability Office is currently studying the outcomes of people with ID/D in those states where utilization of 14(c) was eliminated. It released part of its study in

early 2023, and is continuing its study of the Dept of Labor throughout 2024. **“Resource and logistics limitations restrict movement of people into CIE”** according to the GAO study. They went on to say, “employers who provided comments about the transition to competitive employment described challenges such as few resources to assist 14(c) workers with the transition, few opportunities or hours in competitive employment, and difficulties some individuals with more severe disabilities may face in working in competitive employment.”³ In a similar study of Oklahoma, **“participation in sheltered workshops dropped by about two-thirds over this fifteen-year period, there was no corresponding increase in integrated employment—although the number of subjects who were sitting at home almost tripled.”**⁴

The Congressional Budget Office has studied the potential impacts of S.2488, “Raise the Wage Act of 2023” if it is passed. One provision will eliminate 14(c) on a national level. “Taking those factors into account, CBO projects that, on net, the Raise the Wage Act of 2023 would reduce employment by increasing amounts over the 2024–2029 period.” They went on to say, **“the larger mandated wage increases would cause larger increases in joblessness.** The increase in joblessness might also be relatively large because the disabled workers affected by this section are less productive than the adults who are subject only to section 2.”⁵

The state of Maine was an early adopter to eliminating center based employment centers and utilization of 14(c) in 2001. George Washington University conducted a study of the long term impacts of the implementation of this statute. “Many of the individuals who were working in sheltered workshops at the time the policy was implemented **are no longer working, are working fewer hours or doing volunteer work instead of paid work.**”⁶

Washington state was also an early adopter in closing center based employment programs and then eliminated utilization of 14(c) a few years ago. “A 2012 update from Washington state noted that, despite an investment of \$50 million into employment services for the intellectually and developmentally disabled, **only 17% of severely affected adults were able to find jobs.**”⁷

The evidence is clear, eliminating the use of SMW – 14(c) does **not** raise the majority of people with ID/D up to minimum wage and violates the principles of Informed Choice and Person Centered Planning. **Minnesota does not need to make the same mistakes that 15 other states have made in eliminating this vital employment choice.**

¹ Dept of Labor 14c Certificate Holders listing, available via website
<https://www.dol.gov/agencies/whd/workers-with-disabilities/section-14c/certificate-holders>

² Section 511 WIOA requirements, conducted by Vocational Rehab Services in Minnesota. Dept of Economic and Employment Development, <https://mn.gov/deed/job-seekers/disabilities/youth/pre-ets/wioa/>

³ GAO study GAO-23-105116, Jan 25, 2023

⁴ Scott Spreat and James William Conroy, "Longitudinal study of Vocational Engagement," *Journal of Policy and Practice in Intellectual Disabilities* 12, no. 4 (December 2015): 266-271. Experiences of more than 200 adults with various levels of intellectual disability in Oklahoma between 1994 and 2009.

⁵ Congressional Budget Office report, "The Budgetary and Economic Effects of S. 2488, the Raise the Wage Act of 2023"

⁶ George Washington University, *Transitions: A Case Study of the Conversion from Sheltered Workshops to Integrated Employment in Maine*

⁷ Center for Health Care Strategies, "Trends and Challenges in Publicly-Financed Care for Individuals with Intellectual and Developmental Disabilities," Sept 2012

Jay Wilson
891 West Berwood Avenue
Vadnais Heights, MN 55127
Jay.Wilson.ATP@gmail.com

March 11, 2024

Dear committee,

I am writing to support the Minnesota-grown movement of people with disabilities and allies seeking to end sub-minimum wage exceptions for Minnesota workers with disabilities. No worker should be paid less than the minimum. This subminimum wage system traps people in poverty based on disability status, which is discriminatory.

As a disabled person who has the privilege of higher education and competitive employment, I also see how racism, classism, and lack of access lead to disproportionate marginalization of disabled people who have intellectual disabilities and people who are experiencing multiple marginalization.

I have seen from both family members and community members working in subminimum wage how subminimum wage impacts how we value people with disabilities in the community, their choices for housing, the economy at large, and self-worth.

I am impressed by the thoughtful work that advocates have been arranging to ensure that employment opportunities do not decrease for disabled people. I am encouraged by the states and businesses that made this change years ago, having recently lived in New Hampshire for a year before returning to Minnesota.

Please consider how Minnesota can show its commitment to all citizens, including people with disabilities, who enrich our state. Pay workers what the government has agreed should be the minimum.

I appreciate your consideration,

Jay Wilson

Nick Stumo-Langer

From: Jeanne Prittinen <jeanne.prittinen@gmail.com>
Sent: Sunday, March 17, 2024 10:02 AM
To: Nick Stumo-Langer
Subject: Oppose HF4392



Dear Members of the House Human Services Policy Committee:

My son Joe works at the East Range Day Achievement Center in Eveleth, MN. He makes birdhouses and braided rugs that are sold in the ERDAC gift shop. His birdhouses are beautiful. This one took him the better part of eight days to finish. He did a great job!

He is not oppressed.

He is doing work that is meaningful to him.

At ERDAC, Joe meets with success. His staff understands how to help Joe grow in his role as an employee. His transportation is provided. He has a social network of friends. He works five days a week.

Before you vote to eliminate center based 14c employment, please consider people like Joe who are most impacted by this bill. People who CHOOSE to work in a setting that is respectful of their disabilities and their needs as employees.

Joe makes birdhouses, one at a time. He is an artisan. Please let him continue doing work he finds meaningful. It is his choice. It is part of his person centered plan.

Please remove the provision of HF4392 that would eliminate center based 14c employment.

Joe is depending on you.

Jeanne Prittinen
4527 Woodlawn Point
Eveleth, MN
218-248-5493

Sent from my iPad

March 18, 2024

Re: Subminimum Wage Provisions in HF 4392

Dear Fischer and members of the House Human Services Policy Committee,

I am testifying in support of phasing out the Subminimum Wage that is part of the proposal in HF 4392 .

My name is Jenny Svihel. I am a self-advocate. I live in Sauk Rapids. I have lived there for 23 years. My disabilities are hard of hearing and a learning disability.

My first job was a subminimum wage job. I was on a work crew. We worked cleaning hotel rooms in St Cloud. The company would divide the money by each person in the work crew. The paycheck was only \$1.60 for every two weeks! I was so disappointed and shocked when I got my check. I was on the crew for two years earning just pennies on the dollar.

I didn't like being on the subminimum wage. I asked the work crew agency to find me a real job paying at least minimum wage. I told my job coach that I could do better. They agreed to help me find a job. I found a job working at Cub Foods, and earned over \$8 per hour in 2008.

I then went to Shopko and worked there starting in 2010 and made \$10.88 when I left. I started working at HomeGoods where I worked as a cashier. I was making \$11.45 per hour when I started at HomeGoods. I made \$12.45 per hour when I left. Today, I am working at Coborn's for \$13.50 per hour. I need to stay under 20 hours per week to comply with Social Security rules.

I was once on the subminimum wage. We were doing hard work! It was not easy to clean hotel rooms. It is physical labor. Getting paid 60 cents per day was an insult when I was doing the same work as people who DO get at least minimum wage. People should get paid for their labor. All people with disabilities should have opportunities. We want to have a better life. I want to have my own place. I want to get married. You can't do that on 60 cents per day. Please support the phase out of the subminimum wage!

Sincerely,

Jenny Svihel
420 Summit Ave S, Apt 302
Sauk Rapids, MN 56379



March 1, 2024

Dear Committee Members,

I am writing in support of the Governor's plan to phase out subminimum wage included in HF4392. People with disabilities deserve the same wage protections as anyone else. This bill will eliminate a process that was designed in 1938 and has long since used up its usefulness.

Kaposia phased out our use of 14(c) certificates 15 years ago. Since that time, we have expanded our business and continue to receive record number of referrals. None of our customers are unhappy with being paid minimum wage or more.

In addition, we have provided technical assistance to many other providers around the state. Nearly 20 of them have either transitioned away from their 14(c) certificates or are in the process of doing so. None of them are at risk of closing their doors and no person served has lost their supports.

The opposition will tell you this is going to ruin people's lives. How exactly does living the American dream ruin someone's life? It doesn't.

Please vote to support HF 4392.

A handwritten signature in black ink, appearing to read "Jon Alexander". The signature is fluid and cursive, with a prominent initial "J" and a long, sweeping underline.

Jon Alexander

Chief Executive Officer

Friday March 15, 2024

To: House Human Services Policy Committee
Re: House File 4392

Chair Fischer and Committee Members,

We are writing in support of the important provisions in HF 4392 - specifically the provision to phase out the outdated practice of paying people with disabilities subminimum wages in Minnesota. These changes would affirm the civil rights of people with disabilities and align our state's policies with our state's values. This will help advance equity, drive social change, and protect human rights.

Section 14(c) of the Fair Labor Standards Act, passed in 1938, allows people with disabilities to be paid less than the state or federal minimum wage. It is an archaic and discriminatory practice that contributes to the cycle of poverty and results in segregation of people with disabilities.

Ending payment of subminimum wages to people with intellectual and developmental disabilities while expanding community-based employment and day support services is possible because of investments last session in technical assistance and trainings offered by the Minnesota Transformation Technical Assistance Center (MTI) through the UMN's Institute on Community Integration. Employment providers in Minnesota and across the country have been transforming to services focused on competitive employment for decades. Organizational transformation that is intentional often results in greater community inclusion and better quality of life for people with disabilities. Research supports this, and providers that have successfully made these transformations have stories demonstrating this.

All individuals with disabilities – no matter their support needs – deserve the opportunity to explore, find, and keep jobs and careers that provide personal fulfillment and help build wealth. People with IDD should have supports from individuals and systems to help them find and keep jobs based on their preferences, interests, and strengths.

It's time for Minnesota to look to the future and align our values of inclusion and opportunity into practice through our public policy.

Julie Bershadsky, Director of Community Living and Employment, ICI, UMN



March 18, 2024

To: House Human Services Policy Committee
Re: Subminimum Wage Provisions in HF 4392

Chair Fischer and Committee Members,

Katie McDermott – Subminimum Wage Testimony

Hello, my name is Katie McDermott, and I work at The Arc Minnesota. I will talk about my experiences working for the subminimum wage.

I worked for a provider as a “client”, but really I was a worker earning subminimum wage. I helped prepare greeting cards for sale and sorted nuts and bolts. I can remember getting a paycheck for \$30 and saying, “what’s this?” because it was so small.

Using my personal advocacy, I was able to create a peer mentoring program at the agency. I was paid \$8 per hour, and it was a big difference! For the first time, I felt like a true employee instead of a client. I was paying taxes and had some extra money to buy things I wanted. However, it took me almost five years to start making that much money.

Based on my peer mentoring experience, I was hired by The Arc in 2014. For the first time, I got paid vacations and sick days.

It is important people get paid at least the minimum wage. I worked at the subminimum wage and was paid such low wages, that I had nothing to show for my labor. Please keep the value of people in mind as you consider changes to the subminimum wage.

In conclusion, I ask for your support in passing the Governor’s policy bill. This would create a transition away from the subminimum wage. I have benefited from true employment and other people with disabilities would too.

Thank you.

Katie McDermott; St Paul, MN

March 18, 2024

Re: HF 4392

Chair Fischer and members of the House Human Services Policy Committee,

I am writing in support of House File 4392 – 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

Nick Stumo-Langer

From: Margie Sillery <mlsillery@comcast.net>
Sent: Saturday, March 16, 2024 3:11 PM
To: Nick Stumo-Langer
Subject: Oppose HF 4392 - Elimination of 14C - TESTIMONY

Dear Mr. Stumo-Langer,

I am submitting the following information as testimony for the House hearing on HF 4392. This information has separately been sent to all members of the Human Service Policy Committee. I cannot appear in person to testify on Monday; however, I would be available by phone or by zoom.

My comments are brief. First, it is my belief that 14C is a choice for many individuals who can't work in competitive employment for a variety of reasons. Second, I do not believe that 14C stands in the way of many of the individuals with disabilities who are able to gain competitive employment.

My name is Margie Sillery and my son, Adam Sillery, attends a day training and habilitation program through Opportunity Partners. He is paid a commensurate wage through 14C.

Adam is severely autistic and has an IQ of around 60. He is not competitively employable. Through the day program he attends, he can work at his pace and be productive. He learns work skills. He is among people who work at his pace and higher. He is in a safe environment. I believe that this option allows him to be as independent as he can be.

For many individuals with intellectual disabilities, community employment is not a good choice. In competitive employment, they would have to produce at the same rate of productivity as their typical peers. In a structured program, they gain valuable skills. In many cases, individuals with intellectual disabilities are able to bridge the gap and eventually work in the community. Without the option to learn to work at their own pace, they may never get the needed skills to move forward.

I believe that 14C is a choice that should not be eliminated. I would argue that having this choice strengthens the effort to employ more individuals with disabilities, because it gives them a starting point. Rather than weaken the opportunities for individuals with disabilities, I believe that it strengthens them. Despite popular opinion, Minnesota is successful in employing individuals with disabilities because of a continuum of choices that allow everyone to work.

Thank you for your consideration.

Sincerely yours,

Margie Sillery
14985 18th Avenue N.
Plymouth, MN 55447
mlsillery@comcast.net
612-508-5927

Nick Stumo-Langer

From: Marie Couillard <mariecouillard@hotmail.com>
Sent: Sunday, March 17, 2024 10:41 PM
To: Nick Stumo-Langer
Subject: Fw: Oppose HF4392

Dear Mr. Stumo-Langer

Attached please find a letter I sent to the Human Services Policy Chair Representative Fischer, the Vice Chair, and the Republican Lead. Upon sending, I immediately received an automated response from Representative Frederick saying that he prioritizes emails from constituents. Because this is a special committee that is meeting on Monday, March 18, I send it along to you in the hopes that someone might take the time to read it. Thank you for your time and attention.

Marie Couillard
914 68th Avenue NE
Fridley, MN 55432

From: Marie Couillard <mariecouillard@hotmail.com>
Sent: Sunday, March 17, 2024 8:31 PM
To: rep.peter.fischer@house.mn.gov <rep.peter.fischer@house.mn.gov>
Cc: rep.luke.frederick@house.mn.gov <rep.luke.frederick@house.mn.gov>; rep.deb.kiel@house.mn.gov <rep.deb.kiel@house.mn.gov>
Subject: Oppose HF4392

Dear Representative Fischer,

I write to you on behalf of my 26-year-old son, Michael, who is an adult with an intellectual disability. He also has complex medical needs. Despite the obstacles he faces in his life, he looks forward to each new day when he can go to his job at Achieve Services in Blaine, MN. There, he performs tasks in the production room to the best of his ability and tells us he loves being there because he can be himself and can contribute to the community. Yes, the work is 14(c) subminimal wage labor, but it is work he has chosen, and it is work that he can do well.

One piece that seems to be missing in the debate surrounding 14(c) has to do with the economics of the situation. Employers, according to basic tenets of economics, would not be able to afford hiring workers like our loved ones, when those more able-bodied can accomplish much more at a faster pace. Our family members with intellectual disabilities would perhaps be paid minimum wage but would be given far fewer hours in a week to work, leaving them with unproductive hours to fill somehow. Secondly, those who perform center-based 14(c) work are almost invariably on a county waiver and receive monthly SSI payments. The money they could potentially earn by making minimum wage would still not be enough to affect their financial state, making the wage a moot point. Families like ours have a hard time understanding why complete strangers seem to feel that they know what is best for our loved ones. With all of today's emphasis on "Person-Centered Planning" why does a person's choice suddenly not matter when it comes to 14(c)? These are some of the thoughts we are struggling with as the debate goes on.

Please vote to remove the sections of the bill HF4392 that would eliminate this choice for Michael and the thousands of other Minnesotans who have found fulfillment in doing the work that suits them best at this time in their lives.

Thank you for your service on this committee.

Sincerely,
Marie Couillard

March 12, 2024

Dear Human Services Committee,

My name is Megan Perera and I am a Minnesota resident. I am writing to ask that you support a guaranteed minimum wage for disabled workers.

Everyone deserves to be fairly compensated for their labor. This should not be a topic of debate. Wages are a clear numerical indicator of how much an organization values employees and their labor. Wages indicate the value of an employee's *labor*, not the end product.

Wage differences are weaponized as a tool of discrimination against women and people of color; there are countless studies exploring the effects of this discrimination if you have somehow not heard of the gender pay gap. I am a woman of color and have personal experience being underpaid when my white and male counterparts get paid more for the same labor.

In addition to having tangible consequences on financial stability, being underpaid is incredibly demoralizing. I have persistently advocated to be fairly paid for my labor; when it fails, it feels like my life and health are meaningless to other people. If you have never felt like that, I can assure you it is one of the worst feelings in the world.

When disabled people are paid less than minimum wage, they are being told that their time and effort is less meaningful and worthwhile than able-bodied workers. They are being told that their life and health are meaningless because people are not willing to change outdated systems that directly harm them.

The main argument that I have seen for maintaining subminimum wage is that disabled workers do not produce as much as able-bodied workers and therefore should be paid less. Wages indicate the value of *labor*, not the value of the end product. Disabled workers work just as hard as able-bodied workers and deserve to be compensated just as much as able-bodied workers.

We should not be asking whether disabled people deserve to make minimum wage.

We should be asking how to best implement a guaranteed minimum wage while minimizing the negative consequences for disabled people and their employment opportunities.

I hope to see your support of a guaranteed minimum wage for disabled workers in the future.

Sincerely,

A handwritten signature in cursive script that reads "Megan Perera". The ink is dark and the signature is fluid and connected.

Megan Perera
775 Bayard Avenue, Unit 2
St. Paul, MN 55102



March 13, 2024

The Honorable Peter Fischer
Chair, Human Services Policy Committee
Minnesota House of Representatives
551 State Office Building
St. Paul, MN 55155

The Honorable Debra Kiel
Republican Lead, Human Services Policy Committee
Minnesota House of Representatives
203 State Office Building
St. Paul, MN 55155

Re: Legal Aid letter regarding HF 4392

Dear Chair Fischer, Lead Kiel, and Members of the Committee:

Thank you for the opportunity to provide written testimony regarding HF 4392. We have comments on two sections of the bill—sections 1 & 19.

Special certificate prohibition (Section 1, lines 1.18-1.28)

Last year, the legislature voted to invest in employment services and individualized supports to assist workers with disabilities find and retain jobs in which they earn at least minimum wage. There was also investment in resources and technical assistance for 14(c) certificate holders to shift their business models, ensure financial viability for their organizations, and stop paying people with disabilities less than the minimum wage. We ask that you finish this work and support SF 4399, sunsetting 14(c) certificates. All Minnesota employees deserve to make at least minimum wage for their work.

Opponents of the bill say that 14(c) organizations will have to shut their doors if they are not allowed to pay their employees less than the minimum wage. However, we know this is not the case. So far, eight 14(c) organizations have taken advantage of the funding made available last session and are working towards phasing out subminimum wages by April 2024. Others made the transition on their own before then—in the Twin Cities and in greater Minnesota.

Thirteen states and the District of Columbia have ended the subminimum wage, and several more are phasing it out. Vermont phased out subminimum wage employment for people with disabilities in the early 2000s. In studying the last sheltered workshop that closed in Vermont,

Legal Aid Letter re: HF 4392

March 13, 2024

University of Vermont researcher Brian Dague reported that 80% of people had found competitive employment in the community. The remainder found community-based, integrated non-work placements—but at minimum wage or higher.

Minnesota can and should do better for people with disabilities and support employment services over funding subminimum wage employment. This can be done by investing in the right services and supports. Minnesota must live up to the tenets of Olmstead, Employment First, etc. We can build a more just, more supportive employment network for people with disabilities that does not rely on over segregation and poverty wages. Please end the subminimum wage.

Informed choice in and technology prioritization in implementation for disability waiver services (Section 19, lines 19.17-19.27)

The Disability Law Center urges the committee to reject the changes to this section. This change would require lead agencies to offer waiver recipients assistive technology or remote supports before offering them direct support staff in initial cases and renewals. The change would impact all waiver recipients, regardless of whether they are satisfied with their current direct support staff and do not wish to alter their service plans. It is not the informed decision making required by this statute when one type of service is favored and must be discussed and rejected before the full array of services available are presented. Waiver recipients should have all service types explained to them and then be permitted to make an informed decision about what services they would like to use. Please reject this provision.

Thank you for allowing us to submit input on HF 4392.

Sincerely,



Jennifer Purrington
Legal Director/Deputy Director
Minnesota Disability Law Center



Ellen Smart
Staff Attorney
Legal Services Advocacy Project

This document has been formatted for accessibility. Please call Ellen Smart at 612/746-3761 if you need this document in an alternative format.



March 18, 2024

Chair Fischer and members of the House Human Services Policy committee:

Minnesota's labor movement is committed to the dignity of all work and believes every worker is entitled to a fair minimum wage. As the state labor federation representing over 300,000 members of over 1,000 local unions, the Minnesota AFL-CIO is writing to express our strong support of provisions in HF 4392 to pay people with disabilities a minimum wage.

We believe that no matter where we live, where we work, what we look like, or whether we have a disability – all working people should be paid fairly for our labor. While section 14(c) of the federal Fair Labor Standards Act (FLSA) allows employers to pay workers with disabilities a subminimum wage, this policy is a holdover from an unjust moment in the early 20th century, when people with disabilities were isolated from mainstream life, arguably for their own protection and shelter.

In 2020, the U.S. Commission on Civil Rights published a report revealing that subminimum wage work for those with disabilities is rife with abuse and recommended that Congress phase out the practice. Several states and jurisdictions have outlawed the payment of subminimum wages to those with disabilities – including Alaska, California, Colorado, Delaware, Hawaii, Maine, Maryland, New Hampshire, Oregon, Rhode Island, Tennessee, Texas, Vermont, Washington, and the District of Columbia.

Minnesota AFL-CIO supports the work of the Task Force on Eliminating Subminimum Wages to phase out subminimum wages for people with disabilities and to expand statewide infrastructure to support people with disabilities in competitive employment and supports phasing out the use of subminimum wages for people with disabilities to later than 2028.

Best regards,

A handwritten signature in black ink that reads "Melissa Hysing". The signature is fluid and cursive, with a large loop at the end of the last name.

Melissa Hysing
Legislative Director





March 15, 2024

Dear Chair Fischer and members of the House Human Services Policy Committee:

The Minnesota Association of Professional Employees (MAPE), a union representing nearly 17,000 state employees across all agencies, boards and commissions, including the Council on Disability, the Minnesota State Academies and ADA coordinators throughout state government, believes that all workers deserve to earn a sustainable living wage. We write today in strong support of the provision in S.F. 4399/ H.F. 4392 that would phase out wage discrimination for persons with disabilities in Minnesota.

Wage discrimination in any form has no place in our state. In 2014, Minnesota recognized the corrosive impact that inflation had on the sustainability of the state's minimum wage of \$6.15 per hour and federal minimum wage of \$7.25 per hour and acted, phasing-in increases to what is now \$10.85 per hour. Municipalities soon followed, with St. Paul and Minneapolis requiring \$15.57 per hour for workers by July 1, 2024. Yet employers are permitted under section 14(c) of the Fair Labor Standard Act to pay their employees with intellectual or developmental disabilities a subminimum wage, which in Minnesota averages an appalling \$4.15 per hour or \$9,296 per year. This is 38 percent below the U.S. Department of Human Services federal poverty level. Furthermore, the Living Wage Institute at the Massachusetts Institute of Technology (MIT) estimates that a living wage for the Twin Cities Metro is \$22.49 per hour for a single adult, or \$46,779 per year.

Minnesota has spent countless resources in designing programs and workplace protections to increase accessibility for persons with disabilities to fully participate in our communities, attain meaningful employment and receive the respect and dignity to which all people are entitled. However, the subminimum wage undermines that work, trapping the disability community in poverty and preventing those that may be able to live independently from doing so. Please support S.F. 4399/ H.F. 4392.

Sincerely,

Devin Bruce
Director of Legislative and Political Affairs

March 18, 2024

Re: Minnesota Coalition for Disability Wage Justice Letter of Support, HF 4392

Chair Hoffman and members of the Senate Human Services Committee,

On behalf of the Minnesota Coalition for Disability Wage Justice (MCDWJ), we write in support of House File 4392— specifically the provision prohibiting issuance of 14(c) certificates which authorize payment of subminimum wage to people with disabilities.

MCDWJ is a statewide coalition of nearly 40 entities all working toward the same goal – wage equity for people with disabilities. We represent service providers, labor unions, advocacy organizations, higher education institutions, social workers, legal experts, and – most importantly – people with disabilities, their parents, family members, and other trusted supporters.

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 HF 4392, 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 Eliminating Subminimum Wages created a robust transition plan that would make sure no one is left behind in the transition to ensuring Minnesotans with disabilities are paid minimum wage or higher. Just last year, the legislature funded that plan, making 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.

Technical assistance, training and support is available for service providers, people with disabilities and their families to make this change. Service providers who have electively and successfully ended subminimum wage are available and are providing peer-to-peer mentoring so other providers remain viable. People who do not want to work will continue to have robust, enriching programming to support their needs during the day.

It is time for Minnesota to 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,

Members of the Minnesota Coalition for Disability Wage Justice

- Accord
- AFSCME Council 5
- Autism Society of Minnesota
- City of St. Paul
- Cow Tipping Press
- Dakota County Social Services
- Dungarvin
- Employee Ownership Network
- Epic Enterprise
- Great Work
- Griffin-Hammis Associates
- Hennepin County
- Howry Residential Services
- Inclusive Networking
- Integrated Living Options
- Kaposia
- Legal Services Advocacy Project
- Lifeworks
- Mains'l
- Medica
- Minnesota APSE
- Minnesota Association of Professional Employees
- Multicultural Autism Action Network
- Minnesota Council on Disability
- Minnesota Disability Law Center
- Minnesota Inclusive Higher Education Consortium
- National Association of Social Workers, Minnesota Chapter
- National Federation of the Blind, Minnesota
- Oak Tree Support Services
- Phoenix Residence
- Ramsey County
- Reach for Resources
- Residential Services, Inc.
- SEIU Healthcare Minnesota & Iowa
- Strengths at Work
- The Arc Minnesota
- Udac
- University of Minnesota Institute on Community Integration

March 18, 2024

Re: Reach for Resources Letter of Support, SF 4392

Chair Fischer and members of the House Human Services Policy Committee,

On behalf of Reach for Resources), we write in support of House File 4391 – specifically the provision prohibiting issuance of 14(c) certificates which authorize payment of subminimum wage to people with disabilities.

Reach for Resources is a Twin Cities based disability provider. We provide comprehensive services within our community of Case Management, Counseling and Mental Health Services, Adaptive Recreation Programming and Inclusion Services, Employment Services, Housing Services and In-Home Services. All the services that Reach provides are community based and we work with each person to help them to achieve the highest level of independence. We work with 2500 different people and families within the Twin Cities metro area.

As a provider that has only done community based employment services, we can speak to the possibility of those that we work with to obtain community based employment. We are currently working with 110 different people who have employment services and 65% of those that we are working with are employed in their communities and receiving supports at their jobs. Within our services, we have people who require a higher level of support, and we are able to provide those supports to them. Our Employment program has grown by 50% over the past 9 months, and we plan to continue to grow these services. For this role, we have been able to hire. There is talk about how staffing is always going to be a need, and while that is true, Reach as a provider, has been able to not only hire, but retain our staff as well. I feel confident that we will be able to continue to do this, even with the staffing shortages that the state is facing. Employment gives people purpose, this is true for those that are receiving our Employment Services, but it is also true for our staff.

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,

Reach for Resources, Inc.

Nick Stumo-Langer

From: Steph MANN <stephm51@msn.com>
Sent: Saturday, March 16, 2024 4:03 PM
To: Luke Frederick
Cc: Nick Stumo-Langer
Subject: FW: Oppose HF4392

Subject: Oppose HF4392

Dear Rep. Frederick,

My 63 year old son Michael is I/DD and is employed at Merrick Inc, Vadnais Heights on the plastic recycling crew. They have saved millions of pounds of plastic from the garbage disposal sites. This is a very important job and he likes it very much.

The 14© work option works for him. I urge you to remove sections of the bill that would end center-based 14© subminimum wage. It's very important to hundreds of the population who are not, no matter what aids are used, to be employed competitively in the community.

Thank you for your consideration.

Stephanie A. Mann
868 Cobb Rd.
Shoreview, MN 55126

Sent from [Mail](#) for Windows

March 18, 2024

Re: The Arc Minnesota, HF 4392



Chair Fischer and Committee Members,

We are writing in support of the important provision in HF 4392 that would end the outdated practice of paying people with disabilities subminimum wage in Minnesota.

It is time to ensure that people with disabilities in Minnesota are paid the minimum wage or higher by 2028. This change would affirm the civil rights of people with disabilities and align our state's policies with our state's values. This will help advance equity, drive social change, and truly protect human rights.

Section 14(c) of the Fair Labor Standards Act, passed in 1938, allows people with disabilities to be paid less than the state or federal minimum wage. It is an archaic and discriminatory practice that contributes to the cycle of poverty and results in segregation of people with disabilities.

All individuals with disabilities – no matter their support needs – deserve the opportunity to explore, find, and keep jobs and careers that provide personal fulfillment and help build wealth. People with IDD should have supports from individuals and systems to help them to find and keep jobs based on their preferences, interests, and strengths.

We know Minnesota can make this change successfully. We have a strong transition plan, backed by historic funding from the 2023 legislature. There is structure and support available for providers, lead agencies, and people with disabilities and their families to make this change and ensure no one is left behind.

Many providers in our state have already moved away from using a 14(c) certificate and they have remained strong, viable providers, while being person-centered and honoring the choices of people with IDD. People who do not want to work have, and will continue to have, robust, enriching programming to support their needs during the day.

There is momentum nationwide to phase out subminimum wage. Sixteen other states across the country have already taken on this transition, and Minnesota is poised to be the next to make this transformational change. This effort is led by people with disabilities, who want more opportunity.

Minnesotans with disabilities deserve better than this discriminatory practice and it is time for our state to put our values of inclusion and opportunity into practice through our policy. This change is far overdue.

Please support HF4392 and prohibit issuance of 14(c) certificates to effectively end the use of subminimum wage in our state and ensure people with disabilities are paid the minimum wage or higher.

Sincerely,

Andrea Zuber, CEO

Alicia Munson, CPO

Tina Rucci, Public Policy Director

The Arc Minnesota

I am writing to express my strong support for ensuring that disabled individuals receive at least minimum wage for their work. I firmly believe that fair compensation is essential in empowering individuals with disabilities to lead independent and fulfilling lives.

It is disheartening to acknowledge that many disabled individuals are often paid below minimum wage under sub-minimum wage laws, perpetuating inequality and exploitation. These individuals possess valuable skills, talents, and contributions that deserve to be recognized and compensated fairly.

Paying disabled workers at least minimum wage not only promotes economic justice but also fosters dignity, self-worth, and inclusion within our society. It enables individuals with disabilities to support themselves financially, pursue their aspirations, and participate fully in their communities.

As we strive for a more equitable and inclusive society, it is imperative that we advocate for policies and practices that uphold the rights and dignity of all individuals, regardless of their abilities.

Thank you for your attention to this critical issue.

Andi Otto (he/him)

Executive Director | Twin Cities Pride

andi.otto@tcpride.org