



DIVISION OF DEVELOPMENTAL DISABILITIES

*Sent on Behalf of Dr. Laura I. Love
Assistant Director / Chief Executive Office
Please do not reply to this message*

TRANSMITTAL DATE: August 11, 2016

TOPIC: WIOA Section 511 – New Limitations on Subminimum Wage under Section 14(c)

All Qualified Vendors holding Subminimum Wage Section 14(c) Certificates

Recent revisions to the Workforce Innovation and Opportunity Act (WIOA) impose limitations on the payment of subminimum wages to workers with disabilities under section 14(c) of the Fair Labor Standards Act (FLSA).

WIOA requires that workers with disabilities who are age 24 or younger (youth) complete various requirements designed to improve their access to competitive integrated employment, including transition services, vocational rehabilitation and career counseling services, before they are employed at a subminimum wage.

An employer who is a FLSA section 14(c) certificate-holder may not pay a subminimum wage to a youth hired after July 22, 2016, unless the employee has completed:

1. Transition services under the Individuals with Disabilities Education Act (IDEA) and/or pre-employment transition services under WIOA,
2. Vocational Rehabilitation (VR), as follows:
 - a. The youth applied for VR services and was found ineligible OR
 - b. The youth applied for VR services and was found eligible AND
 - i. Had an individualized plan for employment (IPE) AND
 - ii. AND;
 - iii. The VR case was closed, and
3. Career Counseling, including information and referrals to Federal and State programs and other resources in the employer's geographic area.

The following U.S. Department of Labor documents are attached for your information:

1. U.S. Department of Labor Wage and Hour Division letter to 14(c) certificate holder
2. U.S. Department of Labor Wage and Hour Division Fact Sheet #39H
3. U.S. Department of Labor Wage and Hour Division Field Assistance Bulletin #No. 2016-2

NOTE: "Employers remain responsible for compliance with all applicable labor laws, but also other federal laws including the American with Disabilities Act and any applicable state or local requirements."

For general questions about this communication, please contact the DDDProviderRelations@azdes.gov

Thank you,