Section 511 of Title IV in Workforce Innovation and Opportunities Act

Due to the reauthorization of the Workforce Innovation and Opportunity Act (WIOA), a new law (Section 511) has been added to the Rehabilitation Act. This law is effective on July 22, 2016 and implements new requirements for schools and employers/agencies who hold special wage certificates, commonly known as 14(c) certificates, under the FLSA (29 U.S.C. 214(c)). The c14(c) certificates are required for employers/agencies to hire youth with disabilities at subminimum wage or to continue to employ individuals with disabilities of any age at the subminimum wage level. In South Dakota this will apply to all Community Support Providers and the South Dakota Developmental Center. Section 511 also prohibits schools from contracting with sub-minimum wage providers for the purpose of operating a program in which youth with disabilities are engaged in subminimum wage employment.

Subminimum wage agencies are prohibited from hiring youth with disabilities at a sub-minimum wage level unless the youth (is 24 years of age or younger) are afforded meaningful opportunities to access services, including transition services so they may have the opportunity to achieve competitive integrated employment in the community. Before a youth with disabilities can be paid less than minimum wage, the individual must:

- Receive pre-employment transition services as defined in 34 CRF §361.48;
- Apply for Vocational Rehabilitation Services; and
- Receive career counseling and information on employment resources.

Sub-minimum wage agencies are prohibited from continuing to employ individuals with disabilities regardless of age, at the sub-minimum wage level unless the individual with a disability, or the individual’s parent or guardian if applicable, receive certain information and career counseling-related services from the vocational rehabilitation agency every six months during the first year and annually thereafter for as long as the individual receives compensation at the subminimum wage level.

Section 511 also places requirements on schools to provide the documentation that youth with disabilities have received transition services under the IDEA. This new section also prohibits schools from contracting with subminimum wage agencies for the purpose of employment services in which a youth with a disability is engaged in subminimum wage employment. However schools can enter into contracts with these same agencies for other services.