

Reclaiming Wages for Workers through Worker-Centric Approaches

Los Angeles County (County) is the wage theft capital of the United States. According to research from UCLA's Institute for Research on Labor and Employment, approximately 30 percent of low-wage workers in the County have experienced serious minimum wage violations, with wage theft totaling roughly \$1.4 billion annually. A 2024 study by researchers at Rutgers University found that the Los Angeles metropolitan area lost an average of \$1.6 to \$2.5 billion annually between 2014 and 2023 through minimum wage violations alone, with over seven percent of workers paid below California's state minimum wage. Low-wage workers lose an estimated \$26 to \$28 million every week to unpaid hours, overtime violations, stolen tips, illegal deductions, and outright non-payment of wages.

The consequences for workers and their families are immediate and severe. For households already living paycheck to paycheck, stolen wages mean missed meals, mounting debt, utility shutoffs, and the risk of homelessness. These losses also reduce local tax revenues, increase reliance on public assistance, and give unscrupulous employers an unfair advantage over businesses that follow the law.

Workers who come forward face serious risks. Those who file wage claims frequently face reduced hours, termination, and threats of deportation. These fears are

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MOTION

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most acute among immigrant workers and those in informal industries, the very workers who experience violations at the highest rates. As federal immigration enforcement intensifies and federal worker protections erode, the County must fill the gap.

Since 2021, the Board of Supervisors has taken meaningful steps. The Office of Labor Equity has reclaimed \$4.6 million for over 3,000 workers, targeting enforcement in domestic work, massage therapy, and fast-food services. The Department of Public Health's Office of Worker Health and Safety has expanded outreach across construction, apparel manufacturing, food manufacturing, warehousing, restaurants, and supermarkets, and has taken a public health approach to protecting workers through its Public Health Councils. The County Counsel's Affirmative Litigation and Consumer Protection team has pursued systemic violations in home care. The District Attorney's Labor Justice Unit, established in 2023, has added criminal prosecution capacity for the most egregious cases. These efforts work. But the gap between what is being recovered and what is being stolen remains enormous.

The County's enforcement is fragmented across agencies, limited in jurisdiction to unincorporated areas and a handful of partner cities, and dependent on a complaint-based model that structurally fails the workers most at risk. Research from the Economic Policy Institute and UC Berkeley demonstrates that in some sectors, hundreds of violations occur for every one complaint filed. Workers in domestic service, home health care, car washes, garment manufacturing, and food service are among the most frequently exploited and the least likely to ever file a claim. A strategy that waits for workers to come forward will never close this gap.

The state enforcement system cannot fill the void. California's Labor Commissioner faces a backlog of over 47,000 outstanding claims, averaging 2.5 years to resolve. In September 2020, Governor Newsom signed AB 3075, authored by Assemblywoman Lorena Gonzalez, which clarified that local agencies like DCBA may enforce state wage laws and close the loophole allowing employers to reopen under a new name to evade wage judgments. However, AB 3075 did not grant local agencies the authority to collect associated fines and fees, a structural limitation that constrains both DCBA's enforcement capacity and the deterrent effect of the cases it pursues. In October 2025, Governor Newsom signed SB 261, authored by State Senator Aisha Wahab, which

imposes tougher financial penalties on employers who ignore wage theft judgments and allows county prosecutors to recover attorneys' fees, making local enforcement more financially sustainable. Together, these two laws create a stronger legal foundation for local enforcement than has ever existed in California. This motion directs the County to fully utilize both.

The evidence from peer jurisdictions is clear. A 2023 report from the Economic Policy Institute and Harvard Law School's Center for Labor and a Just Economy reviewed co-enforcement programs across more than a dozen jurisdictions, including Chicago, San Francisco, Philadelphia, Minneapolis, Seattle, and Santa Clara County, finding that partnerships between government agencies and worker organizations consistently produce more referrals, higher-quality cases, and faster wage recovery than government enforcement alone. Seattle alone has committed over \$1.5 million to fund worker organizations under its co-enforcement model. Santa Clara County, which co-sponsored SB 261, has also pioneered the use of food permit enforcement, suspending food permits from vendors with outstanding wage theft judgments, demonstrating that creative use of existing regulatory authority can dramatically increase compliance. Strategic public communications are equally powerful: research shows that publicizing enforcement outcomes led to 88 percent fewer violations at nearby facilities in the same sector.

The County already has the legal authority, the institutional infrastructure, and the community relationships to do this work on a scale. We now must provide the coordinated, worker-centered strategy to get it done.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Director of the Department of Consumer and Business Affairs (DCBA), through the Office of Labor Equity (OLE), or designee, to engage the California Department of Industrial Relations (DIR), through the California Labor Commissioner, to be able to collect fines and fees for enforcing state violations as outlined under Labor Code section 1205 and delegate authority to DCBA to enter into a Memorandum of Understanding (MOU) with the State Labor Commissioner if necessary to collect fines and fees payable to Los Angeles County (County). Report back to the Board in writing within 90 days on the status of outreach to DIR, any obstacles to executing an MOU, and how the County will leverage Senate Bill

261's fee recovery authorities alongside Assembly Bill 3075-enabled enforcement and report back with a recommended process to apportion collected fines and fees among County departments to enhance outreach, education, and enforcement.

2. Direct the Director of DCBA, or designee, to expand the County's co-enforcement model through DCBA's executed contract with worker organization(s) by:
 - a. Reporting back to the Board in 90 days with recommended restructuring of DCBA's Outreach, Education, and Support Services Contract with the Warehouse Workers Center (CA-26-003) to include additional worker centers as grantees or subgrantees to further a strategic and collaborative co-enforcement model to the extent that funding is available. The report back should include recommendations to restructure the Outreach, Education, and Support Services Contract while addressing: (1) which additional worker centers would be added as grantees or subgrantees within existing resources, (2) how outreach models used by the restructured contract maps onto the California DIR Workers' Rights Enforcement Grant, the California Workplace Outreach Project, and the Public Health Council program model, (3) a concrete implementation timeline tied to the next contract renewal opportunity inclusive of a proposed metrics and expected outcomes that will inform ongoing implementation.
 - b. Convening bi-monthly meetings between DCBA, the Department of Public Health's (DPH) Office of Worker Health and Safety (OWHS), and the Office of County Counsel's Affirmative Litigation and Consumer Protection Division (ALCP), in consultation with an advisory body of worker centers, including but not limited to the Los Angeles Worker Center Network, public health council organizations, and legal aid affirmative litigation partner organizations. The worker advisory body should help develop and inform enforcement strategies, identify and prioritize high-risk industries ~~and employers~~, and strengthen DCBA's co-enforcement model. ~~The advisory body should support increasing the quantity and quality of referrals on the Minimum Wage Ordinance, Wage Enforcement Ordinance, Human Trafficking, Fair Chance Ordinance, and Fair Workweek Ordinance.~~

3. Direct the Director of DCBA and DPH to explore deeper partnership opportunities between OLE and OWHS, including: (1) referrals to other regulatory bodies, such as DPH and Cal/OSHA, when worksites have issues outside of OLE's jurisdiction or scope; and (2) opportunities for DCBA and DPH to partner on external communications for strategic enforcement campaigns. Report back to the Board in writing on progress in 90 days.
4. Direct the Director of DCBA, through OLE and in coordination with OWHS and ALCP, to create enforcement campaigns with strategic communications in consultation with worker centers and labor unions to identify a list of at least five priority low-wage industries to target each fiscal year that have the highest violations of wage theft.
 - a. The priority industries for the year should be published annually each year and highlighted and reflected in DCBA's budget submissions. DCBA should also identify and pursue necessary resources to support these priorities, as appropriate.
 - b. Direct DCBA, along with the Chief Executive Office's Countywide Communications branch, to launch strategic communications campaigns for each industry selected every year, including outreach materials, pressers, op-eds, and strategic paid and earned media to the extent funding is available, and report back to the Board in writing on progress in 90 days including how campaigns will work with contracted worker organizations for increased outreach and co-enforcement.
5. Direct the Director of DCBA, or designee, to report back to the Board in writing within 90 days on creating a multi-tiered system that assigns cases a high, medium, and low priority and sets an income limit to prioritize the lowest wage workers. The multi-tiered system should include metrics to identify high priority cases if the case is in a priority industry, has a large number of workers affected, severity of violations, and potential to cause beneficial ripple effect in the industry; medium priority to cases with fewer workers, fewer violations; and lower priority to cases with one or few affected workers and where the disputed amount is below a proposed specified threshold not to exceed \$1000. The multi-tiered priority system

should be made public on the OLE's website once implemented. The report back should describe how the framework will be implemented and communicated to the public in a manner that promotes transparency while maintaining necessary enforcement discretion. The framework shall serve as a guide and shall not limit the Department's authority to investigate any complaint or take enforcement action as appropriate.

6. Direct the Director of DCBA, in collaboration with the Chief Information Officer, County Counsel, and relevant County technology partners, to publicize adjudicated cases ~~completed investigations~~ in a public-facing dashboard, including the name of the establishment ~~investigated and~~ penalized by OLE, the specific ordinance section violated by the employer, the number of workers impacted, and the financial penalty levied by OLE.
 - a. Report back to the Board in writing in 90 days on the metrics that will be tracked on the public dashboard and work in consultation with worker organizations, labor unions, and the City of Los Angeles' Office of Wage Standards to develop metrics. Launch the public dashboard within 120 days.
7. Direct the Director of DCBA, in collaboration with the Chief Information Officer, County Counsel and relevant County technology partners, to report back to the Board in writing within 90 days with an assessment of tools and technologies, including the use of artificial intelligence and data analytics, that could enhance the Department's capacity to conduct wage audits, identify potential violations, and support enforcement activities. The assessment shall evaluate feasibility, resource requirements, data privacy and security considerations, and potential risks and benefits, and include recommendations for how such tools could be responsibly deployed to improve efficiency and enforcement impact.
8. Direct the Director of DCBA, to expand efforts to build upon existing partnerships with incorporated cities within the County that do not have local enforcement authority on worker protection ordinances, with a focus on areas where there is a demonstrated need for enforcement and aligned partnership opportunities. Grant delegated authority to the department to enter or amend agreements with

interested cities and municipalities where there are high worker violations and interested partners.

9. Unless otherwise ordered by the Board or required by law, waive the requirements of Board Policy No. 5.100 and authorize the Director of DCBA to prepare and execute agreements, and any amendments to existing agreements, approved as to form by County Counsel, with attorneys, consultants, non-profit organizations, or community-based organizations to support the directives of this motion.

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