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Work and wages

Honest day's pay: Protecting working people from wage theft

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Introduction

Everyone who works should be paid their full wages for all the hours they put in. Too often in Ohio, employers steal from workers' paychecks. By underfunding wage and hour enforcement, Ohio lawmakers make it too easy for employers to commit wage theft, and too hard for workers to be made whole. The scale of wage theft is difficult to measure, but we know that it far exceeds the number of cases ever reported. Most wage theft victims never come forward because they don't know their rights, think nothing will be done for them, or fear retaliation from their employer.

Using Current Population Survey (CPS) data and a method developed by the Economic Policy Institute (EPI), this report quantifies the scope and cost of wage theft to Ohio's working people. Employers steal from an estimated 213,000 Ohioans each year through minimum wage violations alone.¹ This report updates prior research released by EPI and reveals that, in the five years since that research was released, the scale of wage theft in Ohio has remained virtually unchanged.² Employers in all sectors steal from employees, but wage theft is most prevalent in industries that pay low wages, especially leisure and hospitality. Wage theft compounds financial hardships for people who are too often exploited at work due to their race, gender, immigration status or socioeconomic class.

Key findings: Wage theft in Ohio

- Ohio employers steal from an estimated 213,000 workers a year by paying them less than the state or federal minimum wage.
- If wage theft victims stayed on their job the full year, the total underpayment of wages to these Ohio workers would be \$611 million each year.
- While 3.8% of all Ohio workers have wages stolen each year, employers steal from 18.4% of workers paid \$11.44 per hour or less.
- Victims of minimum wage violations are underpaid an average of \$55 per week, 24% of the weekly earnings owed to them. If they work year-round, they lose, on average, \$2,873 per year and are paid only \$9,011 in annual wages.
- Women make up about three in five victims who are paid below the minimum wage.
- Hispanic workers were 74% more likely to become victims than white counterparts, while Ohioans of other races — about three quarters of whom are Asian — were 51% more likely. Black workers were about as likely to indicate wages below the minimum wage as white workers, but Black workers spent more hours working for employers who stole from them and lost more wages, overall.
- About 54,000 parents are paid below the minimum wage each year. Together they are raising about 108,000 children under 18 years old.
- Low-paid workers in all industries are vulnerable, but half the wage theft cases occurred in the leisure and hospitality industry.

¹ David Cooper and Teresa Kroeger, "Employers steal billions from workers' paychecks each year," The Economic Policy Institute, May 10, 2017, <https://www.epi.org/publication/employers-steal-billions-from-workers-paychecks-each-year/>.

² When EPI looked at this question for in 2017, using earlier years' data, that figure was 217,000.

This report quantifies the scope and cost of wage theft to Ohioans through minimum wage nonpayment alone. Because the vast majority of wage theft goes unreported, most types of wage theft cannot be measured. This report identifies minimum wage nonpayment — just one form of wage theft — from respondents to the Current Population Survey who identified their wage as less than the federal or Ohio minimum wage, regardless of whether they ever made a wage claim. These estimates have been produced by Policy Matters Ohio following a research methodology developed by EPI. Data are from the CPS Outgoing Rotation Group for years 2017-2019, using the extract from the Center for Economic Policy Research.³ Exempt workers are identified wherever possible so that those estimated here to be wage theft victims were both paid less than the minimum wage and covered employees under state or federal law. Wages are reported in current year dollars. A full methodology is available from Policy Matters Ohio.

What is wage theft?

Wage theft can take many forms — all of which are illegal under state and federal law. The Fair Labor Standards Act mandates that most working people be paid at least the federal minimum wage of \$7.25, plus time-and-a-half for working more than 40 hours in a week. Ohio’s minimum wage tracks inflation and is \$9.30 per hour for 2022; employers who pay nonexempt workers less are guilty of a third-degree misdemeanor.⁴

What is wage theft?
<ul style="list-style-type: none"> • Minimum wage nonpayment: Paying workers less than the state or federal minimum wage. • Overtime nonpayment: Failing to pay nonexempt employees time-and-a-half for hours worked more than 40 hours per week. • Tipped minimum wage violations: Confiscating workers’ tips or failing to make up the shortfall if workers’ pay and tips fall short of the minimum wage. • Not paying for all hours worked, including requiring workers to work off the clock. • Misclassification: Misclassifying employees as independent contractors; or misclassifying hourly workers as salaried and overtime-exempt. • Meal and other break violations: Denying workers breaks as required by law, or deducting break times from hours worked when workers were not allowed to completely set aside work. • Illegal pay deductions or paying workers in “scrip”: Making illegal deductions from workers’ pay or paying workers in forms that may only be spent with the employer, in gift cards, or similar.

³ Center for Economic Policy Research, Uniform Extracts of the Current Population Survey, Outgoing Rotation Group, available at <https://ceprdata.org/cps-uniform-data-extracts/cps-outgoing-rotation-group/>.

⁴ Ohio Revised Code Ch. 4111 <https://codes.ohio.gov/ohio-revised-code/chapter-4111>, accessed May 13, 2022.

Wage theft in Ohio

Who experiences wage theft?

Employers steal from an estimated 213,000 Ohioans each year through minimum wage violations alone. The average victim loses \$55 per week, a figure equal to 24% of their pay based on the minimum wage. If a worker experiencing this type of wage theft remains on the job for a year, they will lose \$2,873 on average. The average wage theft victim works 27 hours per week, while 36% work full time hours of at least 35 hours and 8% regularly work overtime. Not all wage theft victims will keep their job for the full year, but if they did, the total cost of wage theft by minimum wage nonpayment to all affected Ohioans would be \$611 million per year. While some victims will not stay on the job the full year, the losses clearly reach hundreds of millions for this form of wage theft alone.

Even these large figures likely underestimate the scope of the problem. The most extensive study on wage theft to date found that among the low-paid workers in a three-city sample, over a quarter experienced wage theft from minimum wage violations, but more than two-thirds had their wages stolen in some form. If these rates are representative, then the wage theft captured in this report and the underlying data represents less than half of all cases in Ohio.⁵

Not all workers are covered by the minimum wage. The Fair Labor Standards Act excludes a variety of specific occupations from the minimum wage: among them seasonal farm workers, some domestic caregivers, and door-to-door salespeople. Many salaried white-collar workers whose duties are deemed executive, administrative, or professional, and whose annual salary is above a set threshold, are covered by minimum wage but excluded from overtime provisions. Businesses with annual revenue less than \$500,000 that do not engage in “interstate commerce” are exempt from the wage and hour provisions of the FLSA altogether. Wherever it is possible to identify these workers, we classify them as not wage theft victims, even if their pay falls below the minimum wage that applies to workers in general. We estimate that 83% of Ohio workers are covered by state or federal minimum wage and overtime laws.⁶

⁵ Bernhardt, Annette, Ruth Milkman, Nik Theodore, Douglas Heckathorn, Mirabai Auer, James DeFilippis, Ana Luz Gonzalez, Victor Narro, Jason Perelshteyn, Diana Polson, and Michael Spiller. “Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America’s Cities.” Center for Urban Economic Development, National Employment Law Project, and UCLA Institute for Research on Labor and Employment, 2009.

⁶ While this analysis does not attempt to quantify Ohioans experiencing overtime violations, we did identify a group of salaried workers who, had they been eligible for time-and-a-half for overtime hours worked, would not have been paid enough to meet both the minimum wage and overtime requirements. Salaried workers paid more than \$23,660 per year were exempt from overtime for the years covered in this study. The pay threshold below which salaried workers are exempt from overtime pay requirements has since been increased to \$35,568. See Hannah Halbert, “Trump’s Overtime Rule Leaves 230,000 Ohio Workers Behind,” Policy Matters Ohio, September 24, 2019, <https://www.policymattersohio.org/press-room/2019/09/24/trumps-overtime-rule-leaves-230000-ohio-workers-behind>

Wage theft by race and gender

Wage theft is a pervasive problem, but some workers are at higher risk than others. Based on the CPS data, women comprise three in five wage theft victims and typically have more total pay stolen and receive less pay than male counterparts. Black, brown, Indigenous people, and immigrants are more likely to be victims and have more money stolen. These workers are more likely to have risk factors including being paid low wages, having limited choice of employment, lacking English language fluency, being undocumented, or being overrepresented in industries where minimum wage violations are most common, especially leisure and hospitality. These factors are detailed in the next two sections.

Wage theft is prevalent and pernicious because working people have relatively little power in the employment relationship. Employers may also exploit other limited power dynamics in working people's lives. For instance, an employer may threaten an undocumented worker with retaliation by reporting them to Immigration and Customs Enforcement (ICE). A worker who has had a criminal conviction may be required to keep their job as a condition of parole: Because Ohio's criminal justice system is more punitive to Black men at every level of interaction, policies like this import racial bias from the criminal justice system into the labor market. While workers overall experience wage theft at a rate of about 4%, for low-paid workers, the rate was 18%. Victims may find themselves dependent on the job even when the employer is exploiting them. In our findings, we report the share of all low-paid workers in each category who experience minimum wage nonpayment. We define low-paid workers as those in the bottom fifth of the pay scale, whose pay amounted to \$11.44 per hour or less.

Many wage theft victims are also vulnerable in other ways. In Ohio, Hispanic workers are 74% more likely than white non-Hispanic counterparts to suffer wage theft and lose substantially more pay on average.⁷ Hispanic workers are Spanish-speaking or from a Spanish speaking country or region by definition and may have limited English fluency. People born outside the U.S. are 26% more likely to have wages stolen than people who are born in the country. A small subset of immigrant workers are undocumented; they are not identifiable in the dataset but are particularly likely to be wage theft victims.

Black and white Ohioans are about equally likely to have their wages stolen through minimum wage nonpayment (about 3.7% of Black workers and 3.6% of white workers). Among white workers, wage theft is more highly concentrated among low-paid people. Black victims of wage theft both lost more wages (\$2,779 annualized, compared with \$2,658), and took home more pay overall (\$10,805 compared with \$8,729). For both groups, pay fell below the minimum wage. Black workers showed higher pay in the data, because compared to white counterparts, on average they put in a little over five hours per week more work. Black wage theft victims worked 31.3 hours on average, while white counterparts worked 26.2. This suggests that Black workers in general face fewer choices in the job market and are more likely to be forced to tolerate exploitive work arrangements.

⁷ The term "Hispanic" is used in Census Bureau surveys to describe a person from — or whose ancestors were from — a Spanish-speaking land or culture, whereas "Latinx" describes individuals of Latin American origin. "Hispanic" is not always embraced by members of the community, both because it excludes some Latin Americans — Portuguese is spoken in Brazil — and due to its association with Spanish imperialism. "Latinx" is a gender-inclusive term for "Latino" and "Latina."

Due to limitations in the data, Ohioans of many races, including Asian Americans and Indigenous people are grouped together under the category of “other races.” These are Ohioans whose racial demographics cannot be separated because too few of them were represented in survey data. Members of these groups had the largest share of their wages stolen (35.4%). About three-fourths of Ohioans in this group are Asian, and about three in five were born outside of the U.S.⁸ Members of this group may have limited English proficiency or limited work opportunities based on immigration status or community isolation.

Figure 1

Wage theft pervasive in Ohio, 2017-2019							
Hispanic workers, workers of other races lost the most							
	Estimated wage theft victims each year	Share of wage theft victims	Share of low-paid workers	Weekly loss	Annual loss*	Annual average pay after loss	Share of wages stolen **
All Ohio workers	212,637	100%	18.4%	\$55.26	\$2,873	\$9,011	24.2%
Women	128,234	60.3%	19.1%	\$56.32	\$2,929	\$8,575	25.5%
Men	84,403	39.7%	17.5%	\$53.63	\$2,789	\$9,673	22.4%
White	166,424	78.3%	19.6%	\$51.11	\$2,658	\$8,729	23.3%
Black	24,297	11.4%	12.1%	\$53.43	\$2,779	\$10,805	20.5%
Hispanic	12,140	5.7%	16.7%	\$93.47	\$4,860	\$10,186	32.3%
Other races***	9,776	4.6%	30.0%	\$82.97	\$4,314	\$7,889	35.4%

Source: Policy Matters Ohio from Current Population Survey 2017-2019. Center for Economic Policy Research extract. Methodology follows Economic Policy Institute. *Annual loss is based on working full year at the weekly hours reported. **Earnings is the amount the worker would have received if paid the minimum wage and is based on weekly hours reported and full-year work. ***Includes Asian Americans, Indigenous people, and others. About three fourths of this group are Asian American.

How does wage theft affect victims and their families?

Too many Ohioans are paid too little to make ends meet, even without their employers stealing from them. One consequence is that many working Ohioans and their families are experiencing poverty. Raising Ohio’s minimum wage to \$15 per hour would lift wages for 336,000 Ohio workers and their families now living in poverty.⁹

⁸ Due to limited data in the survey, these shares refer to all Ohioans of other races, not only those who report wages below the minimum wage.

⁹ Michael Shields, “Fairer pay will boost Ohio,” Policy Matters Ohio, April 13, 2021, <https://www.policymattersohio.org/research-policy/fair-economy/work-wages/minimum-wage/fairer-pay-will-boost-ohio>.

Ohio’s minimum wage is too low to meet the cost of living or to properly compensate the value low-paid workers are contributing to their employers and the economy. Wage theft victims are paid even less.

Wage theft makes it even harder for low-paid workers to secure enough food, quality housing, and other basics for them and their families. About a quarter of Ohio working people who suffer minimum wage nonpayment are parents of children under age 18. These 54,000 parents have an estimated 108,000 Ohio children.

Wage theft by industry

Looking across industries, two things stand out: First, minimum wage violations are highly industry specific. Among Ohioans paid less than the minimum wage, more than half worked in the leisure and hospitality industry (51.1%). Second, low-paid workers in all industries are at risk for wage theft.

Figure 2

Where does wage theft happen?				
Wage theft concentrated in leisure and hospitality, and low-wage jobs in all industries				
Industry	Workers who experience wage theft each year by industry	Share of total wage theft victims by industry	Share of workers in industry who experienced wage theft	Share of low-paid workers in industry who experienced wage theft
Agriculture	2,056	1.0%	7.3%	17.4%
Construction	4,607	2.2%	1.9%	24.0%
Manufacturing	7,400	3.5%	0.8%	9.9%
Wholesale	26,538	12.5%	3.5%	11.1%
Transportation	5,653	2.7%	2.0%	16.2%
Information	1,037	0.5%	1.3%	6.9%
Financial activities	5,609	2.6%	1.5%	18.4%
Professional & business services	7,882	3.7%	1.5%	11.8%
Educational & health services	23,741	11.2%	1.7%	10.4%
Leisure & hospitality	108,681	51.1%	20.3%	31.1%
Other services	17,542	8.2%	7.4%	25.1%
Public administration	1,891	0.9%	0.8%	12.7%

Source: Policy Matters Ohio from Current Population Survey 2017-2019. Center for Economic Policy Research extract. Methodology follows Economic Policy Institute. Note mining and logging does not appear in table due to insufficient data in the survey.

Employers in the leisure and hospitality industry were responsible for more than half of wage theft from minimum wage nonpayment. This industry comprises many tipped workers, the largest group of whom are waiters and waitresses. Tipped workers are especially likely to have their wages stolen because of their separate treatment under the law. In Ohio, employers of workers who customarily receive tips may credit workers' tips against their required minimum wage. This means that tipped workers in 2022 may receive just \$4.65 per hour from their employers, if their tips generate an additional \$4.65 or more. If the wage and tips combined fall short of the full \$9.30 minimum wage employers must make up the difference. Unfortunately, policing this requirement is largely left to the tipped workers themselves. To do so, they need to know their rights, carefully track their weekly hours and tips, and stand up to their employer if they were shorted. Placing the onus on workers to police employer behavior is a major factor contributing to the high incidence of minimum wage nonpayment in this industry. State lawmakers could prevent this type of wage theft by eliminating the sub-minimum wage for tipped workers.

Even in industries with relatively low overall minimum wage violations, the share of low-paid workers experiencing this type of wage theft was high. In 10 of the 12 major industries, it exceeded 10%. While it is obvious that workers paid less than the minimum wage are low-paid, the fact that large shares of low-paid workers are not being paid the minimum wage is a serious concern.

Why do employers violate the law? The simplest answer is because they can. Despite the enormous costs to workers, most employers who commit wage theft will never be held accountable at all. Even when a wage theft claim is investigated and verified, often the greatest consequence to the employer is that they will be forced to pay back some portion of the stolen wages. Employers who steal from workers do not see wage theft as a crime because too often enforcement entities do not treat it like one. Enforcement agencies can create powerful disincentives to stealing wages by imposing fees, such as Ohio's treble damages clause, or even by prosecuting wage thieves in criminal court.

Weak policy hurts workers

State and federal labor law provide too few protections against wage theft. Dishonest employers can realistically calculate that they will never be held accountable for stealing workers' pay, and that even if caught, the consequences are unlikely to exceed the amount they would have paid in wages, had they paid the employee what they were owed in the first place. Often recovered wages comprise only a portion of what workers were owed. In some cases, workers are awarded back wages but are never able to collect. Federal lawmakers must add significant penalties for wage theft to the FLSA.

The enforcement strategies used to combat wage theft make a major difference for workers. The Ohio Bureau of Wage and Hour Administration — like most labor departments — uses a complaint and response model in which agencies only investigate wage theft when a complaint has been filed. This model has limited effectiveness because most wage theft

victims never come forward at all. Agencies can more effectively prevent wage theft by implementing a targeted enforcement strategy that proactively investigates employers in industries with a high prevalence of wage theft. When the U.S. Department of Labor's wage and hour division implemented a targeted enforcement approach to fighting wage theft in New York City and Southern California garment industries, they substantially reduced both the occurrence of wage theft and the typical amount of wages stolen from each worker.¹⁰ Targeted enforcement is more effective, but to implement it, agencies need to be properly staffed, and they need resources to forge relationships in communities where many workers experience wage theft. Community organizations including worker centers can make good partnerships, because they have trusted relationships with workers who may be intimidated by government agents.

Employer schemes place workers outside of labor law

In recent decades, employers have tried to cut labor costs by turning to subcontracted work arrangements that can place workers outside the scope of labor law protections.¹¹ This practice, called “fissuring,” has had a host of adverse consequences for working people. It has pushed down pay, shifted costs that would once have been borne by employers to workers themselves, made job holding itself more precarious, made workplaces less safe, and made it more likely that workers will experience wage theft. This practice includes both misclassifying workers as contractors, and subcontracting work to an outside company. In the first case, corporations can skirt labor law protections for their workforce because labor laws do not apply to contractors. In the latter, workers are still legally entitled to wage and hour protections, but companies that could be held accountable instead insulate themselves by contracting with intermediary companies that act as the employer, withhold wages from workers, then dissolve as entities, leaving workers with no recourse even if they file and win claims.

Fissuring is a major problem that governments at all levels need to address. The federal government should update definitions of “employee” to reflect the work arrangements today's working people face. Ohio legislators should also acknowledge working people as employees, such as ride hail drivers protected under California law, but to whom Ohio's legislature has denied employment protection. Ohio in 2015 passed legislation drafted or cowritten by Uber representatives which classifies ride hail drivers as contractors and prevents judges from applying the duties test generally used to determine workers' status.¹² Ohio must reverse this legislation and recognize ride hail drivers as employees. Local governments should use their procurement power and any tax incentives they offer to hold companies with public contracts responsible for the practices of their immediate suppliers.

¹⁰ David Weil, “Improving workplace conditions through strategic enforcement,” USDOL Wage and Hour Division, May 2010, <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/strategicEnforcement.pdf>.

¹¹ Economist and former DOL Wage and Hour Division administrator, David Weil, coined the term “fissuring” to describe this practice. See *The Fissured Workplace: Why Work Became So Bad for So Many and What Can Be Done to Improve It*, Harvard University Press, May 8, 2017, <https://www.hup.harvard.edu/catalog.php?isbn=9780674975446>.

¹² Rebecca Smith, Joy Borkholder, Mariah Montgomery and Miya Saika Chen, “Uber state interference: How TNC's buy, bully, and bamboozle their way to deregulation,” *The National Employment Law Project*, January 18, 2018.

Unions can help

The next section details ways policymakers can prevent wage theft and make workers whole, but one effective way working people can protect themselves against wage theft is to join or form a union. Being represented by a union cuts the likelihood of experiencing wage theft by nearly half (4.2% of noncovered workers versus 2.2%). This is because when workers join together in a union, their collective efforts reclaim some power in the employment relationship and they interact with their employer on more balanced footing. Unions can protect workers by negotiating for wages and representing workers if employers neglect or refuse to pay workers. Whereas U.S. and Ohio agents can currently only recover wages up to the minimum wage, unions can pursue contract claims to help workers recover their full wages. Besides the following recommendations, policymakers should take steps to protect working people's right to form a union without interference or fear of retaliation from their employers. Congress should pass the PRO Act, and state and local governments should use their procurement power to support workplace organizing.

Recommendations & conclusion

Wage theft is a problem of enormous scale that affects Ohioans who are often already being exploited and underpaid on the job. Employers steal working people's wages because too often they can get away with it, and even when caught, the consequences are too little to discourage the behavior. This must change.

Policymakers at the local, state and federal level can help protect working people, impose consequences to prevent wage theft, and take steps to quickly restore workers who have had their pay stolen.

Local governments can step up

Ohio cities have begun stepping up to take on wage theft where the state of Ohio has fallen short. Cincinnati in 2016 became the first city in Ohio to pass a wage theft ordinance creating oversight and barring corporations with recent wage theft findings from city contracts or tax incentives.¹³ Columbus followed suit in 2020 with a measure that added provisions requiring big contractors to guard against wage theft in the immediate supply chain they control, and adding a staff person to respond to complaints.¹⁴ In Cleveland, the Guardians for Fair Work are advocating for similar legislation.¹⁵

There are several steps local governments can take to protect working people:

- **Pass anti-wage theft ordinances that enhance enforcement.** Cincinnati and Columbus use their procurement and taxation power to enforce wage and hour laws. Other Ohio cities should follow their lead to protect workers in their jurisdictions.

¹³ City of Cincinnati Municipal Code, Ordinance No. 22-2016.

¹⁴ Columbus Municipal Code Chapter 377, Wage Theft Prevention and Enforcement, https://library.municode.com/oh/columbus/codes/code_of_ordinances?nodeId=TIT3FITACO_CH377WATHPREN

¹⁵ Guardians for Fair Work, <https://www.guardiansforfairwork.com/>, accessed May 6, 2022.

- **Use federal stimulus and infrastructure dollars to protect workers from wage theft.** Wage and hour enforcement, know-your-rights education, and providing access to attorneys are allowable uses of American Rescue Plan dollars.
- **Freeze property assets where wage theft has occurred.** Ohioans who have experienced wage theft have in some cases been able to place liens on properties where an employer has committed wage theft to claim back wages. This can be an effective strategy to ensure that powerful corporations police wage theft even when they contract work out.
- **Prosecute wage theft as a criminal offense.** Wage theft is a crime, and corporations who commit wage theft are also committing tax fraud. Cities with an income tax should prosecute them.

Ohio policymakers have fallen short

To truly protect working people and ensure they are paid what they're owed, state policymakers must dedicate public funds to enforcement. The Ohio Commerce Department staffs just five wage and hour investigators and a supervisor for an employed workforce of 5,763,000 as of March 2022.

Ohio's legislature has yet to pass House Bill 187, which would establish the basic protection of requiring employers to give a pay statement to all employees.¹⁶ Withholding pay information from workers creates confusion that makes it easier for employers to steal from workers. For honest employers, providing a pay statement is a way to verify that they have paid wages as owed. Failure to issue a pay statement itself is illegal in most states.¹⁷ Ohio employers are required to retain records of employee hours and pay, but Ohio is in a minority of states that do not require this information to be shared with workers.

These are several key steps state lawmakers can take:

- **Mandate that employers provide a pay statement to all employees.** A paystub is a simple way to ensure that everyone has the same understanding of hours worked and wages owed. Employers who refuse to provide them can use the confusion as cover to illegally withhold wages from workers.
- **Add sufficient wage and hour enforcement to implement targeted enforcement.** Ohio has just one wage and hour staffer for every 960,000 workers. This limits the department to only responding when complaints are filed. To effectively prevent wage theft, Ohio must implement a targeted enforcement strategy to build relationships with communities where wage theft is prevalent and proactively investigate industries with known bad actors.
- **Establish a state Department of Labor.** Ohio has wage and hour enforcement in our Commerce Department. More is needed, and it should come with a state department of labor where workers can easily learn their rights and seek help.
- **Recognize informally classified workers as employees.** Employers increasingly seek to classify workers as independent contractors so that they will not be protected by labor

¹⁶Ohio House Bill 187, <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA134-HB-187>

¹⁷<https://www.paystubsnow.com/pay-stub-requirements-by-state-in-2021/>

law. Ohio should recognize many currently subcontracted workers as employees, beginning with repealing House Bill 237.

Federal lawmakers can strengthen the Fair Labor Standards Act

Pending legislation in the U.S. House and Senate would strengthen wage and hour enforcement and enable U.S. DOL investigators to help workers recover their full wages owed. This is vital because currently U.S. DOL investigators can only enforce the federal minimum wage of \$7.25, and the overtime law of 1.5 times that for hours worked over 40.

- **Enable workers to recover all the wages they're owed.** Modify the FLSA so officers can help workers recover the full wage their employer agreed to, and the minimum wage that applies in their state.
- **Impose monetary penalties as disincentives.** With costs rarely exceeding back wages owed for those few employers who are ever caught, dishonest corporations face few consequences for stealing from workers. Establishing significant punitive fees will prevent many employers from committing wage theft.
- **Protect whistleblowers.** Dishonest employers rely on intimidation to prevent workers from ever coming forward. All too often, threats of retaliation are real. Federal measures must protect employee whistleblowers from employer retaliation, with substantial penalties for retaliation and measures to protect undocumented workers.
- **Add wage and hour enforcement officers in Ohio and all states.** Just 22 federal officers are stationed in Ohio: about one for every thousand estimated minimum wage victims. Add federal enforcement capacity.
- **Update wage and hour laws to affirm protections for contracted and misclassified workers.** Employers misclassify and subcontract workers to subvert labor law protections. Update employment law and definitions of employees to restore protections to workers.

Many Ohioans are putting in long hours on the job and working hard for an honest day's pay, only to have their employers cheat them out of the wages they have earned. While many employers do the right thing and treat workers fairly, too many others force their employees to work off the clock, refuse to pay workers the minimum wage, deny workers overtime pay even after they work more than 40 hours a week, steal workers' tips, or knowingly misclassify workers to avoid paying fair wages. Everyone who works deserves to be paid their full wages, for all the hours they work. Policymakers at all levels must take steps to ensure that — for all Ohioans — an honest day's work is honored with an honest day's pay.

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