

**County of San Mateo  
Office of Labor Standards &  
Enforcement**

**June 25, 2024**

# Outline

- **The Problem**
- **Key Considerations**
- **OLSE Functions**
- **Roles and Responsibilities**
- **Phased Approach for Implementation**
- **Resource Considerations**

# THE PROBLEM

# Wage Theft

- **11-12% of minimum wage workers experience minimum wage violations.**
- **In 2014, minimum wage violations increased poverty rates among California workers who experienced wage theft by 22.9%.**
- **Low-wage workers lose approx. \$2,643 per year (15% of their income) from wage theft**
- **Lowest paid industries disproportionately employ women, people of color, and undocumented immigrants**
- **San Mateo County:**
  - 132 active and unpaid judgements from the state
  - \$4.6M owed to workers in SMC
  - Top industries for judgements:
    - Construction
    - Food
    - Retail
    - Care Economy (examples: childcare, assisted living)

# Public Losses

- **Payroll Taxes**
- **Income Taxes**
- **More workers on public assistance because lower wages than owed to them**
- **Homelessness**

# KEY CONSIDERATIONS

# Key Considerations

- Soliciting complaints requires adequate infrastructure to respond
- State Labor Commission receives many complaints which can delay processing time given their limited resources and high volume of requests.
- Low-wage workers can't wait for wages owed to them for long
- Supporting low-wage workers requires trust, language accessibility, and cultural sensitivity
- Important to consider where and how to start so we are seeding for effective learning and growth

# PHASED APPROACH TO BUILDING INFRASTRUCTURE

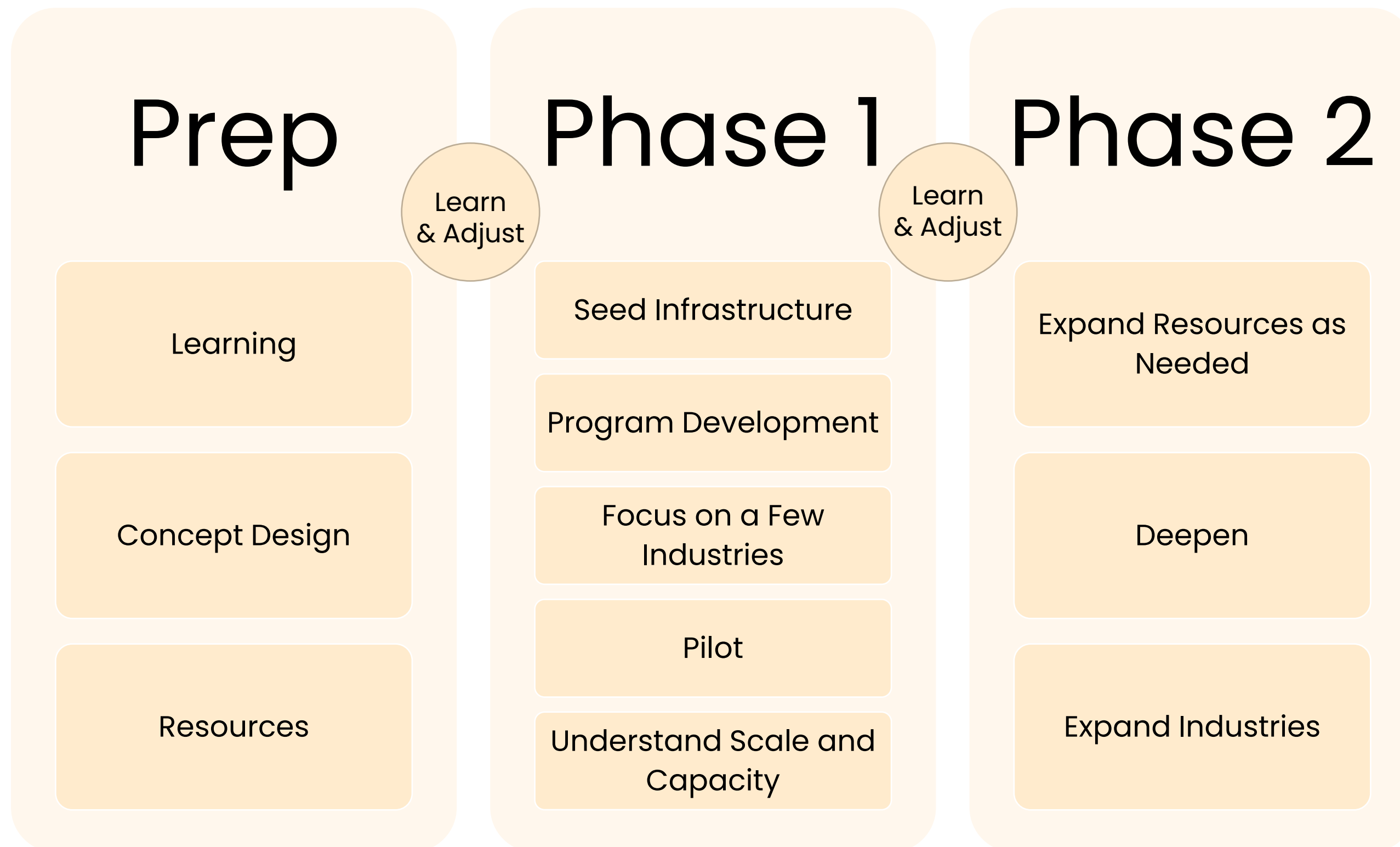
**Universal Goal:** Workers are paid a fair wage and treated respectfully in San Mateo County.



# OLSE Functions at Full Capacity



# Phased Approach to Implementation



# OLSE Partners

## Equity Office

- Enforcement programs for County permits
- Coordination & partnership
- Outreach, education & engagement
- Data/tracking
- Policy & strategy

## Partnerships

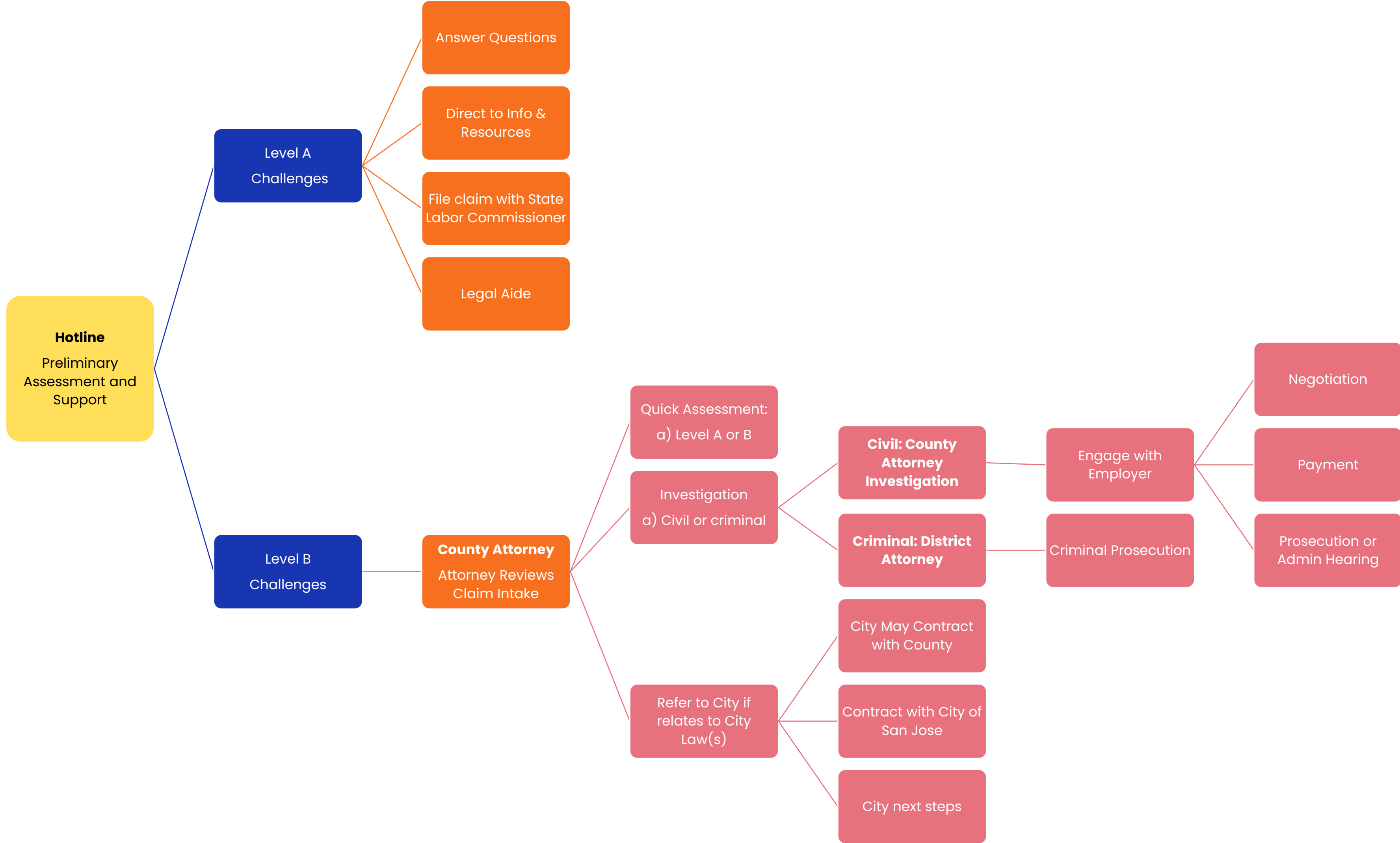
- OLSE Hotline
- Targeted Outreach
  - Farmworkers
  - Construction workers
  - Restaurant workers
- Economic Advancement Centers
  - Low-wage workers & Small Businesses

## District Attorney's Office

- Investigations
- Criminal prosecution

## County Attorney's Office

- Investigations
- Letters to employers
- Employer negotiation
- Civil prosecution



**PHASE I: RESOURCE CONSIDERATION**

# Phase 1: County Staff

- **Equity Office – 1 Senior Management Analyst, 1 Associate Analyst**
  - Coordination across organizations and agencies
  - Explore County authority to ensure judgements are paid out. Examples for exploration include procurement, permitting, etc.
  - Outreach and Education
  - Strategy and partnership
  - Online library of resources and webpage development and maintenance
  - Data analysis and tracking
  - Contracting
- **County Attorney's Office – 1 Attorney**
  - Review claims
  - Investigate civil cases
  - Prosecute
- **District Attorney's Office – 1.5 prosecutors, 1 investigators, forensic auditor consultant (final funding and capacity to be determined)**
  - Investigate criminal cases
  - Prosecute as required

# Phase 1: Community Partnerships (Examples)

- **Hotline – Intake worker and employer calls**
  - Quarterback where to direct workers and employers
  - Provide information and resources
  - Track types of challenges and needs
  - Training clinics for employer and workers
- **Economic Advancement Centers**
  - Operate informational sessions and legal clinics

# Cost

Senior Management Analyst Associate Management Analyst	\$450
CBO Partnerships and Consultants	\$250K
DA 1.5 FTE Prosecutors, 1 investigator, contract with forensic auditor	~\$740K (pending funding decision on a State grant award)
1 FTE Deputy County Attorney	\$220K
<b>TOTAL COST</b>	\$1.7M
<b>PENDING POTENTIAL FUNDING SOURCES</b>	(\$450K General Fund + \$500K Measure K + \$740K potential State grant to DA)



# Phase 2 and Beyond: Expand and improve based on learnings in Phase 1

- **Trusted CBO Partners in Key Industries**
  - Farmworkers
  - Construction workers
  - Restaurant workers
- **Advise BOS on potential policies and enforcement mechanisms, including amendments to existing ordinances and/or new ordinances, as appropriate**
- **Consider whether a collections agency could be beneficial for recovering worker restitution**
- **Expand outreach only after more structure is built to intake worker complaints and engage with employers.**
  - Expand Targeted Outreach and Engagement
    - Domestic Workers
    - Caregivers
    - Janitorial workers
    - Day Laborers
  - Expand capacity for the following based on scoping in first phase:
    - Hotline staffing
    - Investigators

**THANK YOU**