

May 10, 2022

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 to respectfully oppose the wage theft provisions in Senate File 4091.

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 strong enough to deter employers from violating the law.

If the provisions in the bill were to become law, employers would not have to provide wage information up to seven days after the employee has started work, so workers would not know what they are supposed to be paid until they have already worked. 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.

The bill also eliminates 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, the bill limits 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. It caps the penalties DLI can charge at 20 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 people is a bad idea at any time, but especially in the wake of a pandemic when so many families have been 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  
UNITE HERE Local 17

