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February 4, 2016

Testimony in Support of SB 1587: Stopping Wage Theft in Oregon
Senate Committee on Workforce and General Government
Submitted by Kate Newhall, Family Forward

Members of the Senate Workforce and General Government Committee,

Thank you for the opportunity to provide testimony in support of SB 1587. Family Forward supports enforcing wage laws, protecting workers, and collecting unpaid wages. We hope this legislation builds a foundation for comprehensive wage theft reform in 2017.

Family Forward is committed to advancing policies that support families and help them succeed, both in the workplace and at home. Our mission is to create a family-friendly Oregon where all families can be economically secure and successful in work and family obligations. Today, too many families are forced to sacrifice one or the other. Family Forward supports family friendly policies, like stopping wage theft in Oregon.

Wage theft is an epidemic that costs workers nationwide billions of dollars a year. While most employers in our communities do right by their workers, too many do not. It's time to end workplace abuses and illegal employment practices that leave too many workers and their families shortchanged.

Wage theft makes it tough for Oregon families to get ahead. For a worker earning minimum wage, getting cheated out of 30 minutes of pay each day adds up to more than \$1,400 a year. For families struggling to get by, that can be the difference between paying rent on time and facing eviction.

Wage theft happens to workers in all industries. From retail, restaurants, and grocery stores, to domestic work, construction and personal services—Oregon workers are cheated out of millions of dollars every year. Many don't report violations out of fear of retaliation. Women, people of color, immigrants, and low-wage workers are more vulnerable to wage theft.



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Laws protecting workers from wage theft aren't being enforced. Even when workers go through the difficult process of winning a wage theft claim, many never see a dime. From 2010 to 2013, Oregon employers only paid 28 percent of the stolen wages they were ordered to give back to workers. Today, many companies violate wage theft laws because they don't believe they'll be held accountable. We are glad to see a limited private right of action included in this bill and believe that it is an essential part of the solution to wage theft.

Stopping wage theft gives workers the pay they deserve. Workers can be sure they're paid what they're owed—and they aren't cheated out of the opportunity to provide for our families. It's easier to stand up to dishonest employers when workers understand the law. When they know they are protected from retaliation, workers will be more likely to speak out about this abusive practice without fear of losing our jobs.

By holding dishonest employers accountable, we can crack down on illegal employment practices and curb the race to the bottom that results in the loss of good jobs in the Oregon job market. This levels the playing field and alleviates pressure on honest employers to find other ways to cut costs and strengthens our economy.

SB 1587 gives workers more tools to expose employer wrongdoing by ensuring we have access to wage and hour records including pay stubs. Employers who deny access to such records will be held accountable. The bill makes it easier for workers to find legal help and reduces barriers to help recover the wages workers are owed. It strengthens enforcement and accountability and provides state agencies with additional tools and resources to enforce existing wage and hour laws and hold excessive and intentional offenders accountable