

PLEASE SUPPORT THE FOLLOWING BILLS TO PROMOTE COMPETITIVE INTEGRATED EMPLOYMENT FOR PEOPLE WITH DISABILITIES

Most people with disabilities want to work, live independently and be economically self-sufficient. Unfortunately, employment for people with disabilities continues to lag significantly compared to those without disabilities, particularly for people with intellectual and developmental disabilities (I/DD). For too many people with disabilities, their only option is to work in segregated settings called “sheltered workshops,” where they are isolated from co-workers without disabilities and the broader society and are legally paid pennies on the dollar under Section 14(c) of the Fair Labor Standards Act (FLSA). This law, created in 1938, is outdated, discriminatory, and reinforces a life of poverty, segregation, and dependency on public support for people with disabilities. In passing the bipartisan Workforce Innovation Opportunity Act (WIOA) of 2014, Congress made clear that competitive integrated employment – where people with disabilities work in mainstream jobs alongside, and are paid comparable wages to, co-workers without disabilities – is a national priority. The broader disability community, the Advisory Committee created by Congress in WIOA, the National Council on Disability and others have called for a phase-out of subminimum wage and emphasized that this phase-out should be accompanied by capacity-building. There are several bills before Congress that would **phase out Section 14(c)** and/or **build capacity for competitive integrated employment**, and we need your support to get them passed!

(1) Transformation to Competitive Employment Act (H.R. 873/S. 260)

Lead sponsors: Senators Bob Casey (D-PA) and Chris Van Hollen (D-MD) and Representatives Bobby Scott (D-VA) and Cathy McMorris Rodgers (R-WA)

Summary: The Transformation to Competitive Employment Act (TCEA) will address barriers to employment and expand opportunities for competitive integrated employment for people with disabilities while phasing out subminimum wage certificates under 14(c) of the FLSA over a six-year period. Specifically, it will:

- **Create a competitive state grant program** to help states transition the business models of 14(c) certificate holders to support competitive integrated employment for individuals with disabilities. States will be able to apply for these transformation grants and must establish an advisory committee that includes employers, organizations specializing in employment for individuals with disabilities, people with disabilities, and state Medicaid and vocational rehabilitation agencies.
- **Create a competitive grant program for current 14(c) certificate holders** located in states that do not apply for the state grants to transition their business models to support individuals with disabilities in competitive integrated employment.
- **End the payment of subminimum wages to people with disabilities under Section 14(c) of the FLSA** by immediately ending the issuance of any new 14(c) certificates by the Department of Labor and phasing out the use of existing 14(c) certificates over six years until employees are paid the federal minimum wage.
- **Establish a national technical assistance (TA) center to support all entities**, even those not receiving the transformation grants, to transition to competitive integrated employment. The TA center will disseminate information about best practices, lessons learned, and models for transition to all entities transitioning to competitive integrated employment.
- **Require reporting and evaluation** on the progress of creating and expanding the service delivery structure to support workers with disabilities in competitive integrated employment and with inclusive

wraparound services when not working.

Why is the capacity-building component of TCEA so important?

All people with disabilities deserve opportunities for competitive integrated employment. A phase out of 14(c) must also include a systematic approach to expand capacity for competitive integrated employment, particularly for people transitioning out of sheltered workshops. The grants provided under this bill would provide technical assistance and funding to help states and 14(c) certificate holders move to a paradigm of more integrated and innovative approaches to disability employment. The grants would bring stakeholders together to develop the system infrastructure and align funding for competitive integrated employment and ensure that ending the subminimum wage is done thoughtfully to avoid unintended consequences for individuals with disabilities. The *Transformation to Competitive Employment* bill aligns the WIOA Advisory Committee's recommendations and will help people with disabilities transition to competitive integrated employment opportunities in a careful and responsible way.

Legislative Request: Please sign on to cosponsor the Transformation to Competitive Employment Act (H.R. 873/S. 260) by contacting Phoebe Ball with Chairman Scott on the House Committee on Education (phoebe.ball@mail.house.gov) or Michael Gamel-McCormick with Senator Casey on the Senate Committee on Aging (Michael_Gamel-McCormick@aging.senate.gov).

(2) CAPABILITY Act of 2019 (H.R. 3070)

Lead Sponsors: Representative Cathy McMorris-Rodgers (R-WA) and Seth Moulton (D-MA)

Summary: The Customized Approaches to Providing And Building Independent Lives of Inclusion for Transition-aged Youth (CAPABILITY) Act would create a grant program for states to expand the capacity of customized employment strategies and other best practices to ensure that ALL youth with disabilities are able to achieve CIE. Customized Employment provides an individualized focus on talents and interests of people with disabilities and provides an optimal pathway to successful CIE outcomes.

Legislative Request: Please sign on to cosponsor the CAPABILITY Act (H.R. 3070) by contacting Kristin Flukey in Representative McMorris-Rodgers' office (Kristin.Flukey@mail.house.gov) or Olivia Hussey in Representative Moulton's office (Olivia.Hussey@mail.house.gov).

(3) Disability Employment Incentive Act (S. 255)

Lead Sponsors: Senator Bob Casey (D-PA), Senator Tammy Duckworth (D-IL), Senator Patty Murray (D-WA), Senator Chris Van Hollen (D-MD), Senator Maggie Hassan (D-NH), Senator Amy Klobuchar (D-MN)

Summary: The Disability Employment Incentive Act (DEIA) will expand three existing tax credits: the Work Opportunity Tax Credit, the Disability Access Expenditures Tax Credit and the Architectural and Transportation Barrier Tax Credit. This is designed to incentivize employers to hire and retain employees with disabilities.

Legislative Request: Please sign on the cosponsor the DEIA by contacting Michael Gamel-McCormick with Senator Casey on the Senate Committee on Aging (Michael_GamelMcCormick@aging.senate.gov).

Please contact Alison Barkoff, Policy Advisor to CPSD (abarkoff@cpr-us.org or 202-854-1270) if you have any questions regarding these bills.