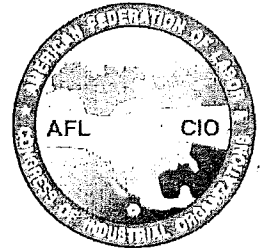




# MAINE AFL-CIO

A Union of Unions Standing for Maine Workers

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## Testimony of Maine AFL-CIO Legislative & Political Director, Adam Goode, in Support of LD 372, "An Act to Increase Enforcement and Accountability for Wage and Hour Violations"

Senator Tipping, Representative Roeder and members of the Labor & Housing Committee, my name is Adam Goode. I'm the Legislative and Political Director of the Maine AFL-CIO. We represent 40,000 working people in the state of Maine. We work to improve the lives and working conditions of our members and all working people. We testify in support of LD 372.

We are strongly in support of the intent of these rule changes. Effective enforcement of labor laws will serve as a deterrent, preventing exploitation of workers. We also believe that increasing fines and simplifying procedures will help ensure that companies who violate labor laws are held accountable and are therefore also testifying in favor of LD 2184.

While there are many types of labor violations, one of the most typical is wage theft. Wage theft is deeply harmful to working people and it provides an unfair advantage to low road employers over the vast majority of Maine businesses who play by the rules. We know that these problems persist in every State, Maine being no different. Nationally, wage theft costs workers hundreds of millions of dollars each year.<sup>1</sup> This happens across industries, but is concentrated in lower wage sectors of the economy. A 2014 study found that nationally nearly 90% of fast-food workers suffered some sort of wage theft on the job.<sup>2</sup>

Our understanding that when a worker currently has their wages withheld illegally, they have to go to court to get these penalties. The entire legislature knows how short-staffed state government is, and the likelihood of the Attorney General's Office taking on cases where a small number of workers are impacted dwindles as we see wages in state government fall further behind the private sector. Having the Department of Labor involved in these cases will result in the law being applied fairly so that all workers, regardless of whether there are a large number of impacted individuals or a small number, can receive the appropriate remedies for mistreatment.

We ask that you vote ought to pass on LD 372.

<sup>1</sup>Brady Meixell & Ross Eisenbrey, Economic Policy Institute, *An Epidemic of Wage Theft is Costs Workers Hundreds of Millions of Dollars a Year* (Sept. 2014).

<sup>2</sup>Catherine Ruckelhaus et al, National Employment Law Project, *Who's the Boss: Restoring Accountability for Labor Standards in Outsourced Work* (May 2014).