



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Matt Loesch

**SUBJECT: WAGE THEFT ENFORCEMENT  
PILOT**

**DATE:** May 31, 2023

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Approved

Date: 6/1/2023

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## **BACKGROUND**

With their approval of the Mayor's March Budget Message for Fiscal Year 2023-2024, the City Council also approved a request from Councilmember Ortiz to provide a cost estimate to extend for an additional two years the City's pilot program for targeted wage theft enforcement between the Office of Equality Assurance and the County Office of Labor Standards Enforcement.

## **ANALYSIS**

The American Rescue Plan Fund provided \$375,000 to fund a two-year pilot collaboration between the Office of Equality Assurance (OEA) and Santa Clara County's Office of Labor Standards Enforcement (OLSE) to enhance awareness of and compliance with basic workplace protections. The soon-to-be-launched Community-Based Wage Theft Outreach and Education Program will expand the County of Santa Clara's current program of "boots on the ground" outreach and education that meets with workers and small businesses. This pilot will begin in 2023-2024 and run through 2024-2025.

The Community-Based Wage Theft Outreach and Education Program will utilize trusted, well-informed community-based organizations such as Katharine & George Alexander Community Law Center, Fair Workplace Collaborative, Working Partnerships USA, Step Forward Foundation, Pilipino Association of Workers and Immigrants, Vietnamese American Roundtable, Enterprise Foundation, and Latinx Business Circle.

The program will focus on San José workers through on-site trainings and seminars to educate workers on their rights, review of potential wage theft claims, and complete warm handoffs of workers to appropriate enforcement agencies to resolve workplace issues. The program will also support San José small businesses through on-site trainings to educate on requirements, responsibilities, and best practices. In addition, the program will include a legal advice line,

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staffed by local labor attorneys, to provide pro-bono legal advice to workers and case manage workers referred to them through the process of resolving workplace issues.

In coordination with the County of Santa Clara's Office of Labor Standards Enforcement, staff will collect and analyze detailed reports including specific data gained from educational outreach, including but not limited to, workers names, addresses, contact information, business name, business agent, location, and business contact information. Information collected will be used to direct resources to specific industries identified as "high risk" of wage theft.

As stated above, the currently funded pilot of \$375,000 will begin in 2023-2024 and run through 2024-2025. An additional \$375,000, should the City Council decide to reallocate General Fund resources, could be used to extend the pilot for an additional two years, through 2026-2027.

### **COORDINATION**

This cost estimate was coordinated with the City Manager's Budget Office.

/s/

MATT LOESCH

Acting Director, Department of Public Works

For questions, please contact Christopher Hickey, Division Manager, Office of Equality Assurance at [Christopher.Hickey@sanjoseca.gov](mailto:Christopher.Hickey@sanjoseca.gov)