

INVESTIGATING WAGE THEFT: *A SURVEY OF THE STATES*

Executive Summary

Most states have laws requiring that workers are paid the wages they earn and that they are paid a minimum wage, as well as overtime for hours worked beyond a specific amount. They also protect against exploitation of child labor. Policy Matters Ohio conducted a nationwide survey of state enforcement of these laws during the summer and early fall of 2010. We asked state agencies how many investigators they had for enforcement of minimum wage, wage payment, overtime and child labor laws. Altogether, 43 states and the District of Columbia provided some answers to our survey.

The total number of investigators enforcing state minimum-wage and related laws – 659.5, including many who spend time on other issues – is very modest compared to the almost 100 million private-sector employees in the jurisdictions that provided answers to the survey. That works out to more than 146,000 workers for each investigator, though that is a rough gauge since not all workers are covered by state laws and some states leave much or all enforcement of minimum-wage laws to the U. S. Department of Labor.

The level of enforcement effort, as measured by investigators employed, varies dramatically from state to state. While a handful of larger states such as California and New York employ dozens of investigators, most states have fewer than 10. Though it's not universal, a number of states are seeing cutbacks. Most state departments enforcing such legislation also are charged with overseeing other laws as well, and a significant share of their investigators' efforts go toward other responsibilities.

Adequate enforcement not only increases compliance with labor law, it improves worker well being, and levels the playing field so some employers do not have an illegal, unfair advantage over others. When wage law is not enforced, workers may not be paid for all of their hours, tax revenue is not collected on the unpaid wages, families are deprived of earnings, and communities can suffer.

This survey did not attempt to assess the techniques used to enforce state wage and hour laws, which obviously vary from state to state. While we made every attempt to gather consistent, accurate information, states have different laws and different systems for enforcing them, making comparisons difficult.

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