



DATE: February 14, 2019
TO: Labor and Public Employees Committee
FROM: Julia Wilcox, Manager of Advocacy & Public Policy
RE: HB6739 AN ACT PROHIBITING EMPLOYERS FROM PAYING DISABLED EMPLOYEES LESS THAN MINIMUM WAGE

Good afternoon Senator Kushner, Representative Porter, Senator Miner, Representative Polletta and distinguished members of the Labor and Public Employees Committee:

My name is Julia Wilcox, Manager of Advocacy & Public Policy at the Connecticut Community Nonprofit Alliance (The Alliance). The Alliance is the statewide advocacy organization representing nonprofits, with a membership of more than 300 community organizations and associations. Nonprofits deliver essential services to more than half a million people each year and employ almost 14% of Connecticut's workforce.

HB 6739 AN ACT PROHIBITING EMPLOYERS FROM PAYING DISABLED EMPLOYEES LESS THAN MINIMUM WAGE would amend title 31 of the general statutes to prohibit employers from paying less than the state-prescribed minimum wage to disabled employees.

The Alliance supports the right of individuals with disabilities and all residents to earn a fair and livable wage. And while we agree with the concepts raised and intent of the bill, we cannot support its implementation as drafted due to its unintended consequences, which we respectfully ask the Committee to consider.

Currently, section 14(c) of the federal Fair Labor Standards Act permits people with disabilities to work at a job when their disability impairs their productivity, while being paid a wage that is commensurate with the worker's productivity compared with the productivity of experienced workers without a disability. For an employee to be paid a commensurate rate under 14(c), they must be issued a certificate by the Department of Labor (DOL) and a job description, prevailing wage determination, definition of work, and standard of productivity must be established. Then, a worker's productivity is tested, and a rate of pay is calculated based on that productivity before a certificate is issued by DOL. In Connecticut, more than 2,600 people with disabilities are employed through the 14(c) certificate and being paid a commensurate wage, although for many, that commensurate wage is above Connecticut's minimum wage.

The requirement to pay minimum wage as proposed in HB6739 **may result in fewer job opportunities and fewer options from which to choose for people with disabilities.** For many individuals with disabilities, the opportunity to be paid a wage consistent with their productivity far outweighs the consequences of losing a job that brings them satisfaction and opportunities to build upon their strengths.

Many positions currently held by people with disabilities, serve as training and preparation to improve upon skills and independence, and advance to a more challenging, rewarding and lucrative position. While the national trend regarding employment for persons with disabilities is in keeping with the spirit of the legislation, **there is a critical need to provide a phase-in of meaningful alternatives for those individuals who may find themselves unemployed as a result of this policy.**

The Alliance manages the State's Preferred Purchasing Program, as authorized in state statute, which provides meaningful work opportunities and reliable wages for people with disabilities by developing contracts between state agencies and community rehabilitation providers. In FY18, the program resulted in employment opportunities for 761 workers with disabilities. As of June 30, 2018, approximately 285 people with disabilities employed through the Preferred Purchasing Program working on contracts with state agencies earned less than the minimum wage.

Once again, while we support the spirit of the legislation, and the right of individuals with disabilities and all residents to receive a fair and livable wage, we respectfully encourage the Committee to consider the unintended consequences of implementing this change without first providing the necessary framework to phase it in for people who currently hold jobs with 14(c) determinations.

Thank you for your time and consideration of this important issue.

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