DATA NOTE

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TRENDS IN SUBMINIMUM WAGE EMPLOYMENT FROM 2021 TO 2026 PART 2

By Alison White, Agnes Zalewska, & Ryan Wedeking

These data were compiled from the list of 14(c) certificate holders published by the US Department of Labor, Wage and Hour Division on April 1, 2021 and April 1, 2026.

DataNote #110 is Part 2 of a 2-part series with DataNote #108 (Part 1) Section 14(c) of the Fair Labor Standards Act authorizes employers to pay certain employees with disabilities less than minimum wage (also known as subminimum wage). In recent years, more and more states have questioned the underlying assumptions and use of section 14(c).[1]

Number of 14(c) workers

Part 2 of this DataNote series focuses on the number of employees who work for subminimum wage, and how that number has changed over time across states.

Consistent with the drop in the number of 14(c) employers between April 2021 and April 2026, the number of 14(c) workers declined from an estimated 83,929 workers to an estimated 33,724 workers in April of 2026.[2] This is a particularly interesting finding when we compare the percentage by which the total number 14(c) workers dropped (60%) to the percentage drop in the total number of 14(c) certificate holders (50%) during this period.

The difference in the magnitude of these changes suggests that, as of 2026, there are fewer workers earning subminimum wage under each active 14(c) certificate. The average number of 14(c) workers per 14(c) certificate holder fell from approximately 65 employees in April 2021 to about 54 employees in April 2026.

There is substantial state-to-state variation in the number of 14(c) workers (Table 1).
As of April 2026:

- 14 states and the District of Columbia (n = 15) reported that they did not have any 14(c) workers
- 7 states reported that they each had over 2,000 14(c) workers

We can differentiate the level of state's engagement in subminimum wage employment by looking at the number of 14(c) workers for every 100,000 people in a state's total population. For example, among the states that reported any 14(c) workers (n = 35):

- 14 had fewer than five workers for each 100,000 people in their total population
- 2 states had over 50 workers for every 100,000 people in their total population

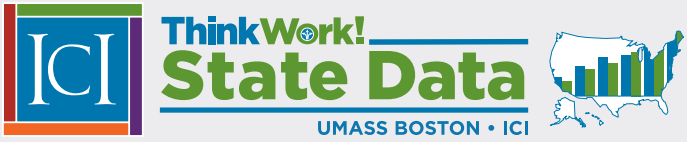
[1] United States Government Accountability Office, Subminimum wage program: Employment outcomes and views of former workers in two states: Report to congressional requesters (2025). Washington, DC.

[2] We used the mean number of employees only for issued certificates in each state to estimate the total number of workers in the state who were earning subminimum wage.

Table 1. Number of 14(c) Workers by State in April 2026

State	Total issued * certificates	Reported 14(c) workers	14(c) workers per 100k state population**
AK	0	0	
AL	1	56	1.1
AR	36	1,619	52.0
AZ	19	665	10.4
CA	9	345	0.9
CO	0	0	
CT	11	463	13.8
DC	0	0	
DE	0	0	
FL	9	338	1.4
GA	3	130	1.2
HI	0	0	
IA	2	102	3.1
ID	5	124	6.1
IL	53	2,701	23.4
IN	14	768	11.0
KS	13	551	21.9
KY	20	707	16.2
LA	2	22	0.5
MA	2	13	0.2
MD	0	0	
ME	0	0	
MI	10	742	8
MN	47	2,646	45
MO	78	3,206	56.97
MS	3	147	4.98
MT	2	48	4.19
NC	25	966	8.63
ND	1	41	5.13
NE	2	132	6.54
NH	0	0	
NJ	30	2,080	23.34
NM	1	48	2.26
NV	2	111	3.38
NY	20	1,217	6.4
OH	39	2,731	24.86
OK	40	1,296	33.98
OR	0	0	
PA	44	3,191	24.43
RI	0	0	
SC	0	0	
SD	3	32	3.42
TN	0	0	
TX	26	2,023	7.21
UT	6	374	10.57
VA	3	58	0.65
VT	0	0	
WA	0	0	
WI	42	2,219	37.15
WV	1	29	1.64
WY	0	0	
Total	**591**	**31,941**	**9.87**

* Due to the small number of pending certificates in 2026 (approx. 5%, n = 33), they have been removed from the calculation of 14(c) workers per certificate.
** Population data is from the 2025 American Community Survey, the most recent data available at the time of publication.



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