



## It's 2020, and Sub-Minimum Wages Are Still Legal

An 82-year old [law](#) allows employers to pay individuals with disabilities as little as \$1 per hour.

The [14\(c\)](#) clause of the [Fair Standards Labor Act](#) (1938) stipulates that employers may pay far less to workers with disabilities if they can't perform a job the "same" as a person who is not disabled (the current federal minimum wage is \$7.25). Employers and community-based organizations justify sub-minimum-wages by saying they provide vocational training, life skills coaching and a sense of belonging for those who've been labeled "too disabled" for the workforce. Most often, these jobs are segregated in programs called "sheltered workshops." People with disabilities are isolated from co-workers without disabilities, discouraged from seeking outside employment, and are legally paid pennies on the dollar. The easiest way to explain how 14(c) pays for work is this: A person without a disability is asked to put together as many Acme paintbrushes in one hour as possible. Let's say that's 100 paintbrushes in 60 minutes. The sheltered workshop then uses that figure to calculate the rate at which the person with a disability is paid per piece.

Current [estimates](#) show that as many as 420,000 people are working under the 14c certification. [Investigation of](#) the largest 14c purveyors in our country suggest that the system is set-up to "house" instead of advance people with disabilities.

Those opposed to the current structure are demanding an overhaul to the system and the absolute elimination of sub-minimum wages. Proponents of sheltered workshops are generally family members who fear their loved ones will not have an outlet beyond the home if the programs are shut down.

Studies show that [inequality](#) to this degree hurts our country's overall economic growth. The [Organization for Economic Co-operation and Development](#) found that rising income inequality and a growing wealth gap in the United States from 1990 to 2010 [lowered the GDP by five percentage points](#) per capita during that period. We get stronger as a nation by ensuring that everyone has the right to personal choice, access to opportunity, and fair wages.

## **Flexability's Position on 14c legislation:**

- We believe that the standards and provisions of the Fair Standard Labor Act's 14(c) provisions are outdated and should be eliminated.
- We believe sub-minimum wages limit the opportunity to earn fair wages for real work.
- We believe that people with disabilities deserve industry-standard wages and the opportunity to work alongside colleagues with and without disabilities.
- We believe that people with disabilities should be able to choose the kind of life they want to live, and that includes employment. We believe that there are sensible, collaborative solutions to phase out 14(c) certifications without eliminating community-based programs that support people with disabilities.
- We believe that [Employment First](#) is a significant program with real accomplishments, but it will never fully be able to protect against the wage abuses that have occurred under the 14c clause.
- We believe that meaningful work changes lives and improves companies.
- We believe in equity at work.

## **Flexability advocates for change:**

- We advocate for competitive employment and living wages.
- We advocate for equitable laws - laws that don't limit opportunities to earn real wages for real work.
- We advocate for passage/revitalization of the [Transformation to Competitive Employment Act \(S 260, HR 873\)](#).

## **For more information on 14(c), check out the following links:**

- [Department of Labor Information and Links to Fair Standard Labor Act](#)
- [List of States that have Eliminated Sub-Minimum Wages](#)
- [Department of Labor - Wage and Hour Division](#)
- [National Council on Disability Findings on 14\(c\)](#)
- [Employment First Map](#)
- [Transformation to Competitive Employment Act](#)