

February 28, 2023

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 Lead, Human Services Policy Committee Minnesota House of Representatives 203 State Office Building St. Paul, MN 55155

Re: Ending Subminimum Wage Work

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

Legal Aid writes in support of the bill to end subminimum wage.

The state is facing a labor shortage, yet Minnesota spends ten times more money on funding sheltered work where employees make an average of under \$4 per hour (and as little as \$0.07 per hour) than it does on employment services to support community jobs.

Nationwide, 12% of people with disabilities earn less than the minimum wage, but in Minnesota it is 44%. Minnesota is also way behind the national average in employing people with disabilities in integrated settings. In 2018, 21.1% of people with disabilities worked in integrated settings while only 11% of Minnesotans with disabilities worked in integrated settings.

Eight states and the District of Columbia have ended the subminimum wage, and five 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, 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.

Minnesota can and should do better for people with disabilities and support employment services over funding subminimum wage employment. Please support this bill.

Sincerely,

Ellen Smart Staff Attorney