

**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

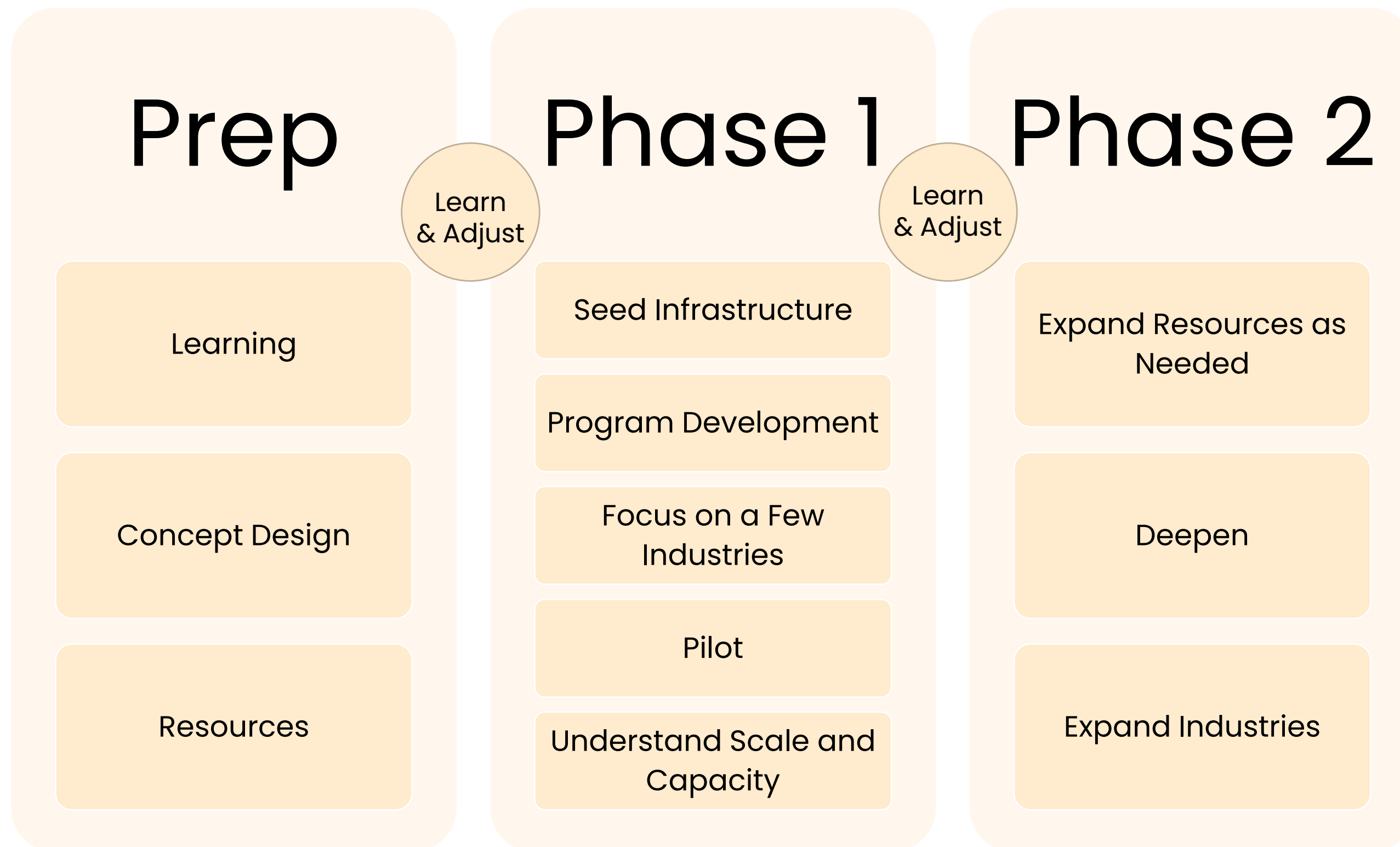
PHASED APPROACH TO BUILDING INFRASTRUCTURE

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

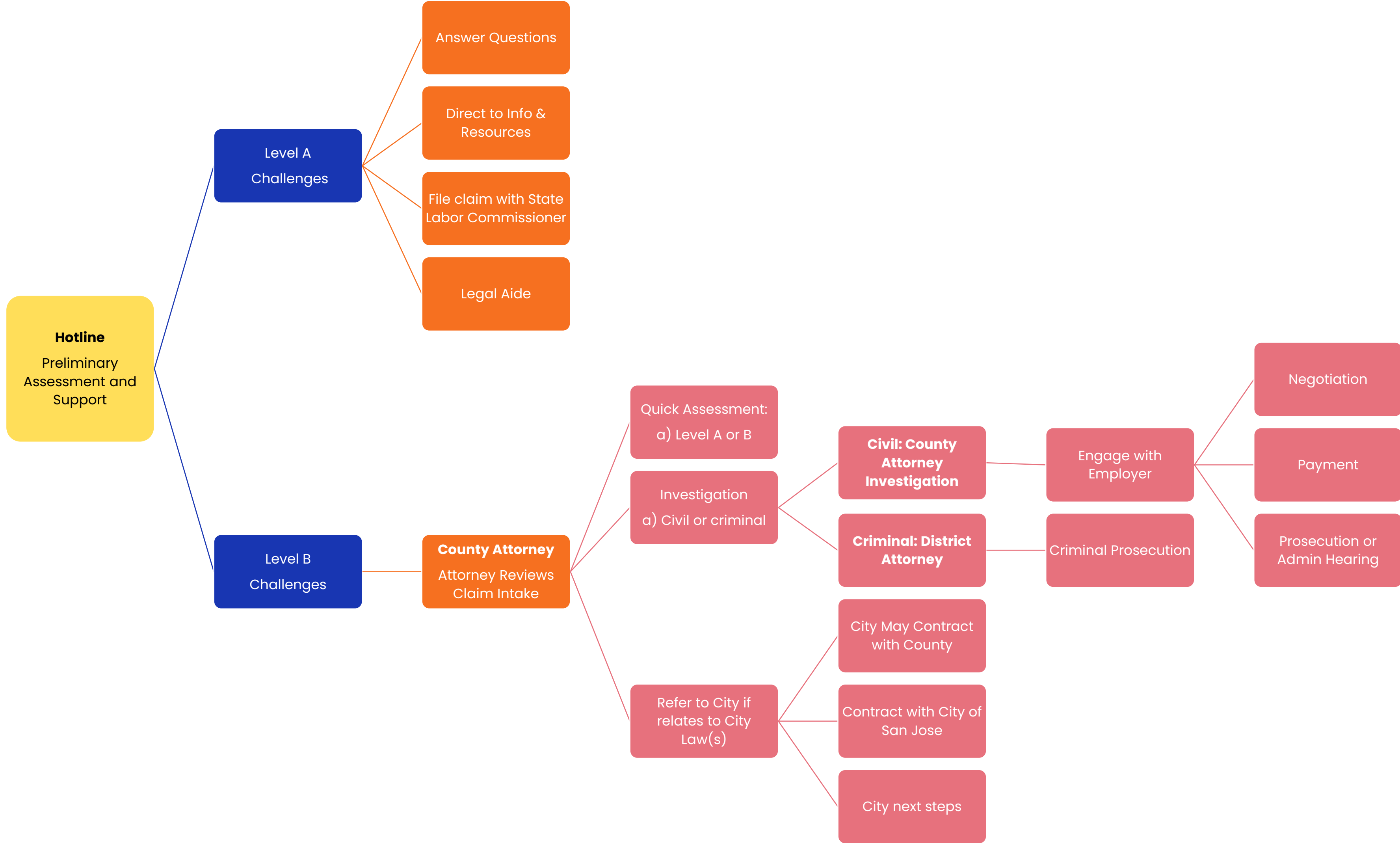
- OLSE Hotline
- Targeted Outreach
 - Farmworkers
 - Construction workers
 - Restaurant workers
- Economic Advancement Centers
 - Low-wage workers & Small Businesses

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
TOTAL COST	\$1.7M
PENDING POTENTIAL FUNDING SOURCES	(\$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