

Increasing Wages and Workforce Participation for People with Disabilities

Background & Summary

Nationally, people with disabilities have the highest rates of poverty of any subcategory of Americans identified by the Census Bureau. In Minnesota, as of FY21, only 16% of people receiving home and community-based disability waiver services have \$600 or more in monthly income, a proxy measure used for participation in competitive employment. This is a 2% decrease from FY20. Despite being less populated than about half of the country, Minnesota had the most workers paid at subminimum wage in the nation. Increasing wages and labor market participation for people with disabilities can be a ladder out of poverty. People living in poverty are at increased risk for mental illness, chronic disease, higher mortality, and lower life expectancy. Poverty creates barriers to stable housing, healthy food, and quality education.

This bill advances the civil rights and economic inclusion of people with disabilities in Minnesota by expanding statewide infrastructure to support people with disabilities in competitive employment and ending the use of subminimum wages. This proposal encompasses the recommendations from the Task Force on Eliminating Subminimum Wages. The bill includes the following strategies that were identified and recommended by the task force:

- Lead Agency Employment Capacity-Building Grants;
- Required Case Manager Employment Training;
- Funding for a statewide Disability Employment Technical Assistance Center;
- Embedded employment resources in MnCHOICES Assessment and Support Plan;
- Policy changes to informed choice laws;
- Phasing out the use of subminimum wages for people with disabilities;
- Interagency alignment study and data sharing;
- Administrative resources to establish transition age youth supports coordinator and additional support for employment programs;
- Removal of a work disincentive from Minnesota Supplemental Aid (MSA);
- Enhanced system to track outcomes for people being paid subminimum wage;
- Disability inclusive worksite training and certification; and
- Creation of a preferred contractor designation for disability inclusive worksites for the State of Minnesota.