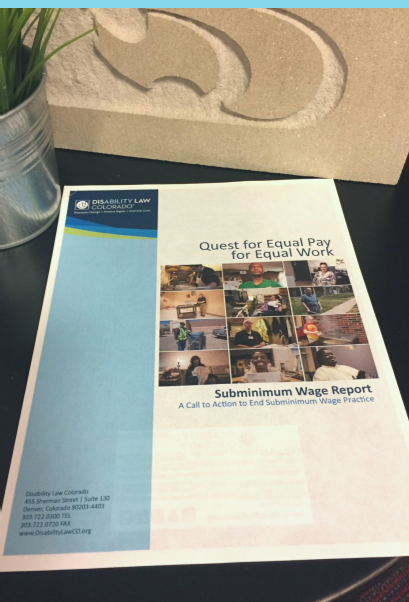


## SUB-MINIMUM WAGE REPORT



In the fall of 2018, we released a sub-minimum wage report, *The Quest for Equal Pay for Equal Work*, and began to build a coalition to address the best way to phase out and then eliminate sheltered workshops and sub-minimum wages. The report contains metrics and stories to support our efforts.

View the report at:

[DisabilityLawCO.org/  
Sub-Minimum-Wage](http://DisabilityLawCO.org/Sub-Minimum-Wage)

# EQUAL PAY QUEST FOR EQUAL WORK

## A Call to End Sub-Minimum Wage

Disability Law Colorado believes it is time for a change in the practice of employing people with disabilities at sub-minimum wages in sheltered workshops. While there have been some positive developments in the process of improving wages and working conditions, it has become clear that there is too little progress at too slow a pace toward creating equity in wages and work conditions for people with disabilities.



In the fall of 2018, we released a report, *The Quest for Equal Pay for Equal Work*, and began to build a coalition to address the best way to phase out and then eliminate sheltered workshops and sub-minimum wages. Since 1938, Section 14(c) of the Fair Labor Standards Act (FLSA) has allowed employers to pay sub-minimum wages (less than the federal minimum) to workers with disabilities if they first obtain an authorizing certificate, usually referred to as a Section 14(c) certificate.

Ironically, one of the original motivations for passing this legislation was to encourage mainstream employers to hire more individuals with disabilities, which would allow them to integrate more fully into their communities.

Ever since the establishment of this exception, the most common approach to the employment of individuals with disabilities has been the sheltered workshop model, typically a segregated work environment where individuals with disabilities perform menial jobs, such as shredding paper, putting labels on jars, assembling small parts, or stuffing envelopes - essentially mindlessly repetitive work for hours on end for far less than minimum wage. Colorado has 18 employers holding 14c certificates, and they employ an estimated 750 individuals.

An often repeated but demonstrably inaccurate assertion is that sheltered workshops provide meaningful work experience and training opportunities that will lead - eventually - to integrated employment at fair wages. In fact, most sheltered workshops offer no training at all and the individuals with disabilities who find themselves stuck in these workshops rarely move on to more competitive, integrated employment. There are some employers who claim to offer an integrated work experience where employees with disabilities work alongside those without. One such example we visited was a janitorial service where the crew consisted of a team of people with disabilities who entered "regular" businesses before or after hours to clean - they never even crossed paths with the other employees!

## WHAT IS SUB-MINIMUM WAGE?

It refers to a provision in the Fair Labor Standards Act (Section 14(c)) that allows employers to pay people with disabilities less than the minimum wage if their disability impairs their earning or productive capacity. It can be as low as 10¢ per hour up to a few dollars per hour. This is substantially lower than both Colorado's minimum wage (\$10.20) and the federal minimum wage (\$7.25).



## WHAT IS SUPPORTED EMPLOYMENT?

It is competitive work performed in an integrated work setting where individuals are matched to jobs consistent with the strengths, resources, abilities, capabilities, interests, and informed choice and are provided individualized supports to learn and keep the job.

# A COLLABORATIVE APPROACH

## Sub-Minimum Wage Public Will Building Campaign

There are many ways to address the issue of how best to eliminate sheltered workshops and sub-minimum wages. Several states that have passed legislation have stipulated a phase-out period, during which benchmarks are set for progress toward fully integrated and supported employment. The U.S. Department of Labor is promoting an Employment First policy, which aims to end sheltered workshop programs, stating that all people, regardless of disability, should be able to find jobs in competitive workplaces. We believe it is time that Colorado signed onto this policy. Sadly, many of the employers paying sub-minimum wages and operating sheltered or segregated workplaces include well known charities, community centered boards and county governments. These are the very entities that we would expect to be allies in the critical foundational goal which all disability rights advocates seek to facilitate: helping individuals find work not simply for work's sake, but rather as a path to meaningful, gainful employment leading to a genuinely independent life."



Disability Law Colorado asks for your support. We invite you to:

1. Download *The Quest for Equal Pay for Equal Work* report from our website and study this issue
2. Tell employers that the discriminatory practice of sub-minimum wages must end
3. Join our coalition and help shape the legislation to be introduced in 2020.

## WHAT IS EMPLOYMENT FIRST?

It is a philosophy based on practical, yet innovative thinking about employment of all people with disabilities, including those most significantly impacted. Proponents contend that before opting out of work, people with disabilities should be provided appropriate information, encouragement, supports and services to learn how they can meet the business needs employers present. Additionally, people with disabilities should be given meaningful, individualized opportunities to explore the world of work, to discover how they might contribute, and to chart a course to employment and greater prosperity.



## WHAT IS A SHELTERED WORKSHOP?

The term sheltered workshop refers to an organization that employs individuals with disabilities separately from others. They have become the subject of criticism for being exploitative, abusive and discriminatory. National Disability Rights Network issued a report that said "people with disabilities are being isolated and financially exploited by their employers."



## POPPIN' JOE'S

### Joe Steffy's Inspirational Story

Joe Steffy has Down syndrome, autism and is non-verbal. He is also the proud owner of Poppin' Joe's Kettle Korn. Joe has the same dreams and aspirations as any young businessman, and that is to run a successful business.



Joe is able to run his own business due to the support he received from his parents, Ray and Janet. They didn't agree with the assessment of the school district in which they lived, which had said Joe would never be able to work or live independently. According to his father, "We saw more in Joe than that. We set out to prove to the school that he had capabilities." Joe discovered a love for kettle corn while on a trip to Alaska and his parents realized all that popping, scooping, and serving suited Joe's love of work. In 2005, Poppin' Joe's Kettle Korn was born. Due to the success of his business, Joe is no longer on Social Security disability benefits. He rents his own house and is helped by caregivers who are paid by a state program.