



Good Jobs, Strong Communities: “An Act to Prevent Wage Theft and Promote Employer Accountability”

Massachusetts employers increasingly subcontract and outsource labor, distancing themselves from their responsibilities. Through practices such as multi-layered contracting, using temporary employment agencies, franchising, and misclassifying employees as independent contractors, employers turn secure jobs into low-wage poverty jobs. Sometimes these practices are legitimate ways to produce goods and services, but too often have become explicit employer strategies to skirt labor laws and erode worker protections. The race to the bottom drives the trend to lower wages, vanishing benefits, dangerous working conditions, vulnerable families, destabilized communities, and unfair business competition.

What does the legislation do?

- ◆ **Increases Accountability:** Holds businesses that contract for labor or services (lead companies) accountable for wage theft violations that are significantly connected to their business activities or operations.
- ◆ **Protects Wage Rights:** Protects workers from wage theft violations such as a failure to make payments, failure to abide by minimum wage, prevailing wage, and overtime laws, independent contractor misclassification, and failure to comply with worker’s compensation.
- ◆ **Levels the Playing Field:** Promotes fair competition by ensuring all businesses, including lead companies, play by the rules and give their workers an honest day’s pay for an honest day’s work.

How does it accomplish this?

- ◆ **Government Enforcement:** Streamlines the enforcement power of the Attorney General’s office by allowing it to bring wage theft cases to court and seek civil damages. Clarifies that criminal penalties for wage theft violations apply only to employers with respect to their own employees, not lead companies.
- ◆ **Stop Work Order:** In cases where there has been a determination of a wage theft violation, the Attorney General will have the power to issue a “Stop Work Order,” which temporarily halts work until the violation is corrected. Employers will be given an opportunity to correct the violation and resume operations or request a hearing. Expanding this tool will increase accountability for wage theft violations.

Private Actions: Extends existing private right of action for Massachusetts wage theft violations to lead companies.

Good Jobs, Strong Communities Campaign Committee

1199SEIU United Healthcare Workers East
Centro Comunitario de las Trabajadores
Chelsea Collaborative
Chinese Progressive Association
Greater Boston Labor Council
Greater Boston Labor Council Futures Committee
Greater Boston Legal Services
Immigrant Worker Center Collaborative
International Union of Painters and Allied Trades (DC 35)
Massachusetts AFL-CIO
Massachusetts Coalition for Occupational Safety and Health
MetroWest Worker Center
New England Regional Council of Carpenters
SEIU 32BJ District 615
UNITE HERE Local 26
UNITE HERE New England Joint Board

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