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May 3, 2023

Senator John Hoffman  
Senator Jim Abeler  
Senator Omar Fateh

Representative Mohamud Noor  
Representative Dave Baker  
Representative Peter Fischer

**Re: Art. 1 Sec. 25 of HF 2837 Human Services Omnibus Bill -- Support**

Dear Human Services Finance Conferees:

I would like to communicate Medica's support of the Governor's proposal in HF 2847 that ends the practice of paying people with disabilities a subminimum wage in Minnesota.

Medica is an independent and nonprofit health care organization with approximately 1.5 million members in twelve states, and has offered individual health insurance coverage in the state of Minnesota for nearly 50 years. Medica's mission is to be the trusted health plan of choice for our customers, members, partners, and our employees.

As the Committee may be aware, 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. Unfortunately, this practice contributes to the cycle of poverty and results in marginalization of Minnesotans with disabilities. We don't think that was ever the intent of the proponents who originally enacted the Fair Labor Standards Act in 1938, nor do we believe that paying subminimum wages to Minnesotans with disabilities is a reflection of our values, today.

The proposal, based on the Task Force on Eliminating Subminimum Wages' recommendations, includes a comprehensive package of investments and policy reforms that, together, will:

- increase wages for people with disabilities
- create more inclusive workplaces for disabled Minnesotans
- address workforce shortages
- increase labor force participation by 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. Minnesotans with disabilities should have supports from individuals and systems to help them to find and keep jobs based on their preferences, interests, and strengths.

There is momentum nationwide and in Congress to phase out subminimum wage. This effort is led by people with disabilities, who want more opportunity for and investment in employment. Many other states across the country – such as Alaska, Hawaii, Maine, Maryland, New Hampshire, Rhode Island, and Vermont – have already taken on this transition.

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We know the committee has a multitude of competing priorities and do hope eliminating practice of paying people with disabilities subminimum wage will receive its due consideration. Thank you for your time and attention to this matter.

Respectfully Submitted,

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