

Transformation to Competitive Employment Act (H.R. 1263/S. 533)

Summary

Most people with developmental and other 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. In addition, too many people with disabilities remain trapped in segregated settings with subminimum wages. Earlier this year, it was found that about 12,000 workers were employed under subminimum wage certificates with half of them earning less than \$3.50 an hour¹.

The bipartisan Transformation to Competitive Employment Act (H.R. 1263/S. 533) will address barriers to employment and strengthen the service delivery systems throughout the United States while phasing out subminimum wage certificates under 14 (c) of the Fair Labor Standards Act over a six-year period. The Senate bill was reintroduced on February 27, 2023 by Senators Bob Casey (D-PA) and Steve Daines (R-MT). Representatives Cathy McMorris-Rodgers (R-WA) and Bobby Scott (D-VA) introduced a companion bill in the House of Representatives.

The Autism Society of America strongly supports this bill that has several components to increase opportunities for competitive employment. In addition to phasing out the use of subminimum wages, the bill:

- Creates a competitive state grant program to assist states to transition 14(c) certificate holders to models that support competitive, integrated employment for individuals with disabilities. Advisory committees that includes employers, individuals with disabilities, and organizations specializing in employment for individuals with disabilities will help to guide the transitions.
- Authorizes funding for providers currently using subminimum wage certificates can apply for funding to transition their business models to support individuals with disabilities in competitive, integrated employment.
- Authorizes a national technical assistance (TA) center to support all state 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 to promote competitive, integrated employment.
- Requires reporting and evaluation on the progress of creating and expanding the service delivery structure to support workers with disabilities in competitive integrated settings and the inclusive wraparound services they receive when not working.

For more detailed information about the legislation, see this [summary](#) by the office of Senator Casey.

¹ Office, U.S. Government Accountability. "Subminimum Wage Program: DOL Could Do More to Ensure Timely Oversight." *Subminimum Wage Program: DOL Could Do More to Ensure Timely Oversight*, U.S. GAO, Jan. 2023, www.gao.gov/products/gao-23-105116.