

April 29, 2021

Senator Eric Pratt
Chair, Jobs and Economic Growth
Committee
3219 Minnesota Senate Office Building
St. Paul, MN 55155

Representative Mohamud Noor
Chair, Workforce and Business
Development Committee
379 State Office Building
St. Paul, MN 55155

Dear Conference Committee Members,

We are writing on behalf of the Coalition to End Wage Theft in opposition to provisions in the Senate version of SF 1098 that weaken the 2019 Wage Theft Prevention Act.

In Minnesota, we believe that people should be paid for all of the hours they work. Unfortunately, we know all too well this isn't always the case. The 2019 Wage Theft Prevention Act was enacted to address the longstanding, widespread, and well-documented problem of wage theft in Minnesota and ensure working people are paid what they are owed. Key components of the law are to ensure that **workers know what they are supposed to be paid**, and that **penalties are sufficient to deter violations of the law**.

If provisions in Section 3 and 4, pages R4-2 and R5-2 of the Labor and Industry side-by-side were to become law, employers would not have to provide wage information at the start of employment, so workers would not know what they are supposed to be paid until they receive their first paycheck, up to 31 days after their first day of work. Similarly, employers would no longer have to notify the worker of a change in their rate of pay in advance of the change, so workers would not know what they are supposed to be paid until after the fact. In addition, staffing agencies would not have to notify employees of changes to pay information after the initial job placement, so employees of staffing agencies will not know what they are supposed to be paid at subsequent placements.

These sections also eliminate penalties for a first violation of the written notice requirements, no matter how many violations are found. This allows employers to ignore the written notice requirement, since they are unlikely to be caught, and if they are, there will be no penalty, even for willful violations affecting multiple employees.

Finally, these sections limit penalties on the worst actors, employers who fail to pay more than 10 days after service of a demand from DLI on behalf of the employee. They cap the penalties DLI can charge at 15 days' worth of wages. This would allow the worst actors refusing to pay their employees even a month after service of the demand to simply factor in limited penalties as part of their cost of doing business.

We know many of the workers deemed “essential” during this pandemic, the people who have kept our state running, are also in industries that too often have bad actors. Weakening laws meant to protect working families is a bad idea at any time, but especially bad during a pandemic when so many families are hanging on by a thread.

Sincerely,

The Advocates for Human Rights
AFSCME Council 65
Centro de Trabajadores Unidos en Lucha (CTUL)
Education Minnesota
Minnesota AFL-CIO
Minnesota Nurses Association
Restaurant Opportunities Center of Minnesota (ROC-MN)
SEIU State Council
Teamsters Joint Council 32
UNITE HERE Local 17

cc:

Senator Jason Rarick
Chair, Senate Labor committee
Senator Karin Housley
Senator Rich Draheim
Senator Kent Eken

Representative Rob Ecklund
Chair, House Labor committee
Representative Liz Olson
Representative Kaela Berg
Representative Rod Hamilton

