

For Immediate Release: September 16, 2011

Contact: Tim Bradley, 314-440-9936

## **SAN FRANCISCO ENACTS NEW LAW TO STOP WAGE THEFT**

SAN FRANCISCO – San Francisco today became the latest U.S. city to enact stricter penalties for employers who violate minimum wage and overtime laws and illegally deny workers their due wages. The wage theft law, approved unanimously by San Francisco’s Board of Supervisors and signed by Mayor Ed Lee, strengthens the city’s ability to investigate violations and increases wage protections that, [studies have shown](#), commonly elude workers in several leading low-wage industries.

“This ordinance represents a huge victory for San Francisco workers in these hard economic times. Given current political divisions, it is remarkable to see such broad consensus and overwhelming support for low-wage workers, and we hope to see it continue,” said Shaw San Liu, lead organizer of the Chinese Progressive Association (CPA). A CPA study last year [found](#) that one in two restaurant workers in Chinatown earns less than minimum wage.

Ms. Liu’s group is one of the members of the Progressive Workers Alliance, a multi-sector and multi-racial coalition of low-wage worker organizations in San Francisco that advocated for the new ordinance over the course of many months. (See Progressive Workers Alliance statement [here](#).)

“San Francisco has set national precedent in passing one of the strongest labor laws in the country, during a time when wage theft is on the rise,” said Tiffany Crain, co-director of Young Workers United.

“In a tough economy, employers have even more incentive to cheat their workers,” said Mario de Mira of the Filipino Community Center. “It isn’t easy for workers to stand up, but our members, along with workers from across San Francisco, have done just that,” said de Mira.

“Wage theft is a national epidemic that hurts workers, responsible employers, and the local economy,” said Christine Owens, executive director of the National Employment Law Project (NELP). According to a 2009 report co-authored by NELP—[Broken Laws, Unprotected Workers](#)—more than two-thirds of low-wage workers surveyed reported some type of pay-related violation in the previous week. Almost half of those who stood up to complain suffered retaliation or threats of retaliation. Workers were cheated out of \$56.4 million in earnings per week in New York, Chicago, and Los Angeles alone, according to the report.

The San Francisco ordinance enhances the power of the city’s Office of Labor Standards and Enforcement (OLSE) to prosecute violations of the city’s minimum wage laws, allowing investigators to access payroll records, interview workers, and inspect labor sites at any time during business hours. The ordinance also requires employers to inform workers of pending investigations, and increases penalties against employers who retaliate against workers who complain.

The San Francisco ordinance is one of many anti-wage theft measures recently passed throughout the nation. In the past two years, Texas, Washington, New York, Illinois, and Maryland have all passed legislation to crack down on wage theft. Localities ranging from Seattle, Washington, to Fayetteville, Arkansas, have also recently

passed anti-wage theft measures, according to NELP's most recent report on wage theft, [Winning Wage Justice](#).

"The ordinance will provide the OLSE with important tools to address wage theft, and this is just the first step. We look forward to working with the city, employers, and other key stakeholders to develop a comprehensive strategy to end wage theft," said Renee Saucedo, community empowerment coordinator at La Raza Centro Legal.

The ordinance will go into effect in thirty days. The ordinance's lead sponsors were San Francisco Supervisors David Campos and Eric Mar. Co-sponsors included Supervisors John Avalos, David Chiu, Jane Kim, Ross Mirkarimi, and Scott Wiener.

*The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers. For more about NELP, visit [www.nelp.org](http://www.nelp.org).*

###