

The Transformation to Competitive Integrated Employment Act (TCIEA) Explainer

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People with disabilities want to work, live independently, and be able to pay their own bills. There are still many things that get in the way of people with disabilities finding jobs. In July 2024, only 36.9% of people with disabilities between the ages of 16 and 64 were employed.¹

Many people with disabilities get paid less than minimum wage. Paying people less than the minimum wage is unfair, and this document will explain how the Transformation to Competitive Integrated Employment Act would stop it from happening in the future. Also, some people with disabilities also work in "sheltered workshops," where they work separately from coworkers without disabilities and are also paid less than the minimum wage. Sometimes these employers make more money if they pay some workers less than the minimum wage.

What is the difference between subminimum wage and minimum wage?

Minimum wage is the lowest possible amount of money that employees can pay their workers. Employers cannot pay their employees less than the minimum wage, or they would be breaking the law. Currently, the federal minimum wage is \$7.25 an hour.

Subminimum wage means a paid wage less than the federal minimum wage. Typically, this would be illegal, but Section 14(c) of the Fair Labor Standards Act (FSLA) allows some employers who apply for and are given a piece of paper—called a 14(c) certificate—to pay certain employees, such as people with disabilities, at hourly rates below the minimum wage. Between 2017 and 2018, the average wage of a person with a disability being paid subminimum wage was only \$3.34 an hour,² which is less than half of the federal minimum wage.

What is competitive integrated employment (CIE)?

Competitive Integrated Employment (CIE) is work where employees with a disability work with—or have the opportunity to work with—coworkers without disabilities. CIE also means that employees with disabilities are given the same benefits and opportunities to move forward in their careers as their non-disabled coworkers, all while being paid at or above the minimum wage.

Why does this matter to us?

People with disabilities have the right to have the same kind of employment opportunities as people without disabilities.



¹ U.S. Bureau of Labor Statistics. (2024). Economic News Release: Persons with a Disability: Labor Force Characteristics. https://www.bls.gov/news.release/disabl.a.htm

² U.S. Commission of Civil Rights. (2020). Subminimum Wages: Impacts on the Civil Rights of People with Disabilities. https://www.usccr.gov/files/2020/2020-09-17-Subminimum-Wages-Report.pdf



/media/Project/Websites/mdhhs/Folder2/Folder88/Folder1/Folder188/6-25-12_Bagenstos.pdf?rev=d9996895345043d2adb259f6572ed7dc

Why is this happening?

Many people think that paying people with disabilities less than minimum wage will encourage employers to employ people with disabilities instead of not hiring them at all. However, only about five percent of people who are paid subminimum wage under Section 14(c) work at regular jobs that are not in sheltered workshops. Also, most people who work in sheltered workshops and are paid subminimum wage on to competitive integrated employment.³

Why does this matter to us?

People with disabilities deserve to be paid at least the minimum wage for their work and have options to work where they want.

What is the Transformation to Competitive Integrated Employment Act (TCIEA)?

The Transformation to Competitive Integrated Employment Act (S. 533 / H.R. 1263) is sponsored by Senators Bob Casey (D-PA) and Steve Daines (R-MT) in the Senate and Representatives Bobby Scott (D-VA-3) and Cathy McMorris Rodgers (R-WA-5) in the House of Representatives.

This bill would:

- Stop the U.S. Secretary of Labor from giving businesses a special paper called a 14(c) certificate that lets them pay people subminimum wage
- Take five years to slowly remove the use of existing 14(c) certificates
- Provide grants to states or employers currently paying subminimum wage to workers with disabilities to help them to transition from subminimum wage to competitive integrated employment
- Establish a Technical Assistance Center to support the transition to competitive integrated employment, including how to use Medicaid home and community-based services to support people with disabilities in competitive integrated employment

TCIEA would help states and businesses provide good jobs for disabled people so that we can be active in the workforce and more financially independent. TCIEA would make things better for people with disabilities and better for businesses. New Hampshire, Maryland, and Vermont <u>all show an</u> <u>increase in employment rates for disabled people</u> since they switched from subminimum wage to fairly paid employment in the community.

Why does this matter to us?

The Transformation to Competitive Integrated Employment Act (TCIEA) would improve and strengthen the workforce and give people with disabilities access to more opportunities in their careers. When more people have better job opportunities, everyone benefits.

Competitive Integrated Employment

Competitive Integrated Employment (CIE) is work where employees with a disability work with—or have the opportunity to work with coworkers without disabilities.







What can you do to advocate for TCIEA?

A package is when similar bills get pulled together and then passed in Congress. The Senate HELP Committee is working on a package that has workforce and work-related bills. We want TCIEA to be one of those bills because it is more likely to pass as part of a package than it is on its own. We also want more Senators to cosponsor the bill. (Cosponsoring means that a legislator supports a bill. Bills with more cosponsors are thought of as more popular.)⁴

Here's how you can help:

Call your Senators and educate them about the importance of the Transformation to Competitive Integrated Employment Act for people with disabilities. If you cannot make a phone call, you can email. You can find a Senator's contact information on their websites. <u>More information here.</u> If you know the name of the staffer who works in your Senator's office, this is what their email would look like:

First name Last name@Senator's last name.Senate.gov

For example, if the staffer's name is Sarah Johnson and she works in Senator Kennedy's office, her email would be: Sarah_Johnson@Kennedy.Senate.gov

Find who your Senators are by entering your state <u>here</u>. Then, see if your Senators are on the HELP Committee. Check if they are on the member list <u>here</u>.



If either of your Senators is on the HELP Committee, call the Congressional switchboard at (202) 224-3121 and ask to be connected to your Senator's office. You can say "Please connect me to Senator [first and last name]'s office." Once you are connected to your Senator's office, you can use our script:

Hello, my name is __and I live in __. I am calling about the Transformation to Competitive Integrated Employment Act. (S. 533 / H.R. 1263) The bill supports phasing out Section 14(c) of the Fair Labor Standards Act that pays people with disabilities a subminimum wage. It also provides the needed resources to transition to competitive integrated employment. This bill makes sure people with disabilities get paid minimum wage.

Disabled people want to work, and the Transformation to Competitive Integrated Employment Act would help us meet that goal. The Senator should support this bill. It should be included this bill in the HELP Committee's workforce package and the Senate should make sure it passes before the end of the year.

You can share your story if you or someone you know has experience working for subminimum wage or working in a sheltered workshop. You can also share your story if you or someone you know have a disability and work in an integrated workplace for equal pay. Your personal story will help Members of Congress to understand why this bill is important to pass.

Resources and Factsheets on TCIEA:

- Fact sheet from Senator Casey
- <u>Tuesdays with Liz Interview with Senator Daines</u>
- Bill text and all cosponsors
- Subminimum Wage Report from the U.S. Commission on Civil Rights

⁴ ASAN. (2024). Take action for better jobs and fair pay for disabled workers. <u>https://autisticadvocacy.org/2024/07/take-action-for-better-jobs-and-fair-pay-for-disabled-workers/</u>