



2021 State Legislative Watch

Last update: January 20, 2022

14(c)/subminimum wage legislation

Read APSE's white paper on the [Trends and Current Status of 14\(c\)](#).

Note: The following states have passed legislation to eliminate subminimum wages for people with disabilities:

Alaska, Maine, Maryland, New Hampshire, Oregon, Washington, Hawaii, Colorado, California & Delaware.

100% Progress (Signed into Law)

Colorado – [SB39](#)

Concerning the elimination of subminimum wage employment by providing supports to ensure successful transitions for individuals currently working in subminimum wage jobs.

Hawaii – [SB793](#)

Repeals the exemption of persons with disabilities from minimum wage requirements. Takes effect on 1/1/2022.

Washington – SB5284

Eliminating subminimum wage certificates for persons with disabilities.

California - SB639

This bill would prohibit new special licenses from being issued after January 1, 2022. The bill would permit a license to only be renewed for existing license holders who meet requisite benchmarks. The bill would make the above-described provision authorizing a lesser minimum wage for an employee who is mentally or physically disabled inoperative on January 1, 2024. The bill, commencing January 1, 2024, would prohibit an employee with a disability from being paid less than the legal minimum wage.

Delaware - HB122

The Act requires that authorization to pay individuals with disabilities less than the minimum wage required to be paid to other employees will be phased out by July 1, 2023.

75% Progress

n/a

50% Progress (Passed in Originating Chamber)

South Carolina – S533

Prohibit The Use Of Section 14(c) Of The Fair Labor Standards Act Of 1938 To Pay Subminimum Wages To Individuals With Disabilities.

25% Progress (Introduced)

New York – [A3103](#)

Eliminates provisions exempting employees with disabilities from the minimum wage law; provides that laws or minimum wage orders that authorize an employer to pay a wage that is less than the minimum wage are valid provided that under such laws or orders an employee with a disability is paid the same wage as an employee in a comparable position that does not have a disability.

Died in Committee/Chamber

Illinois – [SB1627](#)

Amends the Illinois Procurement Code. Provides that any qualified not-for-profit agency for persons with significant disabilities entering into a contract with the State for supplies and services under specified provisions shall offer a minimum hourly wage to its employees that is set at or above the State minimum wage.

Kentucky – [SB18](#)

Related to sheltered employment

Includes: The commissioner shall not authorize any new employer or new applicant to use certificates under Section 14(c) of the Fair Labor Standards Act to pay a subminimum wage to a worker with a disability.

Minnesota – [HF439](#) / [SF658](#)

Subminimum wage eliminated; task force created, statute and rule allowing payment of subminimum wage to employees with disabilities repealed, report required, and money appropriated.

New Mexico – HB214 (Passed in House; adjourned before assigned committee in Senate)

Repeal minimum wage for disabled persons.

Rhode Island - H5851 (passed in House, awaiting Committee study in Senate)

Repeals § 28-12-9 of the general laws which provides that the director of labor and training may approve of wages below the minimum wage for those persons whose earning capacity is impaired due to physical or mental disability.

West Virginia – HB2542

The purpose of this bill is to provide for fair pay and maximized employment of disabled persons; create a state “Employment First” policy that encourages agencies to facilitate employment of disabled persons; establish a task force to initiate these policies; provide for the DHHR Bureau for Behavioral Health, Division of Rehabilitation Services, Department of Education, DHHR Bureau for Medical Services (State Medicaid Agency) and Workforce WV to implement the policy; and remove current exemption for paying minimum wages to persons in nonprofit workshops.

Other Employment First legislation

100% Progress (Signed into Law)

Colorado – SB95

Concerning the continuation of the employment first advisory partnership, and, in connection therewith, implementing the recommendation contained in the 2020 sunset report by the department of regulatory agencies.

Connecticut – HB6121

To require the Department of Economic and Community Development to develop a plan to establish a workforce development pipeline for persons with disabilities.

Louisiana – HB259

Provides relative to employment for persons with disabilities.

New Jersey – S1937

Establishes Task Force to Promote Employment by State Agencies of People with Disabilities.

Texas – SB50

Relating to a competitive and integrated employment initiative for certain Medicaid recipients.

Virginia – HB1848

Virginia Human Rights Acts; discrimination on the basis of disability. Adds discrimination on the basis of disability as an unlawful employment practice under the Virginia Human Rights Act. The bill also requires employers, defined in the bill, to make reasonable accommodation to the known physical and mental impairments of an otherwise qualified person with a disability, if necessary to assist such person in performing a particular job, unless the employer can demonstrate that the accommodation would impose an undue hardship on the employer. The bill also prohibits employers from taking any adverse action against an employee who requests or uses a reasonable accommodation, from denying employment or promotion opportunities to an otherwise qualified applicant or employee because such employer will be required to make reasonable accommodation to the applicant or employee, or from requiring an employee to take leave if another reasonable

accommodation can be provided to the known limitations related to the disability. The bill creates a cause of action against any employer who denies any of the rights to reasonable accommodation afforded by the bill and permits the court or jury to award compensatory damages, back pay, and other equitable relief.

West Virginia – [HB2290](#)

Initiating a State Employment First Policy to facilitate integrated employment of disabled persons.

75% Progress (Passed in Both Chambers)

n/a

50% Progress (Passed in Originating Chamber)

North Carolina – [H756](#)

State as a Model Employer/IDD.

25% Progress (Introduced)

Massachusetts – [HD198](#)

An Act to promote employment for people with disabilities (State Use Act).

Massachusetts – [HB3107/SB2021](#)

An Act relative to the employment of persons with disabilities on state contracts.

New Jersey – S3367

Establishes "Commission on People with Disabilities."

New Jersey – S3418

Provides fast track hiring and advancement employment opportunities by State for persons with significant disabilities.

New Jersey – S3425

Establishes recruitment and referral program for certain individuals and extends certain provisions of law concerning affirmative action in public works contracts to workers with disabilities.

New Jersey – S3426

Provides for employment by State of certain persons with disabilities.

New York – A3137

Relates to establishing goals for participation by individuals with disabilities with respect to state employment, state contracts, legislative employment and judicial employment; establishes a goal of seven percent employment of individuals with disabilities within state agencies, the state legislature, unified court system and state contractors and subcontractors; defines terms.

New York – S3458

Establishes a small business tax credit for the employment of disabled persons

New York – [S6113](#)

Enacts the "integrated employment, economic development and safety net system for individuals with intellectual and developmental disabilities act."

Died in Committee or Chamber

Connecticut – [SB980](#)

To eliminate income and asset limits for working persons with disabilities to qualify for Medicaid.

Iowa – [HF188](#)

An Act relating to wage discrimination under the Iowa civil rights Act of 1965 and in state contracting, making penalties applicable, and establishing an equal pay task force.

Kansas – [HB2219](#)

Enacting the Kansas targeted employment act to provide tax credits for the employment of persons with developmental disabilities.

Kansas – [HB2220](#)

Providing an employment preference for persons with a disability for state government positions.

Kansas – [HB2443](#)

Providing an employment preference for persons with a disability for state government positions.

Kentucky – SB18

Related to sheltered employment.

Missouri – HB115

Requires state agencies to support competitive integrated employment for persons with disabilities.

New Mexico – SB342

Requiring provider agencies that provide services through certain Medicaid waiver programs to increase compensation for certain staff when reimbursement rates increase.

Oregon – HB2964

Requires Department of Human Services to reimburse cost of care provided in residential training facilities and residential training homes in amounts sufficient to allow facilities and homes to pay direct support professional 150 percent of state minimum wage. Requires Department of Human Services to reimburse cost of care provided in residential training facilities and residential training homes in amounts sufficient to allow facilities and homes to pay direct support professional 150 percent of state minimum wage. Declares emergency, effective on passage.

South Carolina – HB3244 (Passed House, passed Senate w/ amendments)

Amend The Code Of Laws Of South Carolina, 1976, To Enact The "employment First Initiative Act" By Adding Chapter 5 To Title 41 So As To Provide Necessary Definitions, To Establish Policies Supportive Of Competitive And Integrated Employment Of Individuals With Disabilities, To Create Related Responsibilities For State Agencies And Political Subdivisions Of The State, To Create The "south Carolina Employment First Oversight

Commission", And To Provide For The Composition, Function, And Duties Of The Commission.

Virginia – HB2140

Department of Human Resource Management, alternative application for employment for persons with a disability. Directs the Department of Human Resource Management to create an alternative application process for the employment of persons with a disability. The process must be noncompetitive in nature and provide state agencies using the process an option for converting positions filled through the noncompetitive process into positions that are normally filled through a competitive process. The bill directs the Department of Human Resource Management to develop and disseminate a policy to implement the provisions of the bill.