

Wage Theft Impacts Millions of Floridians & Workers Need Local Programs to Help Them Recover Their Stolen Wages

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What Is Wage Theft?

Some of our most fundamental labor laws protect our right to get paid for our work. Wage theft refers broadly to the many ways an employer can violate employees' pay rights, such as not paying minimum wage, not paying overtime where required, misclassifying employees as independent contractors, requiring workers to work off-the-clock, and stealing employee tips, among many others.



How Common Is Wage Theft?

Nationwide:

- Wage theft is a widespread problem in workplaces in the U.S., affecting millions of workers each year.
- The Economic Policy Institute (EPI) estimates that in the 10 most populous states, including Florida, 2.4 million workers lose \$8 billion annually to minimum wage violations.¹
- A groundbreaking survey of over 4,000 workers in low-wage industries found that nearly two-thirds experienced at least one pay-related violation, such as failure to pay overtime.²
- A recent national survey of 2,000 people commissioned by the Public Rights Project found that 39 percent of respondents had experienced wage theft.³

In Florida:

- EPI has found that **Florida workers “are the most likely to suffer minimum wage violations.”**⁴
- In Florida, **EPI estimates that almost 25 percent of workers in low-wage, minimum-wage-eligible jobs experience minimum wage violations and that Florida workers lose over \$1.1 billion dollars each year to minimum wage violations.**⁵

Florida workers “are the most likely to suffer minimum wage violations.”

- A study by the Research Institute on Social and Economic Policy at Florida International University found that from September 2008 through January 2011, the U.S. Department of Labor, alone, investigated 9,109 cases of wage theft in Florida resulting in the payment of back wages to workers.⁶ Wages recovered amounted to more than \$28 million in that period.⁷
- One reason researchers have attributed to the high rate of wage theft in Florida is the fact that, unlike the vast majority of states, Florida does not have a state agency charged with wage theft enforcement.⁸ Florida eliminated its state department of labor in the early 2000s, and although some wage theft enforcement authority lies with other state agencies, a 2018 investigation showed that Florida failed to undertake any enforcement action for over four years from 2011 to 2016.⁹

Between 2013-2018, the Miami-Dade County Wage Theft Program has recovered more than **\$3.65 million** for workers.

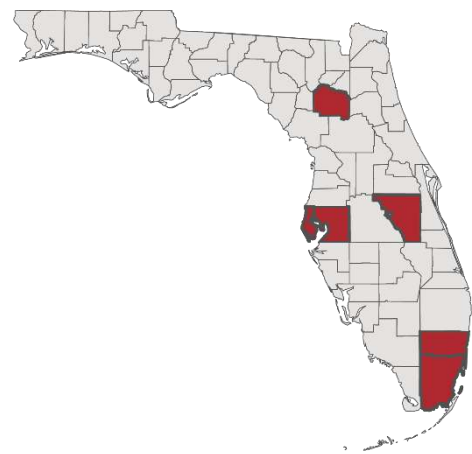
Who Is More Likely to Experience Wage Theft?

- **Wage theft is a gender and racial justice issue.** Women, people of color, and immigrant workers are more likely to experience wage theft.¹⁰
- Industries with particularly high rates of minimum wage violations include the leisure and hospitality industry, especially workers in food and drink service jobs; retail; agriculture; forestry; and fishing.¹¹
- Among occupations, workers in service jobs, sales, and office and administrative support experience especially high rates of minimum wage violations.¹²

Local Wage Theft Programs Are Key to Solving Wage Theft

- Around the country, the U.S. Department of Labor, many state agencies, and a growing number of local agencies all work to address wage theft.
- In a state like Florida with especially high rates of wage theft¹³ and, unlike most states, no state labor agency to help workers recover their unpaid wages,¹⁴ cities and counties have had to step in to address workers' needs.
- **Miami-Dade County established Florida's first local wage theft program in 2010.¹⁵ The program has shown that it can help workers who participate to recover their owed wages, and it has served as a model for other local jurisdictions that have adopted their own wage theft ordinances and programs, including Alachua County,¹⁶ Broward County,¹⁷ Hillsborough County,¹⁸ Pinellas County,¹⁹ and Osceola County.²⁰**

At Least 6 Florida Counties Have Adopted Local Wage Theft Programs



Miami-Dade County’s Wage Theft Program Has Ordered the Payment of Over \$3.65 Million to Workers and Offers a Valuable Model For Other Florida Cities & Counties

- Preserving the power of Florida’s local governments to enact local wage theft programs is crucial to protecting Florida workers’ most basic rights and ensuring that workers and communities benefit from wages earned and spent by workers.
- Despite the need for local enforcement and evidence that local enforcement programs have been highly effective, Florida’s legislature has attempted to prohibit local wage theft enforcement programs through preemption legislation.²¹
- The Miami-Dade County Wage Theft Program, the longest-running local wage theft program in the state, has proven that such local policies can help workers who participate in the program recover stolen wages.
- The Miami-Dade County program allows workers with claims of more than \$60 in unpaid wages to “conciliate” claims with the County’s help. If those claims are not resolved through conciliation, the claims may then proceed to a hearing where the employer may be exposed to additional penalties.²² An earlier analysis of the Miami-Dade County Wage Theft Program found that between its adoption in 2010 and September 2014, **workers recovered \$2,039.83 in stolen wages on average**, an amount that researchers found was “well above the average recovered by federal enforcement.”²³
- **Based on data from 2013 through 2018, the Miami-Dade County Wage Theft Program has handled over 3,250 wage theft complaints** from workers. During that period, alone, **the program has ordered the payment of over \$2.29 million in owed wages for workers and a total of over \$3.65 million in both owed wages and penalties.** See Table 1 for a more detailed summary of the program’s results.
- Ultimately, the evidence shows that local wage theft programs can and should form part of a strategy to effectively address the rampant problem of wage theft in Florida.

Table 1. Miami-Dade County’s Wage Theft Program Results

| Year | # of Complaints Filed/Opened/or Re-Opened | Value of Successful Conciliations | Value of Unpaid Wages Awarded at Hearings | Penalties Awarded at Hearings | Total Value of Successful Conciliations, Wages, & Penalties at Hearings |
|--------------|---|-----------------------------------|---|-------------------------------|---|
| 2013 | 540 | \$240,173 | \$159,631 | \$319,263 | \$719,067 |
| 2014 | 468 | \$208,027 | \$196,673 | \$393,346 | \$798,046 |
| 2015 | 543 | \$187,378 | \$69,227 | \$138,454 | \$395,059 |
| 2016 | 428 | \$220,788 | \$31,801 | \$63,602 | \$316,191 |
| 2017 | 522 | \$361,742 | \$114,480 | \$228,958 | \$705,180 |
| 2018 | 760 | \$385,496 | \$110,633 | \$221,267 | \$717,396 |
| TOTAL | 3,261 | \$1,603,604 | \$682,445 | \$1,364,890 | \$3,650,939 |

Source: Analysis of Annual Reports Relating to the Wage Theft Program submitted by the Miami-Dade County Mayor to the Board of County Commissioners²⁴

Endnotes

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4. *Supra* note 1 at 12.
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6. Research Institute on Social and Economic Policy, Center for Labor Research and Studies at Florida International University, *Wage Theft in Hillsborough County, Florida* (Dec. 2014) at 6, <https://labor.fiu.edu/publications/faculty-publications/wage-theft-report-for-hillsborough-county.pdf>.
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8. Marianne Levine, *Behind the Minimum Wage Fight, A Sweeping Failure to Enforce the Law*, Politico (Feb. 18, 2018), <https://www.politico.com/story/2018/02/18/minimum-wage-not-enforced-investigation-409644>.
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10. *See supra* note 1 at 3; *supra* note 2 at 41–48.
11. *See supra* note 1 at 24–25.
12. *Id.* at 25-26.
13. *Supra* note 1; *supra* note 6.
14. *See supra* note 8.
15. *Supra* note 6 at 8.
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20. Osceola.org, *Osceola County Wage Recovery Program*, <https://www.osceola.org/wage-theft/> (last viewed Aug. 16, 2019).
21. *See, e.g.*, H.B. 957, 2014 Reg. Sess.(Fla. 2014), <https://www.myfloridahouse.gov/Sections/Bills/billsdetail.aspx?BillId=52157&SessionId=75>; S.B. 432, 2019 Reg. Sess. (Fla. 2019), <https://www.flsenate.gov/Session/Bill/2019/00432/?Tab=VoteHistory>; Brendan Rivers, *Polarizing Bill Preempting Municipalities From Regulating Employers Clears 1st Senate Hurdle*, WJCT, Mar. 14, 2019 (noting interpretation of SB 432 as preempting local wage theft ordinances), <https://news.wjct.org/post/polarizing-bill-preempting-municipalities-regulating-employers-clears-1st-senate-hurdle>.
22. Miami-Dade County, *Report Wage Theft*, https://www8.miamidade.gov/global/service.page?Mduid_service=ser146799265229380 (last viewed Aug. 16, 2019).
23. *Supra* note 6 at 9.
24. Memorandum from Carlos A. Gimenez, Mayor, to Honorable Chairwoman Rebeca Sosa and Members, Board of County Commissioners, *Annual Fiscal Report Relating to the Wage Theft Program*, Apr. 21, 2014, <http://www.miamidade.gov/mayor/library/memos-and-reports/2014/04/04.21.14-Annual-Fiscal-Report-Relating-to-Wage-Theft-Program.pdf>; Memorandum from Carlos A. Gimenez, Mayor, to Honorable Chairman Jean Monestime and Members, Board of County Commissioners, *Annual Fiscal Report Relating to the Wage Theft Program*, May 13, 2015, <http://www.miamidade.gov/mayor/library/memos-and-reports/2015/05/05.13.15-Annual-Fiscal-Report-Relating-to-the-Wage-Theft-Program-5-15.pdf>; Memorandum from Carlos A. Gimenez, Mayor, to Honorable Chairman Jean Monestime and Members, Board of County Commissioners, *Annual Fiscal Report Relating to the Wage Theft Program*, May 17, 2016, <http://www.miamidade.gov/mayor/library/memos-and-reports/2016/05/05.17.16-Annual-Fiscal-Report-Relating-to-the-Wage-Theft-Program.pdf>; Memorandum from Carlos A. Gimenez, Mayor, to Honorable Chairman Esteban Bovo, Jr. and Members, Board of County Commissioners, *Annual Report Relating to the Wage Theft Program*, May 22, 2017, <http://www.miamidade.gov/mayor/library/memos-and-reports/2017/05/05.22.17-Annual-Report-Relating-to-the-Wage-Theft-Program.pdf>; Memorandum from Carlos A. Gimenez, Mayor, to Honorable Chairman Esteban Bovo, Jr. and Members, Board of County Commissioners, *Annual Report Relating to the Wage Theft Program*, July 26, 2018, <http://www.miamidade.gov/mayor/library/memos-and-reports/2018/07/07.26.18-Annual-Report-to-the-Wage-Theft-Program.pdf>; Memorandum from Carlos A. Gimenez, Mayor, to Honorable Chairwoman Audrey M. Edmonson and Members, Board of County Commissioners, *Annual Report Relating to the Wage Theft Program*, July 11, 2019, <http://www.miamidade.gov/mayor/library/memos-and-reports/2019/07/07.11.19-Annual-Report-Relating-to-the-Wage-Theft-Program.pdf>.