

Feds Recommend Eliminating Subminimum Wage For People With Disabilities

The National Council on Disability (NCD, an independent federal agency responsible for advising Congress and the President on issues relating to disabilities) has sent a Report to President Obama to recommend that a provision of the Fair Labor Standards Act (the “14 (c) Program”), which allows companies to obtain government permission to pay subminimum wage to workers with disabilities, be eliminated over the course of six years.

“The 14(c) program should be phased-out gradually as part of a systems change effort that enhances existing resources and creates new mechanisms for supporting individuals in obtaining integrated employment and other non-work services,” stated Jonathan Young, chairman of the National Council on Disability, in a letter to President Obama with the report. *“NCD recommends a phase-out of the 14(c) program rather than immediate repeal because those who have been in the program for many years need time to transition to a supported employment environment.”*



Since the 1930s, employers and community agencies have utilized Certificates from the U.S. Department of Labor to pay people with disabilities less than the federal minimum wage, which is currently \$7.25 per hour.

Members of the Council visited seven states to review research on current employment practices involving people with disabilities.

The Council recommends that subminimum wage be phased out over a six-year period. The Federal Government would immediately stop allowing new employers to obtain permission to pay low wages. Individuals already working for less than the minimum would be transitioned into other employment programs within two to six years.

A federal Senate proposal last year to restrict, *but not eliminate*, subminimum wage did not pass after there was significant opposition from some disability advocacy groups who thought the bill didn't go far enough.



In August 2012, the National Federation of the Blind (NFB) conducted over 90 informational protests at Goodwill thrift stores across the country in order to promote public awareness of the unfair, discriminatory, and immoral practice of paying subminimum wages to workers with disabilities. Goodwill and other employers who utilize the wage allowance support the practice stating that they employ thousands of people who might lose their jobs if this practice is changed.



<https://www.nfb.org/images/nfb/documents/pdf/fair-wagesforworkers-2012.pdf>

The National Council on Disability is planning to draft a legislative proposal this fall.

The NFB and over fifty other organizations support the federal legislation, **The Fair Wages for Workers with Disabilities Act** of 2011 (H.R. 3086), which would phase out and then repeal the nearly seventy-five-year-old provision of the Fair Labor Standards Act that permits special certificate holders to pay subminimum wages to workers with disabilities.

(Information obtained in part from The Disability Scoop September 2012)