RESOLUTION ON WAGE THEFT
Sponsor: Portland, Oregon JCRC
Co-Sponsors: Union for Reform Judaism; Jewish Labor Committee; Jewish Reconstructionist Federation; Silicon Valley JCRC

Summary: This resolution deals with ongoing and pervasive theft of wages and tips throughout the United States. While many states have passed extensive laws prohibiting the theft of wages, these laws are underutilized and not enforced. This resolution increases the call for awareness and advocacy by the Jewish community to pass laws that strengthen enforcement of wage theft laws on the books, fund state agencies that are charged with enforcing wage and hour regulations, and work to protect honest workers and employers trying to compete with wage cheats. The JCPA has policies on minimum wage and living wage.

Wage theft comes in many forms—shaving minutes off the time clock, depriving workers of break time, withholding insurance contributions but not paying the insurance companies, using sham corporations to elude payment, misclassifying employees as independent contractors, misclassifying employees as salaried workers to avoid paying overtime, and retaliating against employees who complain about such conditions. Many occurrences of wage theft are challenging to prove because the employees may be paid without any itemized statements of hours worked, their hourly rate, or any deductions/withholdings. Historically, low wage workers are more likely to be the less advantaged among us—younger rather than older, female rather than male, African-American or Latino rather than white. Because of the lagging economic recovery, workers of every age, gender, and race may be harmed by wage theft.

Wage theft even in small amounts is a pervasive problem, especially among low wage workers. Wage theft is disproportionately common among food service workers, construction workers, and farm workers. For those workers, losing even small amounts of money from an already small paycheck can impair their ability to pay their bills and feed their families.

There are many sources in Jewish scripture that remind us of the obligation to treat employees fairly; and our rabbinic tradition teaches us that this imperative goes well beyond the letter of the law. Wage theft issues intersect with many other JCPA priorities, including the weakening of the middle class, exploitation of the powerless, food insecurity, and homelessness. Wage theft causes a loss of tax revenue, and creates unfair competition because violators can unfairly compete with honest businesses that abide by the law. Wage theft also increases the myriad problems growing out of the widening gap of income inequality, and contributes to the evisceration of the middle class.
Throughout the country, employers commit wage theft because they can get away with it. Even when they are caught, the enforcement agencies typically require them only to pay what they owe; there is therefore little incentive to change their conduct. Enforcement of wage and hour laws and wage theft protections through the civil court system can be costly, time consuming, and ultimately fruitless for the wronged employee. At the same time, victims of wage theft are often too scared to come forward because they don’t realize that they have rights, don’t realize that their rights have been violated, or don’t realize that they’re protected from retaliation.

The Jewish Council for Public Affairs believes:

- The highest form of tzedakah is to provide someone with a job that allows one the ability to live independently.
- A low-wage earner working full-time should be able to provide a minimum level of support for him or herself and his or her family.
- Wage theft contributes to food insecurity, to homelessness, and to the weakening of the middle class.
- Indirect victims of wage theft include honest employers seeking to compete with wage cheats and government agencies deprived of payroll tax revenues.
- The failure to enforce wage theft statutes perpetuates poverty, creates unfair competition, and burdens the social safety net.
- Enforcing strong anti-wage theft legislation promotes business interests as it allows all businesses to compete on a level playing field.

The community relations field should:

- Educate about the ineffectiveness of wage and hour legislation to combat the current epidemic of wage theft.
- Educate about the effects of wage theft on all workers and their families.
- Advocate for an increase of funding for federal, state, and local agencies that enforce wage and hour regulations, and enforce outstanding judgments against employers who owe money to their employees.
• Advocate for state and local legislation or contractual requirements that make wage theft offenders ineligible to receive permits, licenses, and government contracts, and suspend existing permits until violators come into compliance. Advocate generally for more effective legislation and enforcement mechanisms.

• Encourage district attorneys to prosecute egregious wage theft cases, and local governments to record wage liens where possible.

• Encourage local governments to support community-based and legal service organizations that help victims file complaints.

• Assist in the development of educational programs for employers and employees in the community to inform them of relevant state and federal laws regarding wage theft.