

The Fair Wages for Workers with Disabilities Act of 2013 (HR 831)

Current labor laws unjustly prohibit workers with disabilities from reaching their full vocational and socioeconomic potential.

Written in 1938, Section 14(c) of the Fair Labor Standards Act (FLSA) discriminates against people with disabilities. The provision allows the Secretary of Labor to grant Special Wage Certificates to employers, permitting them to pay workers with disabilities less than the minimum wage. This is based on the false assumption that disabled workers are less productive than nondisabled workers, but successful employment models have emerged in the last seventy-five years to assist people with significant disabilities in acquiring the job skills needed for competitive work. Section 14(c) sustains segregated subminimum wage workshops that exploit disabled workers, paying some only pennies an hour for mundane, repetitive tasks.

This discriminatory policy is not necessary for the successful operation of a disability-training program. In reality, the overwhelming majority of Goodwill Industries Affiliates, and all but one of the National Industries for the Blind (NIB) affiliates, operates successfully without paying subminimum wages. Countless entities have successfully transitioned their subminimum wage business model of low expectations to an innovative model of competitive integrated training and employment, meeting the growing needs of mainstream employers with the proven talents of employees with disabilities. Only outdated workshops argue they will be unable to manage worthwhile programs without the use of the Special Wage Certificate.

The subminimum wage model fails to provide adequate training or employment to disabled workers. Data shows that less than five percent of the 400,000 workers with disabilities in segregated subminimum wage workshops will transition into competitive integrated work. Moreover, research shows that the subminimum wage model costs more but actually produces less! In fact, workers must unlearn the useless skills they acquire in order to obtain meaningful employment. It is poor policy to reward such failed programs with wage exemptions, preferential federal contracts, and public and charitable contributions.

After 75 years of demonstrated failure, it is time to invest in proven, effective models for employment. This discriminatory model sustains the same segregated subminimum wage environments that existed in 1938. Section 14(c) has proven to be extremely ineffective and offers no incentive for mainstream employers to hire people with disabilities. The Employment First Movement promotes new concepts such as “supported” or “customized” employment that are successful at producing competitive integrated employment outcomes for individuals with significant disabilities that were previously thought to be unemployable.

The Fair Wages for Workers with Disabilities Act of 2013:

Discontinues the issuance of new Special Wage Certificates. The Secretary of Labor will no longer issue Special Wage Certificates to new applicants.

Phases out the use of Special Wage Certificates over a three-year period. Using the following schedule, entities will be able to transition to the proven-model of competitive integrated employment:

- Private for-profit entities will have one year to transition;
- Public or governmental entities will have two years to transition; and
- Nonprofit entities will have three years to transition. (These entities make up ninety-five percent of the Special Wage Certificate holders.)

Repeals Section 14(c) of the FLSA. Three years after the law is enacted, this practice of paying disabled workers subminimum wages will be officially abolished. This will result in the elimination of segregated, subminimum wage workshops and in the development of integrated environments that encourage people with disabilities to reach their full vocational and socioeconomic potential.

PROTECT EQUALITY IN THE WORKPLACE

Cosponsor HR 831: Fair Wages for Workers with Disabilities Act.

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HR831 is supported by over sixty organizations of people with disabilities and employers of workers with disabilities. For more information visit: www.nfb.org/fair-wages