

# Limitations on the Use of Subminimum Wage Section 511

Tuesday November 1, 2022

#### Outline

- WIOA & Section 511
  - Review from a regulatory perspective
- Regional Center Referral Process
- VR Process
- ▶ 511 Statistics
- Contact Information

# WIOA, Section 511

A Quick Review

Titled: Workforce Innovation and Opportunity Act of 2014

**WIOA** 

Signed into law on *July 22, 2014* by President Obama

Intends that individuals with disabilities must be afforded a full opportunity to prepare for, obtain, maintain, advance in, or re-enter Competitive Integrated Employment (CIE)

- Competitive Integrated Employment (CIE)
  - ► Full or Part Time employment, including self-employment
  - Minimum wage or higher (competitive)
  - Location and interaction with others to the same extent as others in the workplace (integrated)
  - Opportunities for advancement

#### **WIOA Definitions**

- STUDENT with a Disability
  - ▶ Up to age 21 ( or 22 per NRS 388.5223), <u>and</u>
  - Is in an educational program, <u>and</u>
  - Eligible for or receiving Special Education Services under IDEA or meeting the definition of IWD under Section 504 of the Rehab Act
- YOUTH with a Disability
  - ▶ Up to age 24

#### **WIOA Definitions**

- Limitations on the Use of Subminimum Wage (34 CFR Part 397)
- Effective 7/22/2016
- Imposes limitations on <u>EMPLOYERS</u> who hold special wage certificates, commonly known as 14(c) certificates in the Fair Labor Standards Act (FLSA)

WIOA, Section 511

#### Section 511 Continued

- ► This specific regulation has the greatest impact on Youth because:
  - Certification from VR is needed prior to a youth working for an entity who holds a 14(c) certificate and paying less than minimum wage

(The State of Nevada has a two-tier minimum wage system based on qualifying health benefits being offered to employees. For the period covering July 1, 2022, through June 30, 2023, the minimum wage rate is \$9.50 per hour if the employee is offered qualifying health benefits, and \$10.50 per hour if the employee is not offered qualifying health benefits.)

## Subminimum Wage - YOUTH Requirements Began in 2016

- Youth wanting Subminimum Wage jobs must complete the following:
  - Receive Pre-ETS (if a Student with a Disability),
  - Apply for and been determined ineligible for VR services,
  - Been provided Career Counseling, Information & Referrals (CCI&R) to other public programs that allow the experience of CIE
  - Been working toward an employment outcome in a VR IPE for a "reasonable period of time" without success
- VR must document these services & provide copy to Client
- VR must provide follow-up information & referrals at intervals of 6 months the first year, and annually thereafter for the life of the individual's placement in a subminimum wage job

# Subminimum Wage – ALL OTHER CLIENT REQUIREMENTS

Began in 2016

- All other Clients already in Subminimum Wage jobs:
  - Adults, Students and Youth
  - Must have a re-assessment annually to determine their interest in CIE
  - Requirement to provide work readiness and job training services
  - Information & Referral

# Regional Center Referral Process

Updated 2022

#### All Referrals



VR now has an online Application Process https://detr.nv.gov.



Referrals sent through email (<u>referralinfo@detr.nv.gov</u>) are not applications for VR services.



All applications for VR services should be processed through the Online Application Process.

#### All Referrals

- RC Service Coordinators (SC) present the "Have You Thought About A Job" form during the Client's annual PCP meeting. The completed form is then emailed to the VR Referral Email (<u>referralinfo@detr.nv.gov</u>).
- The Client will be contacted by VR staff to inform them on how to apply for VR services through our Online Application.
- VR assesses the eligibility of all individuals who apply for VR services.
- VR is an eligibility program rather than an entitlement program.
- Clients can not be held to apply for VR services in order to maintain other social/human services.

#### Types of Referrals

#### Youth

- In School
- Out of School (OOS)

#### Adult

- In community-based employment (SE)
- In subminimum wage employment (JDTs)
- In Day Habilitation Programs
- Not employed

#### Youth

- In School
  - Aged 16 21
  - Termed "Students with a Disability"
  - Enrolled in a Nevada high school and receiving IDEA services (in an IEP or 504 Plan)
  - Post-Secondary Program (e.g., PACE, POST, Job Discovery I or II)
- Out of School (OOS)
  - Aged 22 24
  - Termed "Youth with a Disability"
  - Aged out of the school district <u>OR</u> not planning to re-enroll

All youth seeking subminimum wage employment must first apply for VR services and receive a certificate for subminimum wage.

#### Adult

Regardless of the type of program the Client is participating in [community-based employment, Supported Employment (SE), Sheltered Workshop, or Day Program paying no wages], clients are considered adults at the age of 25

Adults <u>do not</u> require a <u>certificate</u> prior to entering subminimum wage employment

# Vocational Rehabilitation Process

Updated 2022

#### TYPES OF EMPLOYMENT

The Level of support needed decreases the closer you get to Competitive Integrated Employment

Sheltered Workshop (\$1.00)

Enclave (\$9.50)

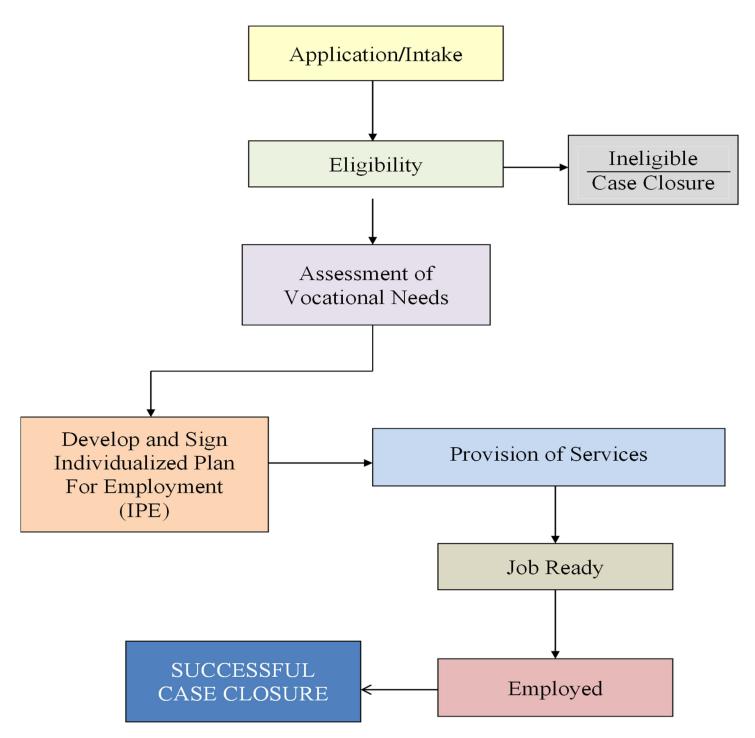
Competitive Supported Employment (\$10.50)

Competitive Supported Employment (\$10.50)

Employment
Programs
supported by
Regional
Center

Employment
Programs
supported by
Vocational
Rehabilitation

#### **VOCATIONAL REHABILITATION PROCESS**





#### VR Process

#### More on Step 3: Eligibility

- Certificates for Youth Entering Employment at Subminimum Wage
  - Normally are provided at this stage in the VR process
  - Cannot be provided if:
    - Client or their legal guardian refuses to attend an intake appointment to receive CCI&R
    - Client or their legal guardian refuses Pre-Employment Transition Services (Pre-ETS) if a Student with a Disability
  - Also cannot be provided at the time of the intake appointment.
  - ▶ If the Client is not able to participate in the eligibility process because of the severity of the disability, absence of safety skills, etc. the subminimum wage certificate can be provided 30 days after the intake process.

#### Subminimum Wage Certificates

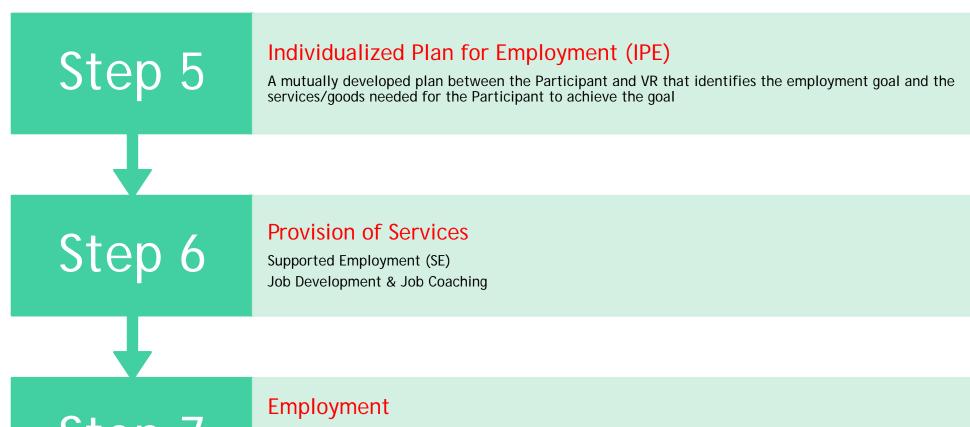
VR is the only entity who can provide this certificate

Certificates are provided to the client and/or their Legal Guardian

VR case is closed after certification is provided

#### Step 4: AVRN (needs assessment)

- Timeframe: 90 days
- Purpose of the Needs Assessment is to determine the following:
  - Readiness for Competitive Integrated Employment (CIE)
  - Employment Goal
  - Nature and Scope of VR Services
- VR achieves the above by completing various assessments
  - Medical
  - Psychological
  - Situational Work Assessments / Community Based Assessments (CBAs)
  - Vocational Testing



### Step 7 Employme In SE cases, SCs At least 45 days

In SE cases, SCs will be notified once the Participant has been hired At least 45 days prior to the transition to RC supported long term support (extended services; long term job coaching)

VR Process Continued...

# Year in Review: A Look Back

State Fiscal Year 2022 (7/1/21 - 6/30/22)

#### Year in Review

#### **STATISTICS**

Referrals from Regional Centers

Certificates for Youth Entering Subminimum Wage Employment

Career Counseling, Information & Referrals Services

#### **CHALLENGES**

Rebounding from COVID

**VR Staff vacancies** 

Low resources for needed assessments



Questions

#### Contacts

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