POSITION STATEMENT

End the Subminimum Wage for Disabled Workers

Finishing Minnesota's unfinished journey from segregation to full citizenship

For more than eighty years, federal law has carried an exception most Minnesotans do not know exists. Section 14(c) of the Fair Labor Standards Act, enacted in 1938, permits employers who hold a special certificate to pay workers with disabilities less than the minimum wage — in some cases, pennies an hour. It was written in the same era that built the institutions, passed the sterilization laws, and presumed that disabled people could not learn, could not decide, and could not work. We have since repudiated nearly every other policy of that era. This one remains.

A Judgment About Human Worth

The subminimum wage is not, at bottom, a wage policy. It is a judgment about human worth — the belief that a disabled worker's labor is worth less, and, more corrosively, that a disabled person's time and effort are worth less. Decades of research and the testimony of disabled people themselves have shown that belief to be false. Many of those we once consigned to back-breaking and workshop benches are today teachers, cashiers, machinists, and business owners. What changed was never their capacity. What changed was our expectations.

Minnesota Once Led. On This, We Lag.

Minnesotans take pride, and rightly, in this state's place in disability history. In *Welsch v. Likins* (D. Minn. 1974), a federal court here held that people with disabilities have a right to be served in the least restrictive setting — a decision that helped empty institutions across the country and became a foundation for the community-integration principle the U.S. Supreme Court later affirmed in *Olmstead v. L.C.* (1999). Minnesota helped lead the journey out of the institution. Yet on the subminimum wage, we are not a leader but a laggard: Minnesota pays subminimum wages to more of its residents, per capita, than any other state in the nation. The state that taught the country the least-restrictive principle has never applied it to the workplace.

Segregation by Another Name

The subminimum wage does not stand alone. It is the economic engine of the sheltered workshop — a separate place, apart from the community, where disabled workers are gathered and paid a fraction of what their neighbors earn. *Olmstead* teaches that the unjustified segregation of people with disabilities is discrimination. A workshop is a segregated setting; subminimum pay is what sustains it. We would not accept a separate and lesser classroom, or a separate and lesser ballot. We should not accept a separate and lesser wage.

We Know What Works

This is not a step into the unknown. We know what replaces the workshop, because it already has — in Minnesota and beyond- supported employment, customized employment, and competitive integrated employment. Real jobs, in the community, at real wages, with the individualized support a person needs to succeed. Where states have made the shift, disabled workers have followed into those jobs. Vermont, which closed its last sheltered workshop in 2002, now places its residents with disabilities in integrated jobs at roughly twice the national rate. The evidence, across decades of peer-reviewed study, is consistent: people — including people with the most significant disabilities — earn more, are healthier, and live fuller lives in integrated work than in segregated work. The question is no longer whether disabled people can work. It is whether we will build the support that let them.

End the Practice — and Build the Supports First

Ending the subminimum wage is not a matter of prohibition alone, and it must never be. The honest fear — voiced by families who love their sons and daughters, and by providers who have served them faithfully for decades — is that a bare ban would strand people in day programs with nothing to do. That fear deserves respect, and it deserves an answer. The answer is a phase-out that is funded and dated, never abrupt: a firm end date paired with the technical assistance, provider capacity, and person-centered planning that must be in place before the last certificate expires. Minnesota need not design this alone. The state's own Task Force on Eliminating Subminimum Wages has already mapped it — a transition led by the state, guided by data, and built to move people into jobs rather than out of the workforce. What remains is not analysis. It is will.

Washington Retreated. States Must Lead.

For a moment, it appeared Washington would act. In December 2024, the U.S. Department of Labor proposed to phase out Section 14(c) certificates nationwide; in July 2025, it withdrew the proposal. The certificates remain lawful today. That retreat does not relieve Minnesota of responsibility — it places responsibility here. States have always been where this progress is won. At least sixteen have already ended the practice, beginning with New Hampshire in 2015. Minnesota can be next, and should be.

A Matter of Justice, Not Charity

The disability rights movement gave us a principle we have not yet fully honored: nothing about us without us. Disabled Minnesotans have said, plainly and for years, that they want to work, that they want to be paid for their work, and that they wish to be counted as full citizens of this state. Paying a person for their labor is not charity, and it is not accommodation. It is justice, and it is overdue. Minnesota began the journey out of the institution half a century ago. The subminimum wage is the unfinished stretch of that journey. It is time to finish it.

> *"No Minnesotan should earn less for being disabled. The path is already charted — funded, dated, and humane. What remains is the will to walk it."*

Sources

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