330 West Broadway San Diego, CA 92101 (619) 531-4040 SanDiegoDA.com

OFFICE OF THE DISTRICT ATTORNEY COUNTY OF SAN DIEGO

DWAIN D. WOODLEY

SUMMER STEPHAN DISTRICT ATTORNEY

August 1, 2024 For Immediate Release Contact: <u>Steve Walker</u> (619) 531-3890 Tanya Sierra (619) 531-3315

En Español Barbara Medina (619) 531-3305

DA, County Counsel & Labor Standards Office Receive Grant to Prosecute Additional Wage Theft Cases

\$750,000 Grant to Tackle Increasing Problem of Employer Theft

San Diego County District Attorney <u>Summer Stephan</u> announced today that her office, the office of County Counsel and the County Office of Labor Standards & Enforcement (OLSE) have received a grant that will assist in prosecuting and preventing wage theft, which is currently rampant among low-wage and non-English speaking workers.

The Labor Commissioner's Office is providing the two-year grant, which will provide \$750,000 toward the salaries of a prosecutor, an investigator and paralegal to work on wage theft cases criminally or civilly in order to blunt the roughly \$2 million in annual wage theft losses in San Diego County.

"Wage theft is oppressive and impacts the livelihood and dignity of hard-working people," **DA Stephan said**. "This is why it has been a priority for our office to hold those who steal wages accountable through felony wage theft prosecutions. With this grant, we will be able to expand our efforts in partnership with our county partners and further protect workers. I want to thank California's Labor Commissioner Lilia Garcia-Brower for her trust in us and awarding us this valuable grant."

The District Attorney's Workplace Justice Unit and OLSE will work together to review worker rights cases using civil and criminal tools. The grant allows County Counsel/OLSE resources to assist in obtaining and enforcing civil judgments on behalf of the workers. The DA's Workplace Justice Unit will continue to investigate and criminally prosecute those who criminally violate the law.

Wage theft occurs among all demographic groups but a disproportionate number of those most affected tend to be low wage workers, women, people of color, non-English speaking and foreign-born individuals. San Diego's location and its thriving agricultural industry, valued at nearly \$2 billion, attracts workers most vulnerable to labor exploitation and wage theft.



"Wage theft is a serious and persistent problem which demands increased collaboration with government agencies and community leaders," said Labor Commissioner Lilia García-Brower. "District Attorney Summer Stephan has been a leader in combatting wage theft by partnering with my team and community leaders. I am confident that under her leadership, these grant funds will greatly benefit San Diego County workers and deter bad employers from engaging in wage theft."

Traditionally, the Labor Commissioner's office is the governmental agency with administrative enforcement authority for wage theft cases. However, AB 594, expanded this enforcement scope in 2024 to empower public prosecutors, including the District Attorney's office and County Counsels with the autonomy to independently prosecute civil or criminal actions for violation of specified Labor Code provisions within their geographic jurisdiction.

"Wage theft is a grave injustice that affects many in San Diego County, especially our most vulnerable workers," **said Chairwoman Nora Vargas, of the San Diego County Board of Supervisors**. "This grant empowers us to strengthen our efforts to protect workers' rights and hold employers accountable for exploitation."

San Diego County has been at the forefront of combating wage theft. OLSE is focused on protecting workers' rights by ensuring all employers are following wage laws. In 2021, the DA's Workplace Justice Unit was created with the specific goal of protecting the most vulnerable population from criminal workplace violations. The unit was one of the first formed in California to investigate and prosecute criminal wage theft cases.

"We are holding companies accountable that steal money from their workers and fail to pay the wages they have been promised," **said Supervisor Terra Lawson-Remer, Vice Chair of the Board of Supervisors.** "We established the County's Office of Labor Standards to protect workers and this new program to prosecute bad employers is a significant step forward. I am thankful California's Labor Commissioner awarded us this funding, OLSE will put it to good use, and help as many people as possible."

According to a 2023 wage theft and labor rights <u>study</u> by the San Diego State University Center for Community Research and Engagement, wage theft is a rampant problem for workers. The study found a number of problems encountered by workers, including:

- Of the 843 hourly employees surveyed, 87% experienced wage theft during the previous 12 months, with half of them regularly experiencing wage theft.
- Minimum wage violations were widespread among survey participants who worked in the City of San Diego, where the minimum wage is higher than the state minimum.
- More than 30% of the hourly employees working in the city were paid less than the 2023 minimum of \$16.30.
- Of the hourly employees working outside of the city, where the 2023 minimum wage was \$15.50, almost one in 10 were paid under this amount.
- Sick day violations were common among survey participants. Of the more than 900 workers surveyed (both hourly and salaried), approximately one third either did not get any sick days or were retaliated against for taking them.
- In addition, over half of respondents did not know how many paid sick days they could earn at their job, and most of those did not know if they could earn them at all.



- Lack of knowledge about wage theft and how to seek remedies was pervasive among survey participants.
- Of the participants who reported having experienced at least one illegal practice, 87% did not know they had experienced wage theft.
- Even more alarming is the fact that 82% of those that reported they regularly experienced violations did not recognize it as wage theft.
- Nearly 90% of workers did not know where to file a wage theft complaint and the same amount had never heard of the City or County Offices for Labor Standards Enforcement.

"We're going to hold the line on accountability and we're going to do our best to try to help these workers recover." said Branden Butler, OLSE Director.

###

About the San Diego County District Attorney's Office

The San Diego County DA's Office prosecutes all felony crimes in the county and misdemeanor crimes committed outside the City of San Diego. The office files about 40,000 criminal cases a year and balances prosecution with numerous crime prevention programs. District Attorney Summer Stephan leads the office of more than 1,000 dedicated employees who pursue fair and equal justice, and support victims daily across San Diego County.

About the Office of Labor Standards and Enforcement (OLSE)

OLSE was established by the County Board of Supervisors in May 2021 to be the local resource for workers and businesses alike; to provide clarity and information about employment laws and regulations; and ensure workers are being treated fairly. The office leads 8 initiatives and in FY 23-24, assisted 34 victims of wage theft through the Workplace Justice Fund.

