

Do Wage Floors Reroute Adults with Disabilities Across the Safety Net?

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Abstract

State minimum wages and Social Security disability-benefit receipt have risen together for four decades, a co-movement usually attributed to employment displacement of adults with disabilities. Using the Survey of Income and Program Participation for 2018 to 2024, we examine whether the joint variation in state minimum wages and state repeal of Section 14(c) subminimum-wage authority is associated with safety-net participation, and whether the association differs for adults with long-standing disability. In the pooled population, a higher minimum wage is associated with modestly higher SSI receipt and with receipt of a larger number of benefit programs, but the share of adults whose Social Security receipt is classified as disability-based is unrelated to the minimum wage. Adults with long-standing disability do not respond differently from other adults: the difference between the two groups in how benefit receipt moves with the joint policy is near zero on every outcome, and repeal is not associated with a detectable change in benefit receipt among adults with disabilities at any minimum wage between \$7.25 and \$15.00.

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I Introduction

Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) pay more than \$200 billion per year to adults with disabilities, and receipt has risen alongside state minimum wages for four decades, a pattern first documented by Autor and Duggan (2003) and reproduced for later periods by Duggan and Goda (2020), Regmi (2024), and Kim, Kondratjeva, and Sevak (2025). The usual interpretation is employment displacement: higher wage floors reduce demand for workers whose productivity falls below the floor, and some of those workers move onto the disability rolls. Recent evidence sits uneasily with this reading. Yin, Seo, and Vu (2024) find no detectable effect of state Section 14(c) subminimum-wage repeal on employment or labor-force participation among adults with disabilities, and O’Neill, Manandhar, and Kruse (2026) report similar nulls in the American Community Survey for both minimum-wage increases and 14(c) repeal. If wage floors are related to disability-benefit receipt but not to disability employment, the link may operate through a channel other than displacement. In this paper, we examine how reallocation across programs whose eligibility rules respond differently to earnings.

Two policies determine the effective wage floor for adults with disabilities together. The standard state minimum wage applies to all workers; Section 14(c) of the Fair Labor Standards Act permits employers holding a federal certificate to pay workers with disabilities a productivity-adjusted rate below it. Where a state has repealed 14(c), a minimum-wage increase raises the effective floor for adults with disabilities by more than it would where 14(c) remains in force, so the interaction of the two policies is the natural source of variation. The reallocation channel follows from program rules: SSI is means-tested on current earnings, whereas SSDI eligibility rests on covered work history, so an earnings increase can end SSI eligibility while leaving SSDI eligibility intact.

We use the Survey of Income and Program Participation (SIPP) for 2018 to 2024, restricted to adults ages 18 to 79, and estimate three sets of specifications. The first analyzes the correlation between program-participation outcomes and the log state minimum wage, a state 14(c)-repeal indicator, and their interaction, with state and year fixed effects, on the pooled sample, within six age bands, and among adults with long-standing disability within demographic groups. The second

adds long-standing disability status and its interactions in a triple-difference specification and evaluates the composite repeal association for adults with disabilities at minimum-wage anchors from \$7.25 to \$15.00. The third uses the single-policy specifications used in the earlier literature.

In the full population, a higher minimum wage is associated with slightly higher SSI receipt and with receipt of more benefit programs, but not with the share of adults receiving disability-classified Social Security, in any specification. Adults with long-standing disability are far more likely to receive benefits, but their receipt does not move with the joint policy any differently from other adults', and among adults with disabilities repeal goes with no detectable difference in receipt at any minimum wage between \$7.25 and \$15.00. Within age bands the minimum-wage by repeal interaction is imprecise at every age, and estimates by race and ethnicity, education, sex, and Disability Innovation Fund status are scattered in sign and rest on small cells.

To put it differently, do wage floors reroute adults with disabilities across the safety net? We find no detectable evidence in the samples used. Where minimum wages rose, SSI receipt rose slightly across the whole adult population, by about 0.14 percentage points for each 10 percent increase in the minimum wage, or about 1.1 points across the \$7.25-to-\$15.00 range against a baseline of 3 percent. Adults with disabilities did not move onto or off SSI, disability-classified Social Security, or Medicaid any differently from other adults, whether or not their state had repealed 14(c).

The results offer little support for the displacement channel, since the SSDI-classified share does not move with the minimum wage, and little evidence of a program-reallocation channel specific to adults with disabilities. Several features of the setting limit what the design can detect. Nine repeal states contribute 35 state-year cells in the panel behind the tables, two of them at the federal floor throughout, and three further states with repeals in effect are coded as never-repealed in that panel. Section 14(c) certificates cover roughly 40,600 workers nationally, against 323,052 person-months with long-standing disability in the sample, so any response concentrated among certificate workers is heavily diluted in a disability-wide comparison. And repeal states adopted other redistributive policies at above-average rates.

The paper relates to three literatures. Work on minimum wages and disability insurance (Au-

tor and Duggan 2003; Duggan and Goda 2020; Regmi 2024; Kim, Kondratjeva, and Sevak 2025) reads the aggregate co-movement as displacement; the present estimates do not reproduce the SSDI co-movement in the 2018 to 2024 SIPP. The null disability interactions are in line with the employment nulls in Yin, Seo, and Vu (2024) and O’Neill, Manandhar, and Kruse (2026). The program-substitution literature (Deshpande, Gross, and Su 2021; Deshpande and Mueller-Smith 2022) documents movement across programs when eligibility rules change directly; the earnings changes at issue here appear too small, or too diffusely targeted, to produce a detectable analogue.

Section II presents the framework, Section III the institutional setting, Section IV the data, and Section V the empirical strategy. Section VI reports results, Section VII discusses them, Section VIII considers policy implications, and Section IX concludes.

II Conceptual Framework

Program participation depends on earnings, on eligibility given those earnings, and on the relative attractiveness of each program conditional on eligibility. This section sketches how the two wage-floor policies jointly shift the earnings-eligibility frontier and why the response might vary with age.

A Earnings, Section 14(c), and the Effective Wage Floor

Let $\pi \in (0, 1]$ denote the productivity of a worker with a disability relative to a non-disabled worker in the same task and w the standard state minimum wage. With 14(c) in force a certificate holder may pay πw ; after repeal the employer must pay at least w . If πw falls below the employer’s reservation wage w_R for filling the position, repeal removes the position; if π is close to one, repeal raises earnings from πw to w , a small change in levels that may nonetheless cross program thresholds. An increase in w raises the earnings of workers who remain employed at the floor, with pass-through π under 14(c) and one-for-one after repeal. The interaction of w with repeal status therefore implies a larger earnings change for adults with disabilities in repeal states, which is the variation

the empirical design uses.

B Program Eligibility and Earnings

SSI is means-tested on individual and household earnings and assets; the federal benefit falls by fifty cents per dollar of earnings above a disregard, and eligibility ends when countable income and resources exceed the threshold. SSDI requires forty quarters of covered employment, twenty within the ten years before onset, and imposes no earnings test below the substantial gainful activity (SGA) threshold. TANF is means-tested with tighter thresholds and a dependent-child requirement. An earnings increase that carries an SSI recipient above the threshold ends SSI eligibility; if the recipient has sufficient work history, SSDI eligibility is unaffected. The framework thus allows for movement from SSI toward SSDI among adults with work history and exit among adults without it. If the first group were large enough, disability-classified receipt could rise in the aggregate without new entry onto the rolls.

C Age Heterogeneity

Two institutional features suggest age heterogeneity. Section 14(c) certificates have historically covered training-wage and transitional employment at the school-to-work transition, so young adults with milder disabilities are the group most directly exposed to repeal. Workers at ages 45 to 54 have accumulated more chronic conditions than prime-age workers, have weaker labor-force attachment, and face a shorter horizon to retirement, so a higher effective floor may make borderline limitations more likely to become the basis of a claim. Prime-age adults have stronger attachment, workers at 55 to 64 who would claim have largely done so before the sample opens, and adults 65 and older have moved to Medicare and retirement benefits. The framework therefore suggests, without requiring, responses concentrated at ages 18 to 24 and 45 to 54; Section VI.C examines whether the estimates display this pattern.

D Self-Reported Health

Adults who move from SSI to SSDI receive larger benefits (about \$1,500 per month on average, against a federal SSI benefit of \$967 plus an average state supplement of about \$30) and face fewer means-test constraints on partial work. If the benefit differential eases financial strain, measures that respond to strain might improve while measures that reflect the underlying condition would not; the planned BRFSS extension (Section IV.C) is designed to test this, and no health outcomes are reported in this draft.

III Institutional Background

A Section 14(c)

Section 14(c) of the Fair Labor Standards Act of 1938 permits an employer holding a federal certificate to pay workers with disabilities the standard minimum wage multiplied by an assessed productivity ratio. Certificates have covered two settings: sheltered workshops, which employ adults with severe disabilities in supervised production at rates that have ranged from below one dollar per hour to just under the standard floor, and training-wage arrangements, which place adults with milder disabilities in transitional employment at roughly 75 to 90 percent of the minimum wage and are concentrated at ages 18 to 24. Certificate volume fell from about 424,000 workers in 2001 to about 40,600 in 2024, and sheltered-workshop enrollment from about 240,000 in 2010 to fewer than 70,000 by 2024; Cimera (2011, 2018) finds no advantage of sheltered over supported employment in later competitive-employment outcomes, though selection into sheltered settings is not fully addressed. The Department of Labor proposed a three-year federal phase-out on December 4, 2024 (89 FR 96466) and withdrew it on July 7, 2025, citing a lack of statutory authority; federal certificates continue to be issued.

State repeal has run ahead of federal action. The policy panel behind the tables codes nine states with a repeal in effect by 2024, dated by the year the repeal took effect: Alaska (repeal of regulation

8 AAC 15.120, 2018), Maine (LD 1874, 2020), Maryland (HB 420, enacted 2016 with the phase-out complete in 2020), Hawaii (SB 793, 2021), Washington (ESSB 5284, 2021), Rhode Island (H 7511, 2022), Tennessee (SB 2042, 2022), Oregon (SB 494, enacted 2019 and effective 2023), and South Carolina (S 533, enacted 2022 and effective 2023) (Figure 1, Panel A). The indicator equals one from the first calendar year in which the repeal is in effect and zero otherwise. Three states that a corrected calendar, assembled after the tables were produced, classifies as repeal states are coded as never-repealed in the panel behind the tables: New Hampshire (SB 47, effective 2015, before the sample window, and with no certificate workers at the time of repeal according to Kakara, Bair, and Venkataramani 2024), Vermont (no subminimum-wage employment since its last sheltered workshop closed in 2002, a case Yin, Seo, and Vu 2024 exclude), and Delaware (HB 122, effective January 2024). On the corrected calendar New Hampshire and Vermont are treated throughout the window and Delaware in 2024 only; the tables have not yet been re-estimated on it. Texas and Illinois, which eliminated subminimum wages only for state-use contracts, are coded as never-repealed in both calendars. Repeal timing is loosely related to the partisan composition of state legislatures, and repeal states have adopted other disability-related and redistributive policies at above-average rates, which is one reason to read the estimates below as associations.

B State Minimum-Wage Variation

The panel records the state statutory minimum wage, which ranges from \$5.15 to \$17.50 across the 357 state-year cells for 2018 to 2024 (Table 1, Panel B); its unweighted mean across states rose from \$8.62 in 2018 to \$10.78 in 2024, about 0.22 log units, and 108 of the 357 cells record an increase of at least five percent and twenty-five cents over the prior year, the admissibility criteria of Clemens, Gentry, and Meer (2025). Estimation uses the continuous log minimum wage rather than the event indicator. The \$5.15 floor is the statutory rate in Georgia and Wyoming, where the federal \$7.25 binds for covered workers; the panel records the federal rate for those two states through 2022 and the statutory rate in 2023 and 2024, so four of the 357 cells understate the binding floor by about 0.34 log units. A corrected series that substitutes the federal floor where it binds ranges from \$7.25

to \$17.50, with an unweighted mean of \$10.86 in 2024, and will be used when the tables are re-estimated. Repeal states differ in minimum-wage exposure: Washington raised its floor from \$11.50 to \$16.28 over the window (about 0.35 log units) and Alaska from \$9.84 to \$11.73 (about 0.18), while Tennessee and South Carolina remained at the federal \$7.25 throughout, so the interaction of the two policies is identified from the seven repeal states with floors above the federal minimum (Figure 1, Panel B).

C Program Eligibility

Section II summarized the eligibility rules; the operative parameters are as follows. SSDI requires forty quarters of covered employment, twenty within the ten years before onset, and permits earnings up to the SGA threshold (about \$1,620 per month in 2025) without loss of eligibility; the benefit depends on average indexed monthly earnings under a progressive replacement schedule. The federal SSI benefit is \$967 per month in 2025, most states add a supplement, benefits fall by one dollar for every two dollars of earnings above \$85 per month, and eligibility ends once countable resources exceed \$2,000 for individuals or \$3,000 for couples. TANF is state-administered cash assistance for families with dependent children, with tighter income limits and work requirements.

IV Data

The estimates use the SIPP person-month file for 2018 to 2024 merged to a state-year policy panel.

A SIPP

The 2018 redesign of SIPP introduced a continuous panel with a disability battery that is consistent from 2018 forward. We use the 2018 to 2024 waves, including the 2025 release that covers reference year 2024, and restrict to adults ages 18 to 79 with a positive person weight and non-missing age group and state minimum wage. The analytic file contains 1,878,576 person-months, of which 323,052 report a long-standing disability and 1,555,524 do not; 461,522 report at least one of the

six functional limitations in the ACS-style battery (Table 1, Panel A). Mean age is 46.4, 51.1 percent of person-months are female, 3.0 percent report SSI receipt, and 14.3 percent report Medicaid coverage. Regression samples vary with outcome availability, from 1,655,543 person-months for the SSDI-classified share to 1,861,869 for SSI receipt (Table 2).

The long-standing-disability screen, which asks whether the respondent has a long-standing physical, mental, or emotional condition that affects work or daily activity, is the group indicator in the triple-difference specification. Outcomes are SSI receipt in any month of the year; an indicator equal to one if the respondent receives Social Security classified as disability-based and zero otherwise, labeled the SSDI-classified share in the tables; TANF, SNAP, and Medicaid receipt; an indicator for receipt of any of these five benefits; the count of the five benefits received; joint SSI and Medicaid receipt; joint SNAP and TANF receipt; receipt of both SSI and disability-classified Social Security; and receipt of neither. The disability-classification indicator is defined for recipients and non-recipients alike, which is why its regression sample (1,655,543 person-months in Table 2) is close to the SSI sample; about 26 percent of person-months report any Social Security receipt and about 5 percent carry disability-classified receipt (unweighted), so its coefficients are changes in the population share with disability-classified receipt rather than in the share among recipients. Controls are marital status, sex, Black, Hispanic, and age-group indicators; regressions use SIPP person-month weights and cluster standard errors by state. Six age groups partition the sample: 18 to 19, 20 to 24, 25 to 44, 45 to 54, 55 to 64, and 65 to 79.

B Policy Panel

The policy panel records the state statutory minimum wage and the 14(c)-repeal indicator by state and year for the fifty states and the District of Columbia. The log statutory minimum wage is the continuous treatment, with the four Georgia and Wyoming cells noted in Section III.B entering at the statutory rather than the binding rate. Repeal takes the value one in 35 of the 357 state-year cells, all in the nine states listed in Section III.A; New Hampshire, Vermont, and Delaware enter as never-repealed.

C Planned Extensions

Two components of the research plan are not yet estimated and are not reported here: self-reported health outcomes (days of poor mental and physical health, activity limitation, diagnosed depression, sleep, smoking, body-mass index, and binge drinking) from the Behavioral Risk Factor Surveillance System for 2013 to 2024, whose six-item disability module matches the SIPP functional battery; and discrete-time hazards of new disability identification and new program receipt on the at-risk sample of person-years with a prior-year value of zero.

V Empirical Strategy

The design builds on the disability-status triple difference that Yin, Seo, and Vu (2024) apply to employment outcomes, comparing repeal to non-repeal states, years before to years after repeal, and adults with to adults without long-standing disability, and adds the log state minimum wage as a continuous second policy dimension. Because 14(c) applies only to workers with disabilities, differencing against adults without disabilities in the same state-years removes wage-floor effects common to both groups.

The two-policy specification is

$$y_{ist} = \beta_1 \ln MW_{st} + \beta_2 SW_{st} + \beta_3 \ln MW_{st} \cdot SW_{st} + \gamma' X_{ist} + \alpha_s + \alpha_t + \varepsilon_{ist}, \quad (1)$$

where y_{ist} is an outcome for person-month i in state s and year t , SW_{st} is the repeal indicator, X_{ist} contains the controls, and α_s and α_t are state and year effects. The coefficient β_1 is the minimum-wage association in non-repeal state-years, and β_3 measures how that association differs where 14(c) has been repealed. Because the interaction enters with the log minimum wage, β_2 alone is the repeal association at a minimum wage of one dollar and is not interpretable on its own; the repeal association at a prevailing minimum wage m is $\beta_2 + \beta_3 \ln m$. We estimate equation (1) on the pooled sample (Table 2, Figure 2), and single-policy versions with only the minimum wage or

only repeal mirror the earlier literature (Table 3, Panel B).

The triple-difference specification adds the long-standing-disability indicator D_i and its interactions:

$$y_{ist} = \beta_1 \ln MW_{st} + \beta_2 SW_{st} + \beta_3 D_i + \beta_4 \ln MW_{st} \cdot SW_{st} + \beta_5 \ln MW_{st} \cdot D_i + \beta_6 SW_{st} \cdot D_i + \beta_7 \ln MW_{st} \cdot SW_{st} \cdot D_i + \gamma' X_{ist} + \alpha_s + \alpha_t + \varepsilon_{ist}. \quad (2)$$

The coefficient of interest is β_7 , the extent to which the minimum-wage by repeal interaction differs for adults with disabilities. Equation (2) is estimated on the pooled sample (Tables 4 and 5). The composite repeal association for adults with disabilities at minimum wage m is $\beta_2 + \beta_6 + (\beta_4 + \beta_7) \ln m$, which we evaluate at \$7.25, \$9.00, \$12.00, and \$15.00 (Table 5, Panel B; Figure 3). To examine heterogeneity, we also estimate equation (1) within each of six age bands with the age-group controls dropped (Table 6, Figure 4) and among adults with long-standing disability within race and ethnicity, education, sex, and Disability Innovation Fund groups (Table 7).

Interpreting β_7 as the response of adults with disabilities to the joint policy requires that, absent the policies, outcomes for adults with and without disabilities would have followed parallel paths across repeal and non-repeal state-years. State effects absorb baseline differences across states and year effects absorb national trends; the person-month file is treated as a repeated cross-section, and the specifications include neither person effects nor state-specific trends. The main residual concern is time-varying state policy or advocacy climate that co-moves with repeal timing, since repeal states also raised minimum wages and expanded other programs at above-average rates. Nine states repealed 14(c) in the window and all but one did so in 2020 or later, so the effective number of treated clusters is small; the tables report asymptotic cluster-robust standard errors in parentheses and mark significance by wild-cluster bootstrap p-values with 9,999 Rademacher replications clustered on state. Estimators designed for staggered adoption and randomization inference are queued and not yet reported (Table 3, Panel A).

VI Results

All outcomes except the benefit count are indicators (i.e. takes the value of 0 or 1), so coefficients are changes in the probability of receipt and are reported below in percentage points. Coefficients on the log minimum wage are per log unit. A 10 percent increase in the minimum wage is 0.095 log units, and an increase from the federal \$7.25 to \$15.00 is 0.73 log units, so a coefficient of 0.015 on SSI receipt means that a 10 percent higher minimum wage goes with an SSI receipt rate 0.14 percentage points higher, and a \$7.25-to-\$15.00 increase with a rate 1.1 points higher. The 95 percent intervals quoted in the text use the asymptotic standard errors; statements about significance use the wild-cluster bootstrap. Throughout, “goes with” or “is associated with” means that the two move together in the data after adjusting for state and year differences; it does not establish that one causes the other.

A Pooled Two-Policy Estimates

Table 2 reports equation (1) on the pooled sample, and Figure 2 plots the same coefficients. The log minimum wage is associated with higher SSI receipt (0.015), a higher probability of receiving any of the five benefits (0.119), and a larger benefit-portfolio count (0.135); the first two are significant at the ten-percent level and the third at five percent. In other words, a 10 percent higher minimum wage goes with an SSI receipt rate 0.14 percentage points higher, a 1.1-point higher probability of receiving at least one of the five benefits, and 0.013 more programs per adult. Across the \$7.25-to-\$15.00 range these become 1.1 points of SSI receipt, against a baseline rate of 3.0 percent (Table 1). So roughly a one-third relative increase, 8.7 points of any-benefit receipt, and about one additional program for every ten adults. On SSI receipt the repeal coefficient is -0.021 and the minimum-wage by repeal interaction is 0.013, significant at five and ten percent. Because the interaction enters with the log minimum wage, neither is interpretable on its own; together they imply that, in the population as a whole, repeal goes with an SSI receipt rate about half a percentage point higher at a \$7.25 minimum wage and about 1.4 points higher at \$15.00, implied composites that

Table 2 does not test directly (the tested composites for adults with disabilities are in Table 5). The disability-classified indicator shows no association with the minimum wage, with repeal, or with their interaction (-0.021 , 0.010 , and -0.004). The minimum-wage coefficient means that a 10 percent higher minimum wage goes with a share of adults receiving disability-classified Social Security about 0.2 points lower, and its 95 percent interval runs from 0.6 points lower to 0.2 points higher per 10 percent, so the data are hard to reconcile with any sizable rise in disability-classified receipt as minimum wages increase. Joint SSI and Medicaid receipt, joint SNAP and TANF receipt, receipt of both SSI and disability-classified Social Security, and receipt of neither likewise show no association with either policy.

Single-policy specifications that mirror the earlier literature give the same picture (Table 3, Panel B). The minimum wage alone is associated with SSI receipt (0.017 , or 0.16 points per 10 percent increase) but not with the disability-classified indicator (-0.021), and repeal alone is associated with neither (0.009 , and 0.001 ; the first says that repeal states have SSI receipt 0.9 points higher, a difference that is not significant). The co-movement of minimum wages and SSDI receipt documented by Autor and Duggan (2003) and Duggan and Goda (2020) is therefore not evident in the 2018 to 2024 SIPP. What is present is a modest positive association between the minimum wage and SSI receipt and the number of programs adults draw on.

B Adults with Long-Standing Disability

Tables 4 and 5 report equation (2) on the pooled sample, and Table 5, Panel B and Figure 3 report the composite repeal association for adults with long-standing disability at four minimum-wage anchors. The disability main effect is large, as expected: adults with long-standing disability are 13.4 percentage points more likely to receive SSI (14.3 against 0.9 percent in Table 1), 36.4 points more likely to receive disability-classified Social Security, and 56.7 points more likely to receive at least one of the five benefits (Table 5), and 48.5 points less likely to receive neither SSI nor disability-classified Social Security (Table 4). These are level differences between the two groups, present in every state and year, not responses to either policy.

The triple interaction answers the question at the center of the paper: when a state has repealed 14(c), does a higher minimum wage go with a different change in benefit receipt for adults with disabilities than for other adults? For SSI receipt the coefficient is -0.007 , which means that a 10 percent higher minimum wage in a repeal state goes with essentially the same change in SSI receipt for adults with disabilities as for adults without, a difference of less than 0.1 percentage points, with a 95 percent interval from 1.0 points lower to 0.9 points higher. For disability-classified Social Security the coefficient is -0.027 , a difference of about 0.3 points per 10 percent with an interval from 1.7 points lower to 1.2 points higher. For receipt of any of the five benefits it is 0.006, a difference of less than 0.1 points with an interval of about 1.5 points on either side. The remaining outcomes (joint SSI and Medicaid receipt, the benefit count, receipt of both programs, receipt of neither, and joint SNAP and TANF receipt) give coefficients between -0.077 and 0.009, none significant. Had repeal made adults with disabilities more likely to move onto SSDI or off SSI as the minimum wage rose, these coefficients would be clearly positive for disability-classified receipt and clearly negative for SSI receipt; they are neither. The two-way interactions are likewise near zero, with one exception: the minimum-wage by disability interaction on joint SSI and Medicaid receipt is 0.031, significant at ten percent. This means that, in repeal and non-repeal states alike, a 10 percent higher minimum wage goes with the gap in joint SSI and Medicaid receipt between adults with and without long-standing disability widening by about 0.3 points, or 2.3 points across the \$7.25-to-\$15.00 range.

The composite repeal association asks a simpler question: among adults with long-standing disability, is benefit receipt different in repeal states than in comparable non-repeal states at a given minimum wage? For SSI receipt the answer is 0.015 at every anchor from \$7.25 to \$15.00: adults with disabilities in repeal states have an SSI receipt rate 1.5 points higher than adults without disabilities in the same state-years would predict, about a tenth of the 14.3 percent baseline, but the 95 percent interval runs from roughly 2.6 points lower to 5.6 points higher at \$7.25 and from 4.8 lower to 7.8 higher at \$15.00. For disability-classified Social Security the composite is 2.6 points at \$7.25 and falls to zero at \$15.00; for any of the five benefits it ranges from 0.0 to 0.6 points, and for

joint SSI and Medicaid receipt from 3.2 to 1.6 points. None is significant at any anchor. In plain terms, a state that repeals 14(c) should not, on this evidence, expect a measurable change in the share of its adults with disabilities receiving SSI, disability-classified Social Security, Medicaid, or any benefit, whatever its minimum wage, although the intervals are wide enough that changes of a few percentage points in either direction cannot be excluded.

C Heterogeneity by Age and Demographic Group

Table 6 and Figure 4 report equation (1) within each of six age bands. The minimum-wage by repeal interaction is imprecisely estimated at every age. For SSI receipt it is 0.102 at 18 to 19, 0.023 at 20 to 24, 0.019 at 25 to 44, -0.067 at 45 to 54, 0.049 at 55 to 64, and 0.024 at 65 to 79. The largest, at 18 to 19, means that a 10 percent higher minimum wage in a repeal state goes with SSI receipt among teenagers about one percentage point higher than the same increase in a non-repeal state; the 45 to 54 estimate means about 0.6 points lower, with an interval from 1.7 points lower to 0.5 points higher. None is significant under wild-cluster bootstrap inference, and the same holds for the disability-classified indicator and for any of five benefits at every age. The only significant interaction is joint SSI and Medicaid receipt at 65 to 79 (0.021, or 0.2 points per 10 percent), where the repeal coefficient (-0.048) offsets it at observed minimum wages, so the implied repeal association at those ages is close to zero. The age concentration suggested in Section II is not evident: the 45 to 54 estimate for SSI receipt is negative but only about one standard error from zero, and the estimates at 18 to 19 and 20 to 24 are positive rather than negative. Among the minimum-wage main effects, which apply to non-repeal states, a 10 percent higher minimum wage goes with a 2.2-point higher probability of receiving any benefit at ages 25 to 44 (0.234), a 0.7-point lower share receiving disability-classified Social Security at 45 to 54 (-0.078), and 0.4 points more joint SSI and Medicaid receipt at 55 to 64 (0.038). With four outcomes and six age bands, a few results at the ten-percent level are close to what one would expect by chance, and we do not read a pattern into them.

Table 7 reports the minimum-wage by repeal interaction estimated among adults with long-

standing disability within demographic groups; each coefficient says how much more, or less, receipt moves with the minimum wage in repeal states than in non-repeal states for that group. The estimates are scattered. For non-Hispanic White adults the interaction on SSI receipt is 0.032, or 0.3 points more per 10 percent increase in repeal states, and for high-school graduates 0.040 (SE 0.019); for adults with some college it is -0.110 , or about one point less per 10 percent, accompanied by -0.089 on joint SSI and Medicaid receipt. In states with an active Disability Innovation Fund grant the interaction is 0.124 on disability-classified Social Security and 0.503 on any of five benefits, or 1.2 and 4.8 points per 10 percent, against -0.027 and -0.048 elsewhere. The signs do not line up across outcomes or groups, several cells are small, and the wild-cluster bootstrap p-values do not track the asymptotic t-ratios closely, so we treat these estimates as descriptive rather than as evidence that any group responds differently.

VII Discussion

The tabulated estimates bear on the two literatures differently than the framework anticipated. The co-movement of minimum wages and SSDI receipt documented by Autor and Duggan (2003), Duggan and Goda (2020), Regmi (2024), and Kim, Kondratjeva, and Sevak (2025) does not appear in the 2018 to 2024 SIPP; what appears is a population-wide association with SSI receipt and portfolio breadth that is not specific to adults with disabilities. Read alongside the employment nulls in Yin, Seo, and Vu (2024) and O’Neill, Manandhar, and Kruse (2026), the estimates offer little support for the displacement channel and, on the tabulated outcomes, little evidence of the program-reallocation channel either. The SSI association is consistent with several explanations, including correlated changes in state benefit generosity and outreach, which the design does not distinguish.

Several features of the setting limit what the design can detect. Nine states are coded as repealing 14(c) in the window, contributing 35 state-year cells, and two of them remain at the federal floor throughout, so the interaction is identified from seven states; New Hampshire, Vermont, and Delaware, which a corrected calendar classifies as repeal states, enter the control group (Section

III.A). Section 14(c) certificates covered about 40,600 workers nationally in 2024, whereas the long-standing-disability group comprises 323,052 person-months in the sample, so any response concentrated among certificate workers would be heavily diluted in a disability-wide triple difference. SSI receipt, the disability-classification indicator, and Medicaid coverage are survey reports subject to misclassification, and the minimum-wage measure understates the binding floor in four Georgia and Wyoming cells (Section III.B). The program-substitution results in Deshpande, Gross, and Su (2021) and Deshpande and Mueller-Smith (2022) arise from direct changes to program eligibility, which produce larger and sharper shifts in eligibility than the earnings changes at issue here. Kakara, Bair, and Venkataramani (2024) report mixed effects of 14(c) repeal on social determinants of health in New Hampshire and Maryland; the small and imprecise composite associations here are in keeping with mixed findings from two-state comparisons.

VIII Policy Implications

The estimates do not support treating state minimum-wage increases as a source of new SSDI entry among adults with disabilities in the 2018 to 2024 window. The disability-classified share is unrelated to the minimum wage, to repeal, and to their interaction, and the disability-specific composites are near zero, though imprecisely estimated. Nor do the estimates indicate that state 14(c) repeal, at any prevailing minimum wage between \$7.25 and \$15.00, is associated with a detectable change in SSI, disability-classified, or overall benefit receipt among adults with long-standing disability. The one association that appears across specifications, between the minimum wage and SSI receipt in the pooled population, is small (0.14 percentage points per 10 percent increase in the minimum wage, or 1.1 points across the \$7.25-to-\$15.00 range) and its source is not identified here. With the federal phase-out withdrawn, the policy-relevant variation remains at the state level.

IX Conclusion

This paper asks whether wage floors reroute adults with disabilities across the safety net. The short answer from the SIPP for 2018 to 2024 is: not detectably. In the pooled population, a 10 percent higher minimum wage goes with an SSI receipt rate about 0.14 percentage points higher and with slightly more programs per adult, but not with any change in the share receiving disability-classified Social Security. Adults with long-standing disability do not respond detectably differently from other adults: the difference between the two groups in how receipt moves with the joint policy is near zero on every tabulated outcome, and among adults with disabilities, living in a repeal state goes with no measurable difference in benefit receipt at any minimum wage between \$7.25 and \$15.00. Age-band and demographic estimates are imprecise and do not display the age concentration the framework suggested.

The evidence is correlational and limited by nine coded repeal states, short post-repeal windows, a repeal calendar and minimum-wage series that both require correction (Sections III.A and III.B), and a certificate population that is small relative to the disability group. Planned extensions include re-estimation on the corrected calendar and effective-floor series, the estimators queued in Table 3, the BRFSS health outcomes and onset hazards described in Section IV.C, and administrative records on SSI-to-SSDI transitions. For a state weighing a minimum-wage increase or a 14(c) repeal, the practical message is that neither policy has been accompanied, in these data, by a measurable shift of adults with disabilities onto federal disability benefits or off SSI. The one change that does appear, a small rise in SSI receipt across the whole population, is not specific to adults with disabilities, and its source remains to be identified.

Table 1. Sample composition and policy variation

Sample	N	Age	Female	SSI	Medicaid	Employed
<i>Panel A. SIPP analytic sample (person-month means)</i>						
Overall	1,878,576	46.4	0.511	0.0297	0.1429	0.9660
Long-standing disability	323,052	54.7	0.513	0.1432	0.3145	0.9078
Six-item disability	461,522	53.8	0.528	0.0979	0.2408	0.9376
Non-disabled	1,555,524	44.9	0.510	0.0088	0.1112	0.9708
<i>Panel B. Policy panel (state-years, 2018 to 2024)</i>						
State-year cells, 2018 to 2024	357					
Minimum-wage range across states	\$5.15 to \$17.50					
States repealing Section 14(c) by 2024	9					

Notes. Panel A reports person-month means in the SIPP analytic sample. Age is mean age, Female is the female share, and SSI, Medicaid, and Employed are the mean SSI-receipt, Medicaid-coverage, and reference-month employment rates. The long-standing disability stratum uses the *edisabl* flag and the six-item stratum uses the *rdisfunctional* module. Panel B summarizes the state-year policy panel that supplies minimum-wage and Section 14(c) repeal variation. Source. SIPP 2018 to 2024 including the *pu2025* wave, reference year 2024. Priority-slice run 2026-07-21. Outcomes and cells left blank were not part of the priority slice and are queued for the phase-2 rerun.

Table 2. Pooled minimum-wage and Section 14(c) effects on benefit receipt

Outcome	b_{MW}	b_{SW}	$b_{MW \times SW}$	N
<i>Panel A. Individual programs</i>				
SSI receipt	0.015* (0.008)	-0.021** (0.010)	0.013* (0.005)	1,861,869
SSDI-classified share	-0.021 (0.023)	0.010 (0.048)	-0.004 (0.019)	1,655,543
<i>Panel B. Joint portfolio and reallocation</i>				
Any of 5 benefits	0.119* (0.059)	-0.048 (0.118)	0.015 (0.048)	1,698,316
Benefit portfolio count	0.135** (0.055)	-0.081 (0.141)	0.038 (0.058)	1,861,869
SSI + Medicaid joint	0.014 (0.008)	-0.004 (0.017)	0.003 (0.008)	1,861,869
SNAP + TANF joint	0.001 (0.002)	0.003 (0.009)	-0.001 (0.004)	1,861,869
SSI and SSDI both	0.005 (0.008)	-0.003 (0.012)	0.002 (0.005)	1,655,543
Neither SSI nor SSDI	0.011 (0.021)	0.043 (0.046)	-0.020 (0.019)	1,655,543

Notes. Each row reports the pooled two-policy estimate (equation 1). b_{MW} is the coefficient on log minimum wage, b_{SW} on Section 14(c) repeal, and $b_{MW \times SW}$ on their interaction. Standard errors from the asymptotic cluster-robust covariance are in parentheses. Stars denote wild-cluster bootstrap significance (9,999 Rademacher replications, clustered on state), the primary inference given the small number of treated clusters. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. Source. SIPP 2018 to 2024 including the *pu2025* wave, reference year 2024. Priority-slice run 2026-07-21. Outcomes and cells left blank were not part of the priority slice and are queued for the phase-2 rerun.

Table 3. Robustness and single-policy literature replication

Outcome	MW alone (b_{MW})	14(c) repeal alone (b_{SW})	Literature comparison
<i>Panel A. Robustness estimator stack</i>			
<i>The robustness estimator stack (Sun-Abraham, CS-DID, BJS, dCDH, LP-DID, randomization inference) is pending the phase-2 rerun.</i>			
<i>Panel B. Single-policy literature replication</i>			
SSI receipt	0.017* (0.008)	0.009 (0.005)	Duggan and Goda (2020)
SSDI-classified share	-0.021 (0.022)	0.001 (0.007)	Duggan and Goda (2020)

Notes. Panel B reports single-policy specifications that isolate each policy lever. MW alone (b_{MW}) is the two-way fixed-effects coefficient on log minimum wage with no 14(c) term, and 14(c) repeal alone (b_{SW}) is the coefficient on Section 14(c) repeal with no minimum-wage term, matching the single-policy designs in the cited literature. Standard errors from the asymptotic cluster-robust covariance are in parentheses. Stars denote wild-cluster bootstrap significance (9,999 Rademacher replications, clustered on state), the primary inference given the small number of treated clusters. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. Source. SIPP 2018 to 2024 including the pu2025 wave, reference year 2024. Priority-slice run 2026-07-21. Outcomes and cells left blank were not part of the priority slice and are queued for the phase-2 rerun.

Table 4. Triple-difference decomposition, portfolio and reallocation outcomes

Coefficient	Benefit count	Both SSI, SSDI	Neither	SNAP + TANF
<i>Panel A. Triple-difference decomposition (pooled)</i>				
b_{MW}	0.109* (0.054)	0.004 (0.007)	0.003 (0.017)	0.001 (0.002)
b_{SW}	0.002 (0.107)	-0.004 (0.009)	-0.035 (0.030)	-0.004 (0.003)
b_{DIS}	0.631* (0.255)	0.033* (0.015)	-0.485*** (0.088)	-0.004 (0.006)
$b_{MW \times SW}$	-0.001 (0.044)	0.003 (0.003)	0.012 (0.013)	0.001 (0.002)
$b_{MW \times DIS}$	0.049 (0.121)	0.001 (0.007)	0.070 (0.041)	0.003 (0.003)
$b_{SW \times DIS}$	0.037 (0.374)	0.028 (0.043)	0.190 (0.163)	0.037 (0.057)
$b_{MW \times SW \times DIS}$	0.009 (0.175)	-0.013 (0.017)	-0.077 (0.069)	-0.013 (0.021)

Notes. Pooled triple-difference (DDD) decomposition of each portfolio and reallocation outcome. Coefficient symbols: b_{MW} log minimum wage, b_{SW} Section 14(c) repeal, b_{DIS} disability, and the two-way and three-way interactions among them. Column headers: Benefit count is the benefit portfolio count, Both SSI, SSDI is joint SSI and SSDI receipt, Neither is receipt of neither program, SNAP + TANF is joint SNAP and TANF receipt. Standard errors from the asymptotic cluster-robust covariance are in parentheses. Stars denote wild-cluster bootstrap significance (9,999 Rademacher replications, clustered on state), the primary inference given the small number of treated clusters. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. Source. SIPP 2018 to 2024 including the pu2025 wave, reference year 2024. Priority-slice run 2026-07-21. Outcomes and cells left blank were not part of the priority slice and are queued for the phase-2 rerun.

Table 5. Triple-difference decomposition and composite 14(c) effects, primary outcomes

Coefficient	SSI receipt	SSDI share	Any of 5	SSI + Medicaid
<i>Panel A. Triple-difference decomposition (pooled)</i>				
b_{MW}	0.012 (0.007)	-0.015 (0.020)	0.127* (0.063)	0.007 (0.006)
b_{SW}	-0.010 (0.019)	0.022 (0.033)	-0.024 (0.096)	-0.009 (0.016)
b_{DIS}	0.134*** (0.037)	0.364*** (0.083)	0.567*** (0.095)	0.017 (0.039)
$b_{MW \times SW}$	0.007 (0.008)	-0.010 (0.014)	0.002 (0.040)	0.004 (0.007)
$b_{MW \times DIS}$	-0.003 (0.017)	-0.055 (0.039)	-0.076 (0.045)	0.031* (0.018)
$b_{SW \times DIS}$	0.024 (0.115)	0.075 (0.183)	0.008 (0.197)	0.086 (0.109)
$b_{MW \times SW \times DIS}$	-0.007 (0.051)	-0.027 (0.077)	0.006 (0.083)	-0.026 (0.049)
<i>Panel B. Composite 14(c) effect for adults with disabilities at minimum-wage anchors</i>				
14(c) effect at MW = \$7.25	0.015 (0.021)	0.026 (0.038)	0.000 (0.053)	0.032 (0.021)
14(c) effect at MW = \$9.00	0.015 (0.020)	0.018 (0.027)	0.002 (0.039)	0.027 (0.019)
14(c) effect at MW = \$12.00	0.015 (0.025)	0.008 (0.023)	0.004 (0.033)	0.021 (0.025)
14(c) effect at MW = \$15.00	0.015 (0.032)	-0.000 (0.032)	0.006 (0.041)	0.016 (0.033)

Notes. Panel A reports the pooled triple-difference (DDD) decomposition. Coefficient symbols: b_{MW} log minimum wage, b_{SW} Section 14(c) repeal, b_{DIS} disability, and their two-way and three-way interactions. Panel B reports the composite Section 14(c) repeal effect for adults with disabilities evaluated at four minimum-wage anchors. Column headers: SSI receipt, SSDI-classified share, Any of 5 benefits, and SSI plus Medicaid joint receipt. Standard errors from the asymptotic cluster-robust covariance are in parentheses. Stars denote wild-cluster bootstrap significance (9,999 Rademacher replications, clustered on state), the primary inference given the small number of treated clusters. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. Source. SIPP 2018 to 2024 including the pu2025 wave, reference year 2024. Priority-slice run 2026-07-21. Outcomes and cells left blank were not part of the priority slice and are queued for the phase-2 rerun.

Table 6. Age heterogeneity in minimum-wage and Section 14(c) effects

Outcome	18 to 19	20 to 24	25 to 44	45 to 54	55 to 64	65 to 79
<i>Panel A. Coefficient on log minimum wage</i>						
SSI receipt	0.051 (0.047)	0.026 (0.024)	0.016 (0.016)	0.013 (0.030)	0.043 (0.025)	-0.024 (0.022)
SSDI-classified share	-0.008 (0.022)	0.020 (0.015)	0.012 (0.026)	-0.078* (0.041)	-0.049 (0.079)	-0.016 (0.029)
Any of 5 benefits	-0.002 (0.126)	0.168 (0.130)	0.234** (0.077)	-0.000 (0.095)	0.150 (0.093)	-0.001 (0.036)
SSI + Medicaid joint	0.019 (0.052)	0.015 (0.018)	0.010 (0.012)	-0.001 (0.028)	0.038* (0.018)	0.010 (0.019)
<i>Panel B. Coefficient on Section 14(c) repeal</i>						
SSI receipt	-0.207 (0.116)	-0.047 (0.030)	-0.056 (0.056)	0.190 (0.151)	-0.097 (0.047)	-0.043 (0.035)
SSDI-classified share	0.000 (0.050)	0.038 (0.118)	-0.036 (0.032)	0.026 (0.104)	0.079 (0.188)	0.004 (0.054)
Any of 5 benefits	0.199 (0.312)	-0.261 (0.263)	-0.122 (0.117)	0.016 (0.171)	0.192 (0.126)	-0.097 (0.153)
SSI + Medicaid joint	-0.106 (0.081)	-0.051 (0.019)	-0.022 (0.026)	0.201 (0.137)	-0.091 (0.040)	-0.048* (0.026)
<i>Panel C. Coefficient on minimum wage $\times$ 14(c) repeal</i>						
SSI receipt	0.102 (0.053)	0.023 (0.013)	0.019 (0.022)	-0.067 (0.059)	0.049 (0.022)	0.024 (0.014)
SSDI-classified share	-0.007 (0.021)	-0.029 (0.050)	0.020 (0.013)	-0.006 (0.043)	-0.036 (0.080)	-0.009 (0.025)
Any of 5 benefits	-0.079 (0.126)	0.116 (0.118)	0.037 (0.049)	-0.010 (0.068)	-0.088 (0.057)	0.040 (0.062)
SSI + Medicaid joint	0.053 (0.034)	0.023 (0.009)	0.006 (0.011)	-0.073 (0.053)	0.041 (0.019)	0.021* (0.011)

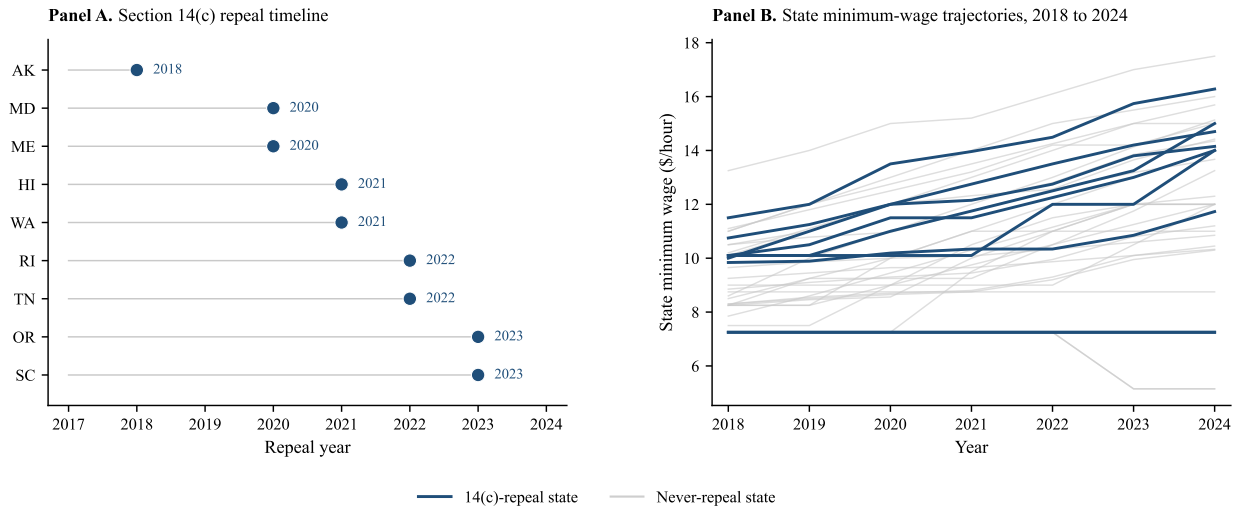
Notes. Each panel reports the coefficient from the two-policy specification (equation 1) estimated within each age band. Age bands in years span the column headers. Standard errors from the asymptotic cluster-robust covariance are in parentheses. Stars denote wild-cluster bootstrap significance (9,999 Rademacher replications, clustered on state), the primary inference given the small number of treated clusters. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. Source. SIPP 2018 to 2024 including the pu2025 wave, reference year 2024. Priority-slice run 2026-07-21. Outcomes and cells left blank were not part of the priority slice and are queued for the phase-2 rerun.

Table 7. Demographic heterogeneity in the disability-margin interaction

Group	SSI receipt	SSDI share	Any of 5	SSI + Medicaid
<i>Panel A. By race and ethnicity</i>				
Non-Hispanic White	0.032* (0.008)	-0.003 (0.020)	0.080* (0.040)	0.019 (0.009)
Non-Hispanic Black	-0.088 (0.045)	-0.075 (0.079)	-0.131 (0.172)	-0.094 (0.047)
Hispanic	0.010 (0.020)	0.038 (0.043)	-0.273 (0.091)	0.008 (0.019)
Non-Hispanic Asian	0.025 (0.109)	0.082 (0.095)	0.309 (0.174)	0.022 (0.084)
Other	-0.009 (0.061)	-0.065 (0.069)	0.195 (0.106)	0.019 (0.017)
<i>Panel B. By education</i>				
Less than HS	0.003 (0.021)	0.019 (0.076)	-0.034 (0.119)	-0.022 (0.022)
HS graduate	0.040* (0.019)	-0.047 (0.034)	0.011 (0.094)	0.037 (0.023)
Some college	-0.110** (0.073)	-0.003 (0.065)	-0.068 (0.084)	-0.089** (0.055)
4-year degree or more	0.011 (0.010)	0.016 (0.018)	0.082 (0.050)	0.014 (0.008)
Other	0.009 (0.012)	0.031 (0.023)	0.057 (0.049)	-0.001 (0.009)
<i>Panel C. By sex</i>				
Male	0.025 (0.009)	-0.024 (0.024)	-0.010 (0.056)	0.012 (0.007)
Female	0.002 (0.007)	0.019 (0.019)	0.040 (0.053)	-0.004 (0.010)
<i>Panel D. By Disability Innovation Fund status</i>				
DIF-active state	0.037 (0.036)	0.124* (0.030)	0.503* (0.231)	0.037 (0.037)
Non-DIF state	0.011 (0.009)	-0.027 (0.013)	-0.048 (0.033)	-0.003 (0.007)

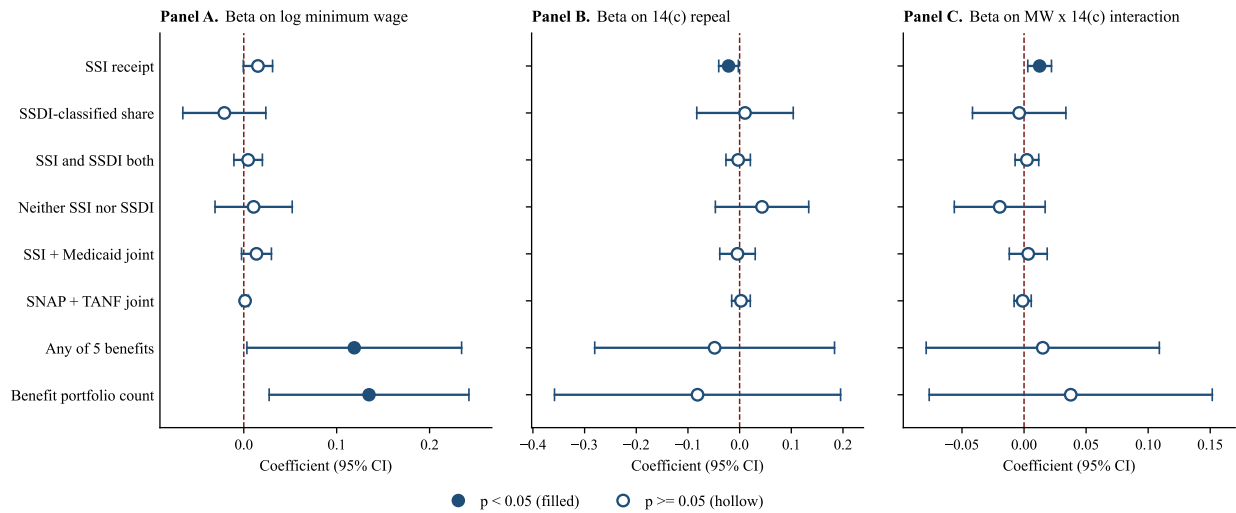
Notes. Each cell reports the disability-interacted triple-difference coefficient ($b_{MW \times SW}$ in the disability-stratified specification) with the standard error in parentheses. Column headers: SSI receipt, SSDI-classified share, Any of 5 benefits, and SSI plus Medicaid joint receipt. Groups are mutually exclusive within each panel. Standard errors from the asymptotic cluster-robust covariance are in parentheses. Stars denote wild-cluster bootstrap significance (9,999 Rademacher replications, clustered on state), the primary inference given the small number of treated clusters. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$. Source. SIPP 2018 to 2024 including the pu2025 wave, reference year 2024. Priority-slice run 2026-07-21. Outcomes and cells left blank were not part of the priority slice and are queued for the phase-2 rerun.

Figure 1. State Minimum-Wage and Section 14(c) Repeal Policy Variation, 2018 to 2024



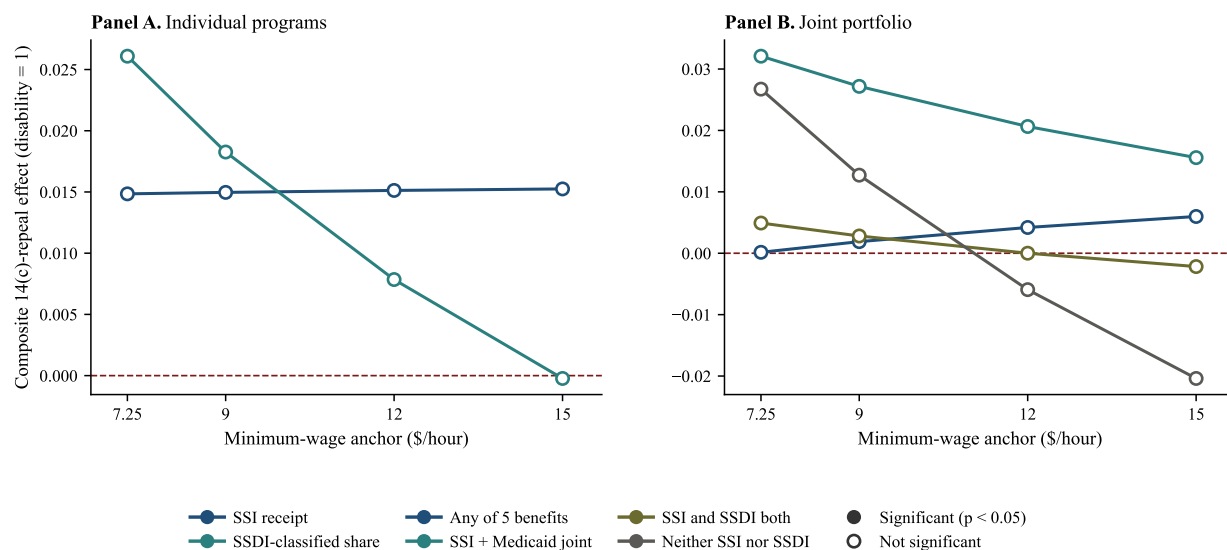
Notes. Panel A shows the year of full state Section 14(c) repeal for the nine repeal states. Panel B shows state minimum-wage trajectories from 2018 to 2024, with the nine 14(c)-repeal states in navy and never-repeal states in gray. Source: state minimum-wage panel and state Section 14(c) repeal calendar.

Figure 2. Pooled Triple-Difference Estimates for the Eight Priority Outcomes



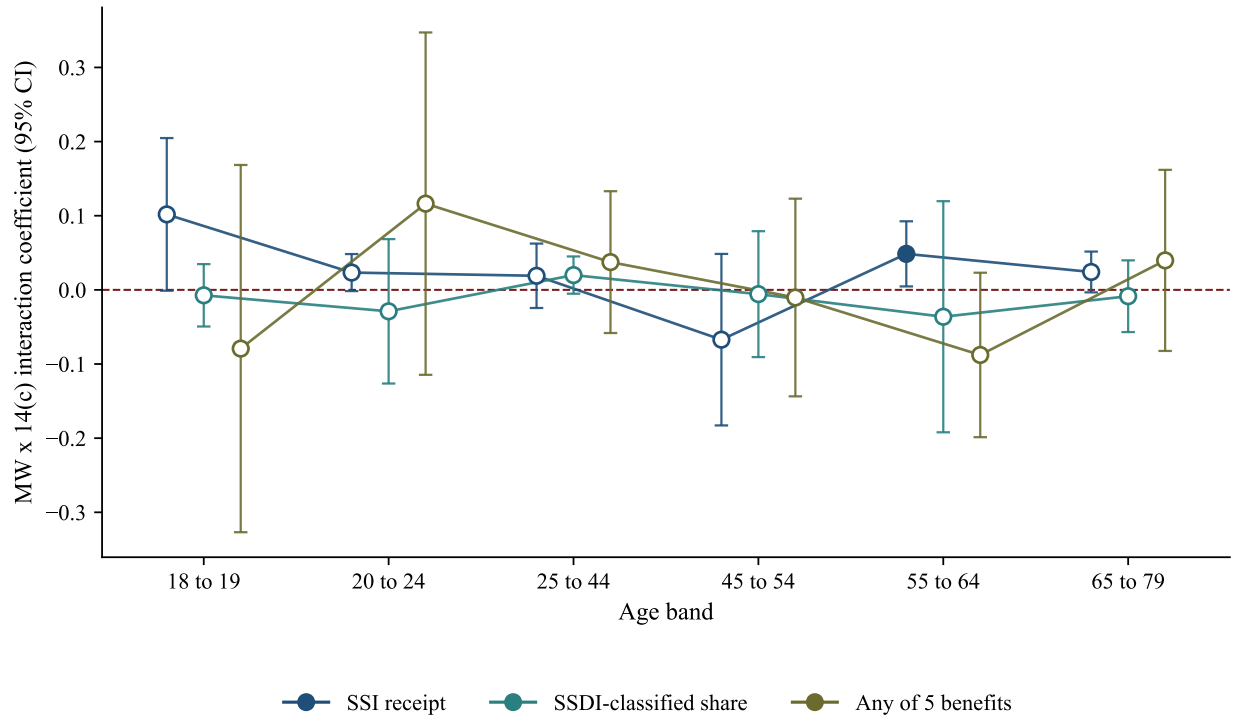
Notes. Each panel plots the pooled coefficient with its 95 percent confidence interval for the eight priority outcomes. Panel A is the log-minimum-wage coefficient, Panel B the Section 14(c)-repeal coefficient, Panel C the minimum-wage by Section 14(c) interaction. Filled markers indicate p less than 0.05 (asymptotic), hollow markers not significant. Source: SIPP 2018 to 2024.

Figure 3. Composite Section 14(c)-Repeal Effect on Adults with Disability at Four Minimum-Wage Anchors



Notes. The composite Section 14(c)-repeal effect for adults with disability, evaluated at minimum-wage anchors of 7.25, 9.00, 12.00, and 15.00 dollars per hour. Panel A shows individual programs, Panel B the joint portfolio outcomes. Filled markers indicate p less than 0.05. Source: SIPP 2018 to 2024.

Figure 4. Minimum-Wage by Section 14(c) Interaction Coefficient by Age Band



Notes. The minimum-wage by Section 14(c) interaction coefficient with its 95 percent confidence interval, estimated separately within each of six age bands, for SSI receipt, the SSDI-classified share, and any of five benefits. Filled markers indicate p less than 0.05. Source: SIPP 2018 to 2024.

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