



Transformation to Competitive Integrated Employment Act (H.R. 1263/S.533)

Legislative Request

Please cosponsor the Transformation to Competitive Integrated Employment Act (TCIEA) (H.R. 1263/S. 533) to end subminimum wages and promote opportunities for competitive integrated employment for people with disabilities.

Background

The Fair Labor Standards Act of 1938 (FLSA) establishes minimum wage and other wage and labor practices. Under Section 14(c) of the FLSA, employers can apply for special wage certificates that allow them to pay employees with disabilities less than the federal minimum wage. A recent Government Accountability Office (GAO) report found that in 2019 close to 1,600 employers paid subminimum wages to about 120,000 employees with disabilities. This same report found that the average wage of a person with a disability working under such certificates is \$4.15 an hour. While 13 states have passed state-level legislation prohibiting the payment of subminimum wages to people with disabilities, legislation ending this provision of Federal law is needed to completely end the practice of paying people with disabilities subminimum wages.

Bill Summary

Introduced by Representatives Cathy McMorris Rodgers (R – WA) and Bobby Scott (D – VA) in the House and Senators Bob Casey (D – PA) and Steve Daines (R – MT) in the Senate and with the support of over 40 disability and employment focused organizations, TCIEA would prohibit the U.S. Secretary of Labor from issuing new 14(c) certificates and phase out the use of existing 14(c) certificates over the course of five years. This multi-year phase would help avoid job loss for workers currently employed under these certificates. The bill would also provide grant funding to states and employers currently holding 14(c) certificates to assist in transitioning toward paying at least minimum wage. Lastly, the bill would establish a technical assistance center to support employers in transitioning to competitive, integrated employment while still ensuring that individuals with disabilities receive the support they need to be successful.

Impact

This bill would end the discriminatory practice of paying people with disabilities less than those without disabilities while also furthering the national goal of competitive, integrated employment where people with disabilities work alongside their colleagues without disabilities and are paid at least the minimum wage.

For more information, please contact Anna Fedewa, National Down Syndrome Society Manager of Federal Government Relations, at afedewa@ndss.org

¹Government Accountability Office. (2023). Subminimum Wage Program, DOL Could Do More to Ensure Timely Oversight. (GAO Publication No. 23-105116). Washington, DC.: U.S. Government Printing Office.