

**Subject** Task force to eliminate subminimum wage

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## Overview

Establishes a task force to develop a phase out plan to eliminate subminimum wage. Starting August 1, 2024, employers will be prohibited from paying workers with disabilities less than minimum wage through permits issued by the state and federal government.

## Summary

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| 1 | <b>Subminimum wage [§ 177.24]</b><br>Prohibits employers from paying workers with disabilities less than minimum wage starting August 1, 2024.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2 | <b>Task force on eliminating subminimum wage.</b><br><b>Subd. 1. Purpose.</b> Establishes a task force to develop and implement a phase out plan to eliminate subminimum wage by August 1, 2024.<br><b>Subd. 2. Membership.</b> Lists members of the interagency task force, including legislators, agency commissioners, stakeholder organizations, employers, and employees.<br><b>Subd. 3. Appointment deadline; first meeting; chair.</b> Requires selection of task force members by July 15, 2020, and selection of a chair at the task force's first meeting by August 17, 2020.<br><b>Subd. 4. Compensation.</b> Provides compensation for certain task force members per day and for authorized expenses, as provided in existing law.<br><b>Subd. 5. Duties.</b> Requires the task force to work with employees, employers, businesses, and stakeholder organizations to develop a plan to phase out subminimum wage by August 1, 2024. The task force must: identify benefits and barriers to the phase out; identify costs, funding, training, and resources; and |

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make recommendations for compliance and ongoing support and services. The task force must propose: a plan to establish benchmarks for the phase out; a plan to provide sustainable work opportunities for individuals with disabilities; and a plan to track outcomes for individuals with disabilities, including unemployment rates and wages during and after the phase out.

**Subd. 6. Report.** Requires the task force to issue a report with its recommendations for eliminating subminimum wage by January 14, 2022, including any proposed legislation or rules.

**Subd. 7. Administrative support.** Provides administrative support for the task force by the commissioner of labor and industry.

**Subd. 8. Sunset.** Sunsets this task force as of August 31, 2022.

3 **Appropriation.**

Provides for general fund appropriations in fiscal year 2021.

4 **Repealer [§ 177.28, subd. 5, Minnesota Rules, parts 5200.0030 and 5200.0040].**

As of August 1, 2024, repeals current law and rules allowing employers to pay workers with disabilities less than state minimum wage if they receive a permit from the state Labor Standards Division or from the U.S. Department of Labor.



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