

Labor Advocates Push for Law Making Wage Theft a Criminal Offense in L.A.

By Anna Gorman

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Advocates for day laborers and other low-wage workers are pushing for a new city law that would target unscrupulous employers by making wage theft a crime in the city of Los Angeles.

They have found an ally in City Councilman Richard Alarcon, who plans to introduce a motion on Tuesday directing the city attorney's office to write an ordinance that would criminalize nonpayment of wages.

"People think that just because they pick up somebody on the street or at a day laborer center that they don't have the responsibility to pay them if they don't like the work," Alarcon said. "This would make it illegal for somebody to do that."

Los Angeles would join a handful of cities, including Austin, Texas, and Denver, that hold employers criminally responsible for not paying their employees.

State and federal laws govern overtime, minimum wage and other labor standards, but the penalties typically are meted out through civil, rather than criminal, procedures. A local ordinance would allow city prosecutors to file misdemeanor charges against employers.

Alarcon said he was motivated by a recent study that showed many low-wage workers in Los Angeles, New York and Chicago often don't receive minimum wage or overtime pay. The study, based on interviews with more than 4,300 workers, found that 26% of workers weren't paid minimum wage the week before and that 76% of those who worked overtime the previous week weren't paid the proper overtime rate. According to the report, the violations were widespread and occurred in various industries, including construction, child care and apparel.

"We were shocked ourselves," said Ruth Milkman, a UCLA sociology professor and one of the authors of the study. Milkman said employers need to know the laws - and that there are consequences for not following them. "If criminal penalties are what is needed, there is no reason not to try that," she said.

Gary Toebben, president and CEO of the Los Angeles Area Chamber of Commerce, said that people who work deserve to be paid, but that there are a lot of unanswered questions involving a possible ordinance, including what the trigger would be for an arrest and if it would cause additional backlogs in the courts. Before any ordinance is drafted, city officials should include private employers in the discussion.

"If the City Council is considering this, they would want to sit down with employers and labor attorneys ... rather than simply passing a law," he said.