# Model Phase Out and Elimination of Subminimum Wages Legislation

Purpose: To require employers who hold and utilize current Fair Labor Standards Act Section 14(c) special wage certificates to gradually phase out the practice of paying subminimum wages to their employees with disabilities, and to ensure that those employees with disabilities are paid the prevailing wage for work performed.

Section 1: This act may be cited as the Employees with Disabilities Equal Pay Act.

Section 2: Elimination of Subminimum Wages for Employees with Disabilities

(a) An employer who is authorized to employ individuals with disabilities at subminimum wage pursuant to a special certificate issued under 29 U.S.C. 214(c) or in accordance with rules under [RELEVANT STATE LAW] or of the [RELEVANT STATE GOVERNMENT DEPARTMENT] may not employ or agree to employ individuals with disabilities at an hourly rate lower than:

(1) one year after the date of enactment, 75 percent of current state minimum wage.

(2) two years after the date of enactment, 85 percent of current state minimum wage.

(3) three years after the date of enactment, the current state minimum wage.

(b) Three years after the date of enactment, an employer who is authorized to employ individuals with disabilities at subminimum wage pursuant to a special certificate issued under 29 U.S.C. 214(c) or in accordance with rules under [RELEVANT STATE LAW] or of the [RELEVANT STATE GOVERNMENT DEPARTMENT] may not employ or agree to employ individuals with disabilities at a rate lower than:

(1) the hourly rate required under 29 U.S.C. 206;

(2) the hourly rate required under [RELEVANT STATE LAW]; and

(3) the prevailing wage as defined in 29 CFR 1.2.

(c) Furthermore, if a municipality or county of this State has a minimum wage greater than authorized by state law, an employer in that municipality or county shall pay an hourly rate no less than that mandated by the municipality or county.