



Transitioning to Integrated and Meaningful Employment Act

Promote equal employment opportunities for people with disabilities.

Section 14(c) of the Fair Labor Standards Act limits employment opportunities for people with disabilities. Passed in 1938, Section 14(c)¹ authorizes employers to pay workers with disabilities subminimum wages while they are trained to perform mundane tasks that do not build capacity or transfer into skills necessary to transition into other employment options. This practice reinforces the stigmatic misconception that people with disabilities are less productive and creates an artificial barrier to future employment opportunities.

The law does not incentivize employers to hire people with disabilities. Despite the misconception that section 14(c) incentivizes employers to hire people with disabilities, in 2015 the employment gap between people aged 18-64 with disabilities who were employed (34.9%) and people without disabilities who were employed (76.0%), was 41.1 percentage points.²

The section 14(c) program lacks transparency and provides little protection for workers with disabilities. The 14(c) program requires minimal data collection and analysis of the 14(c) certificate holders, the employment resources provided to workers paid subminimum wages, and employment outcomes achieved. This has led to the arbitrary calculation of wages without holding these employers accountable.

Opposition to the TIME Act, stating that eliminating 14(c) will displace workers with disabilities, is based on speculation and rhetoric. The fact is, a growing number of entities have already stopped relying on section 14(c) and have voluntarily withdrawn their certificates.³ Consequently, in 2011, 420,000 people with disabilities were paid subminimum wages under the 14(c) program.⁴ Today, only 194,832 people with disabilities continue to receive subminimum wages.⁵

Bipartisan consensus supports the phase out of Section 14(c). The Republican and Democratic party platforms in 2016 both called for an end to subminimum wages for people with disabilities.⁶ In 2016, a committee tasked by Congress to increase competitive integrated employment opportunities for workers with disabilities recommended the phase-out of Section 14(c).⁷ Finally, over eighty disability organizations support the repeal of Section 14(c) of the Fair Labor Standards Act.⁸

The Transitioning to Integrated and Meaningful Employment Act:

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

Increases capacity for workers with disabilities for the next six years. Immediately after the enactment of this Act, 14(c)-certificate-holding entities will be required to conduct individualized assessments of workers paid subminimum wages and develop plans to responsibly transition these individuals into competitive and integrated employment opportunities.

Repeals Section 14(c) of the Fair Labor Standards Act. Six years after enactment of the TIME Act, employers will no longer be permitted to pay workers with disabilities subminimum wages.

**REMOVE ARTIFICIAL BARRIERS TO EMPLOYMENT OPPORTUNITIES.
Cosponsor the Transitioning to Integrated and Meaningful Employment Act.**

To cosponsor HR 1377 in the House of Representatives, contact:

Scot Malvaney, Policy Director, Office of Congressman Gregg Harper (R-MS)

Phone: (202) 225-5031, Email: Scot.Malvaney@mail.house.gov

For more information, contact:

Kimie Beverly, Government Affairs Specialist, National Federation of the Blind

Phone: (410) 659-9314, Extension 2441, Email: KBeverly@nfb.org

For more information visit: www.nfb.org/TIME

¹ 29 U.S.C. § 214(c)(1).

² Kraus, Lewis. (2017). 2016 Disability Statistics Annual Report. Durham, NH: University of New Hampshire. https://disabilitycompendium.org/sites/default/files/user-uploads/2016_AnnualReport.pdf.

³ Nancy L. Rollins, New Hampshire State Director for Strategic Development and Public Policy at Goodwill NNE, testimony to the New Hampshire House Labor, Industrial and Rehabilitative Services Committee considering HB 411, stating, "Since 1996, it has been our policy and practice **to always meet or exceed** the minimum wage for our nearly 2,000 employees of all abilities in Maine, New Hampshire and Vermont." <https://goodwillnne.org/articles/goodwill-nne-supports-nh-legislation-that-would-prohibit-subminimum-wage-for-workers-with-disabilities/>; Colleen Morrone, President and CEO Goodwill of Delaware & Delaware County, Inc., testimony to the Advisory Committee on Increasing Competitive Integrated Employment for People with Disabilities Remarks, (January, 23, 2015), stating that Goodwill of Delaware pays all workers at least minimum wage.

<https://www.dol.gov/odep/topics/date/ColleenMorrone.pdf>.

⁴ National Council on Disability, "Report on Subminimum Wage and Supported Employment," (August 23, 2012), http://www.ncd.gov/sites/default/files/NCD_Sub%20Wage.pdf

⁵ U.S. Department of Labor, Wage and Hour Division, Certificate Holders, (July 1, 2016), <https://www.dol.gov/whd/specialemloyment/>

⁶ The 2016 Republican Party platform stated, "Our TIME Act (Transition[ing] to Integrated and Meaningful Employment) will modernize the Fair Labor Standards Act." The 2016 Democratic Party platform stated, "We ... support ... ending the sub-minimum wage for ... people with disabilities."

⁷ Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities. "Final Report," (September 15, 2015), <http://www.dol.gov/odep/pdf/20150808.pdf>.

⁸ National Federation of the Blind. "The following groups support the repeal of Section 14(c) of the Fair Labor Standards Act." Last modified September 15, 2016. https://www.dol.gov/odep/topics/pdf/ACICIEID_Final_Report_9-8-16.pdf

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