

May 6, 2026

**New York Association on Independent Living (NYAIL)
Testimony to the Senate Standing Committee on Disabilities
and
Senate Standing Committee on Labor
Regarding Improving Employment Outcomes for People with Disabilities**

Thank you for the opportunity to submit testimony on behalf of the New York Association on Independent Living (NYAIL). I am Blaise Bryant, Communications Specialist for NYAIL. We are a nonprofit Association consisting of 41 member Independent Living Centers (ILCs) which are cross-disability organizations run by and for people with disabilities. Our statewide network of Independent Living Centers works with tens of thousands of New Yorkers with disabilities each year, supporting their right to live, work, and participate fully in their communities.

New York has long articulated a commitment to Employment First, yet our statutes still permit practices that undermine that commitment. Today, we urge the Legislature to take several essential steps to improve the employment services landscape for people with disabilities:

1. **End the practice of paying people with disabilities below the minimum wage** by passing A.1006-B (Steck) / S.28-C (Skoufis).
2. **Expand opportunities for customized employment for people with disabilities** as modeled by ACCES-VR's Subminimum Wages to Competitive Integrated Employment (SWTCIE) pilot program.
3. **Restore the right of state workers with disabilities to seek redress in federal court** by passing A.2589-A (Kelles) / S.726-A (Sanders).
4. **Reform the ACCES-VR contracting, referral, and payment structures** to better support community based organizations delivering employment services, ultimately resulting in greater employment outcomes for people with disabilities.
5. **Adopt a 7 percent hiring goal for disabled workers in state contracting** to expand competitive integrated employment opportunities

These reforms are overdue, evidence-based, and aligned with New York's stated values.

I. End Subminimum Wage Employment in New York (A.1006-B / S.28-C)

According to the U.S. Department of Labor, at least 23 entities in New York still hold Section 14(c) certificates, allowing them to pay disabled workers less than the minimum

wage. Many of these workers perform “production style work without meaningful interaction with non-disabled colleagues, remaining segregated from the community.” This model is outdated, inequitable, and inconsistent with modern disability employment policy.

Evidence from Other States Shows Improved Outcomes

Research published in the *JAMA Forum* (November 2024), which found that repeal of Section 14(c) in Maryland and New Hampshire led to improved employment-related outcomes for people with cognitive disabilities. These findings reinforce what disability advocates have long known: when states invest in individualized assessment and job matching through models like customized employment, people with disabilities succeed in competitive, integrated jobs.

At least 16 states have already eliminated subminimum wage, and four more have no active certificates. New York is falling behind.

We understand the valid concerns from family members of those disabled workers who are working in subminimum wage workshop settings there would be nothing their family member could do. This could not be further from the truth. NYAIL, in conjunction with ACCES-VR administers the Subminimum Wages to Competitive Integrated Employment (SWTCIE) pilot program, which has been successful in placing disabled workers in jobs that pay at or above minimum wage. SWTCIE utilizes a customized employment model that features a longer and individualized discovery process not present in other employment supports. This vital program is only funded through September 2027. As the cost to exist continues to increase it is more important than ever we provide greater employment opportunities for people with disabilities.

II. New York’s Employment Data Confirms the Need for Reform

The 2025 [report](#) from the Office of the State Comptroller, “*Despite Labor Force Gains, Disparities Remain for Workers with Disabilities*,” provides critical context for this legislation. Key findings include:

1. Labor force participation is improving—but still far too low.

- The labor force participation rate for New Yorkers with disabilities rose 4.6 percentage points between 2019 and 2024, bringing it to 28.8%.
- Despite improvements, it was less than less than half the rate of people without a disability, 69.9%.

2. Employment disparities persist across every demographic group.

- Disabled workers in New York experience higher unemployment, lower wages, and greater job instability than nondisabled workers.
- Disabled New Yorkers are twice as likely to work part-time involuntarily.

3. Wage inequities remain significant.

- Median annual earnings for disabled workers are approximately \$20,000 lower than for nondisabled workers.
- Disabled workers are overrepresented in low-wage occupations and underrepresented in higher-paying sectors.

4. Structural barriers—not individual capacity—drive these disparities.

The Comptroller’s report emphasizes that disparities persist even when controlling for education, demonstrating that the issue is systemic, not individual.

These findings underscore the urgency of ending subminimum wage employment. New York cannot close its disability employment gap while allowing a system that legally sanctions paying disabled workers pennies on the dollar.

III. Waive State Sovereign Immunity Under the ADA and Section 504 (A.2589-A / S.726-A)

Due to the *Garrett* Supreme Court decision, state employees with disabilities cannot sue their employer in federal court for monetary damages, even when the state violates the ADA or Section 504. As the document states, “State government must be held to the same standard as businesses, schools, cities, counties, towns, villages, and private employers.” Passing this legislation is a critical step toward New York truly becoming an Employment First state.

IV. Reform ACCES-VR service delivery system

ACCES-VR’s current service delivery and contracting structure creates significant barriers to effective employment outcomes for people with disabilities. Core Rehabilitative Services (CRS) contracts are structured in a way that makes it especially difficult for small nonprofit providers, including Independent Living Centers, to participate. There is no upfront funding, and approval for service units does not guarantee payment, as funding is contingent on referrals from local District Offices. This uncertainty makes it difficult for organizations to maintain the staff capacity necessary to deliver timely and effective services. Additionally, when providers exhaust their approved units, consumers must be referred elsewhere, undermining continuity of services and limiting genuine consumer choice in selecting an employment provider.

These structural challenges are reflected in outcomes. [Federal monitoring](#) by the Rehabilitation Services Administration found inefficiencies in ACCES-VR’s case management processes that delay service coordination following IPE development, and noted that over half of participants exited after receiving individualized plans for employment (IPE) services without achieving employment. At the same time, ACCES-VR has been unable to align contract rates with OPWDD, further constraining provider capacity. As of 2022, fewer than one-quarter of individuals served achieved employment at exit—nearly 21 percent below the national average—indicating a system in need of significant reform to better support competitive, integrated employment outcomes.

V. Increase employment opportunities for people with disabilities by setting a 7% hiring goal for state agencies, contractors, the legislature, and the judiciary, as was implemented at the federal level by the Obama administration.

One of the primary goals of the Americans with Disabilities Act was to significantly increase employment opportunities for people with disabilities. Yet the employment rate, which is roughly 29%, has not been significantly improved over the three decades since the ADA became law. It is clear that more needs to be done to tackle discrimination. According to statistics calculated by the Cornell University Yang-Tan Institute using the U.S. Census Bureau's 2023 American Community Survey (ACS) data, New York's disability employment rates rank at an abysmal 46 out of 53 U.S. states and territories. New York could be a leader in the hiring of people with disabilities by setting a hiring goal of seven percent for the state legislature, state agencies (including SUNY and CUNY), state subcontractors earning over \$10,000, and state courts with 50 or more employees. While there is currently no bill in New York, there is past legislation (A.2458 (Epstein) and S.1125 (Skoufis) of 2023) mandating the adoption of this minimum standard which would create more supportive, disabled-lead partnerships in New York.

Conclusion and Legislative Recommendations

The testimony above demonstrates that New York's disability employment challenges are not the result of individual capacity, but of outdated policies, weak accountability mechanisms, and structural failures within state systems intended to support employment. Taken together, the evidence in Sections I through V makes clear that incremental change is insufficient.

Accordingly, NYAIL urges the Legislature to take the following actions:

- **End subminimum wage employment by passing A.1006 B (Steck) / S.28 C (Skoufis).** Eliminating Section 14(c) certificates is essential to closing wage gaps, reducing segregation, and aligning New York with national best practices and its stated Employment First values. The data clearly show that maintaining a subminimum wage option perpetuates inequity and stalls progress.
- **Expand opportunities for customized employment** by investing in and extending models that have already proven effective, particularly ACCES-VR's Subminimum Wages to Competitive Integrated Employment (SWTCIE) pilot program. NYAIL, in conjunction with ACCES-VR, administers SWTCIE, which has successfully supported individuals with disabilities in obtaining competitive, integrated employment at or above the minimum wage. However, this vital program is only funded through September 2027. As the cost of living continues to rise, sustained and expanded funding for customized employment approaches is critical to ensuring real pathways to work as New York phases out subminimum wages.
- **Restore accountability for disability rights violations in state employment by passing A.2589 A (Kelles) / S.726 A (Sanders).** Without the ability to seek redress

in federal court, disabled state employees are denied equal protection under the ADA and Section 504, undermining New York's credibility as an Employment First state.

- **Reform ACCES-VR contracting, referral, and payment structures**, to ensure that providers—particularly community-based nonprofit organizations and Independent Living Centers—can sustainably deliver employment services. This includes addressing the lack of upfront funding, referral-dependent payment models, unit exhaustion issues that disrupt consumer choice, and persistently low employment outcomes identified through federal monitoring.
- **Adopt a 7 percent hiring goal for disabled workers in New York State** to expand competitive integrated employment opportunities and promote meaningful partnerships with disability-led organizations. Establishing a clear, enforceable benchmark would signal serious statewide commitment to inclusive employment practices.

New Yorkers with disabilities deserve the same wages, rights, and opportunities as everyone else. The data is clear, the national trend is clear, and the moral imperative is clear. It is time for New York to lead.

Thank you for your consideration.

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