

March 1, 2023



To: House Human Services Policy Committee
Re: Increasing Wages for People with Disabilities

Chair Fischer and Committee Members,

Thank you for holding an informational hearing on a bill that would affirm the civil rights of people with disabilities and align our state's policies with our state's values. We are grateful to Rep. Hanson for bringing forward a proposal to end the outdated practice of paying people with disabilities subminimum wage in Minnesota. 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.

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

The practice of paying people with IDD less than minimum wage in jobs that are not tailored to their skills and abilities goes against The Arc Minnesota's mission to promote and protect the human rights of people with IDD. The state of Minnesota should phase out 14(c), subminimum wage, segregated employment, and other employment-related policies that discriminate against disabled Minnesotans.

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.

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, and Minnesota is lagging far 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.

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.

Sincerely,

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Chief Executive Officer

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Chief Program Officer

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