DEP Project Summary: Understanding Labor Law Effects on IDD Employment

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Research Strand: Employment Landscape

What are we Studying?

This study examines how changes to minimum wage laws and elimination of subminimum wage provisions affect employment outcomes for adults with Intellectual and Developmental Disabilities (IDD).

Why are we Studying this Issue?

Adults with IDD are disproportionately affected by wage policy changes and have historically been overrepresented in subminimum wage jobs under Section 14(c) of the Fair Labor Standards Act. As governments consider raising minimum wages and eliminating 14(c) provisions, policymakers need reliable evidence about these impacts. Population surveys cannot accurately identify adults with IDD, creating a critical gap in our understanding of how wage policies affect this population.

How will we Study this Issue?

We will use Social Security Administration data tracking monthly employment and earnings for every adult with IDD receiving SSI nationwide from 2010 to 2019. We will compare employment outcomes in states that changed their labor laws with those that did not, using advanced statistical methods to identify the causal effects of these policy changes. We will examine multiple employment measures including work participation, earnings levels, and benefit status changes.

How will this Study Impact Disability Employment Policy?

This study will provide the first reliable evidence on how minimum wage increases and subminimum wage elimination specifically affect adults with IDD. The findings will help federal, state, and local policymakers design effective wage policies and employment services that support competitive employment opportunities for people with IDD.

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