Study finds states employ few to enforce minimum-wage, related laws

A nationwide survey has found that states employ few investigators to enforce their laws covering the minimum wage, overtime, child labor and payment of wages.

Policy Matters Ohio, a nonprofit research institute based in Cleveland, found that 43 states and the District of Columbia collectively employ just 659.5 investigators enforcing state minimum wage, wage payment, overtime and child labor laws. Compared to the nearly 100 million private-sector employees in these states, that works out to more than 146,000 workers per 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.

A number of states, such as Ohio, Wisconsin and Arizona, have seen cutbacks in labor standards enforcement staff, though some others have maintained employment levels.

Most states have laws that require 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. These laws often mirror the federal Fair Labor Standards Act, but may go beyond it or extend coverage to some workers that federal law does not cover. While the Obama Administration has hired new investigators and boosted the enforcement effort against wage theft, the number of U.S. investigators is considerably smaller today than it was decades ago compared to the size of the workforce. State efforts are a vital element in enforcement of labor standards.

The Policy Matters Ohio survey was conducted via telephone and email during the summer and early fall of 2010. State agencies were asked how many investigators they had for enforcement of minimum wage, wage payment, overtime and child labor laws.

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. Many of the investigators spend time enforcing other laws,
so the time devoted to minimum wage and related enforcement is less than the sheer number of
investigators might suggest. The survey did not attempt to gauge the techniques used to enforce state
wage and hour laws, which vary from state to state. While every attempt was made to gather consistent,
accurate information, states have different laws and different systems for enforcing them, making
comparisons difficult.

The employees most likely to suffer from wage theft are our poorest and most vulnerable workers, who
struggle to meet their basic needs. Employers, too, benefit from such enforcement, since it levels the
playing field and keeps those employers who do not follow the law and pay the full wages due their
employees from gaining an advantage over those who do. Theft of workers’ wages is just that – theft –
and just as with laws against property theft, laws against wage theft should be enforced.

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*Policy Matters Ohio is a nonpartisan, nonprofit research organization with offices in Cleveland and Columbus.*