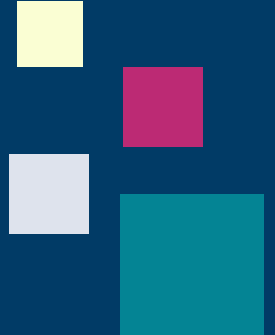


COUNTY OF SANTA CLARA

Office of Labor Standards Enforcement



**Annual Report
2022**

sccfairworkplace.org

Santa Clara County

2019 Labor Force



Number of people of working age (16+) in Santa Clara County

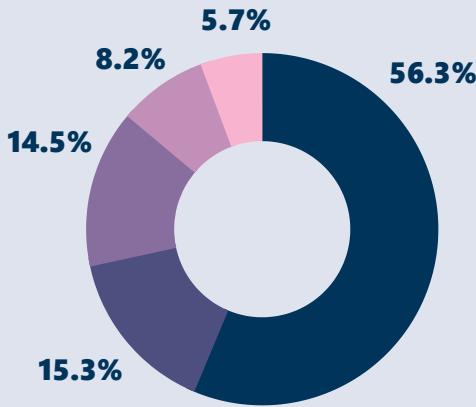
1,556,732

65.6% of working age (16+) people in Santa Clara County are employed

1,021,216



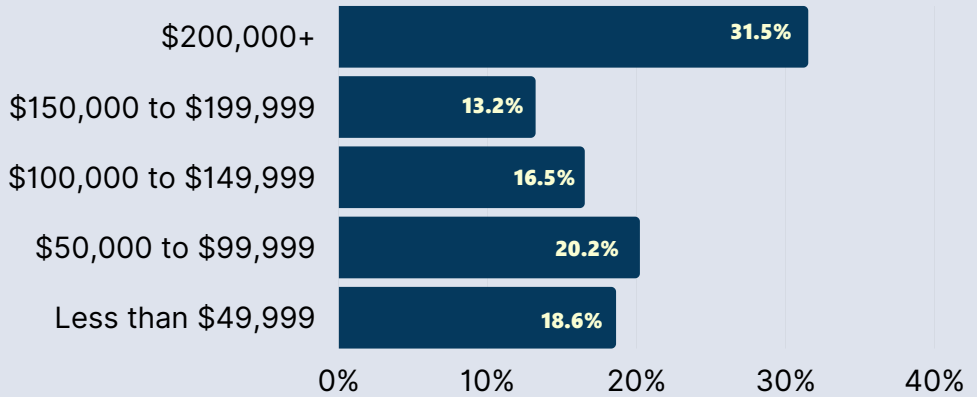
Worker Occupations (Ages 16+)



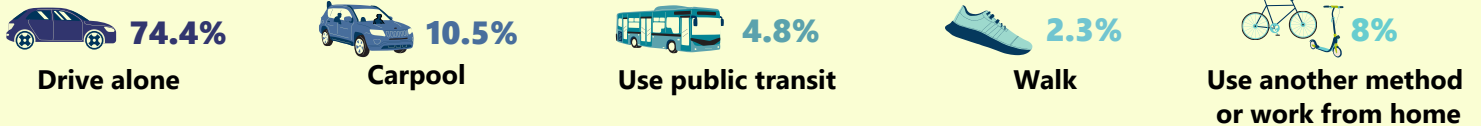
- Management, business, science, and arts
- Sales and office
- Production, transportation, and materials moving
- Service
- Construction, maintenance, and natural resources

Family Income and Benefits

Total Families: 452,203



How Santa Clara County Workers Get to Work



Workforce Breakdown by Sex (Ages 16+)



44% of the employed work force is female

56% of the employed work force is male



68%
Of families with children under age 17 have all parents in labor force



OLSE
Office of Labor Standards Enforcement

sccfairworkplace.org

Source: U.S. Census Bureau; American Community Survey (ACS); 2019 American Community Survey 1-Year Estimates; Table DP03 Selected Economic Characteristics (16 March 2022)

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OLSE History

- Fall 2014** ▶ Board of Supervisors adopts resolutions for Wage Theft Prevention Policy & Living Wage Ordinance
- June 2017** ▶ Board of Supervisors creates the Office of Labor Standards Enforcement (OLSE)
- November 2017** ▶ Board of Supervisors approves initial plans for OLSE's enforcement programs
- December 2018** ▶ Board of Supervisors approves OLSE's proposed Labor Standards Outreach and Education Initiative for worker and business outreach and education
- Fall 2019** ▶ Partner with the Fair Workplace Collaborative for community-based outreach and education efforts
- September 2019** ▶ Launch of the Food Permit Wage Theft Enforcement Program in the pilot areas of Mountain View, Sunnyvale, and downtown San Jose
- March 2020** ▶ Staff supported COVID-19 efforts in the COVID-19 Emergency Operations Center; and most labor enforcement activities suspended
- September 2020** ▶ Join the District Attorney's Office's Worker Exploitation Task Force
- May 2021** ▶ Launch of the County Contracts Labor Standards Enforcement Program
- Summer 2021** ▶ Staff begins to reactivate labor enforcement programs while continuing to be support COVID-19 efforts in the COVID-19 Emergency Operations Center
- September 2021** ▶ Retail Food Advisory Council inaugural meeting
- October 2021** ▶ Takes over and reframes County partnership with the Santa Clara University Community Law Center to more concretely focus on worker-supportive community legal clinic services
- April 2022** ▶ Relaunch of the Food Permit Wage Theft Enforcement Program in pilot areas

Vision & Mission



Immaculate Cleaning Services

Vision

A Santa Clara County with safe and respectful workplaces for all.

Mission

The mission of the County of Santa Clara is to plan for the needs of a dynamic community, provide quality services, and promote a healthy, safe, and prosperous community for all.

OLSE implements this by advancing labor standards through thoughtful community and business engagement, strategic enforcement, innovation and study, and policy development with a commitment to social justice.

- 01 Research and Policy
- 02 Outreach and Education
- 03 Enforcement

Executive Summary

OLSE was created by the Board of Supervisors to address the problem of wage theft in Santa Clara County. Data from the California Labor Commissioner's Office indicates from January 2012 to July 2022, wage claims filed by workers in Santa Clara County resulted in judgments equaling over \$23 million in unpaid worker wages. This report highlights OLSE's activities and accomplishments between July 2021 to June 2022.

Outreach & Education

OLSE partnered with the Fair Workplace Collaborative and the Katharine and George Alexander Community Law Center to inform county workers and businesses of their legal rights and responsibilities, deliver technical trainings, and provide individualized services in order to encourage compliance with local, State and Federal labor laws. Outreach and education accomplishments include:

- **\$63,400+** in attorneys fees avoided by workers and businesses calling the legal Advice Line for their workplace questions and concerns
- Engaged **1,320+** businesses with resources on workers' rights and employer responsibilities.

Enforcement

OLSE partnered with County departments to launch a pilot program for County contracts wage theft enforcement, and relaunch the Food Permit Enforcement Program after being on hold due to COVID-19. These programs focus on leveraging County authority over food permits and County contracts to ensure permit holders and contractors comply with applicable employment laws.

Enforcement accomplishments include:

- Collected over **\$7,800** in unpaid wage judgments from workers through settlement and enforcement activity
- Reviewed over **440** County contracts for outstanding unpaid wage judgments.



Community Impact Model

1.

Inputs

Community Investment

Invest in community partners (\$1.4M in Fiscal Year 2021-2022) to provide outreach and education and individual services about workers' rights and business responsibility.

2.

Activities

Outreach & Educational Trainings

Engage businesses and workers to provide information and trainings focused on wage and hour laws, sexual harassment, discrimination, retaliation, and workers' rights.

Legal Advice & Case Management

Individualized services for workers and businesses to provide information and referrals about their legal rights and obligations.

Wage Theft Enforcement

Leverage authority in County contracts and retail food permits to ensure workers are paid their earned wages.



Workers' Rights Training at DWCMV

Impact

3.

\$63,400+ Attorney's Fees Saved

Workers and businesses avoided over \$63,400 in attorneys fees by calling the legal Advice Line for their workplace questions and concerns.

\$7,800+ Unpaid Wages Collected

Collected over \$7,800 in outstanding unpaid wages for workers through enforcement activity.

320+ Referred or Assisted in Unpaid Wage Claims

320+ workers were assisted in filing wage claims with State and Federal agencies or referred for private representation.

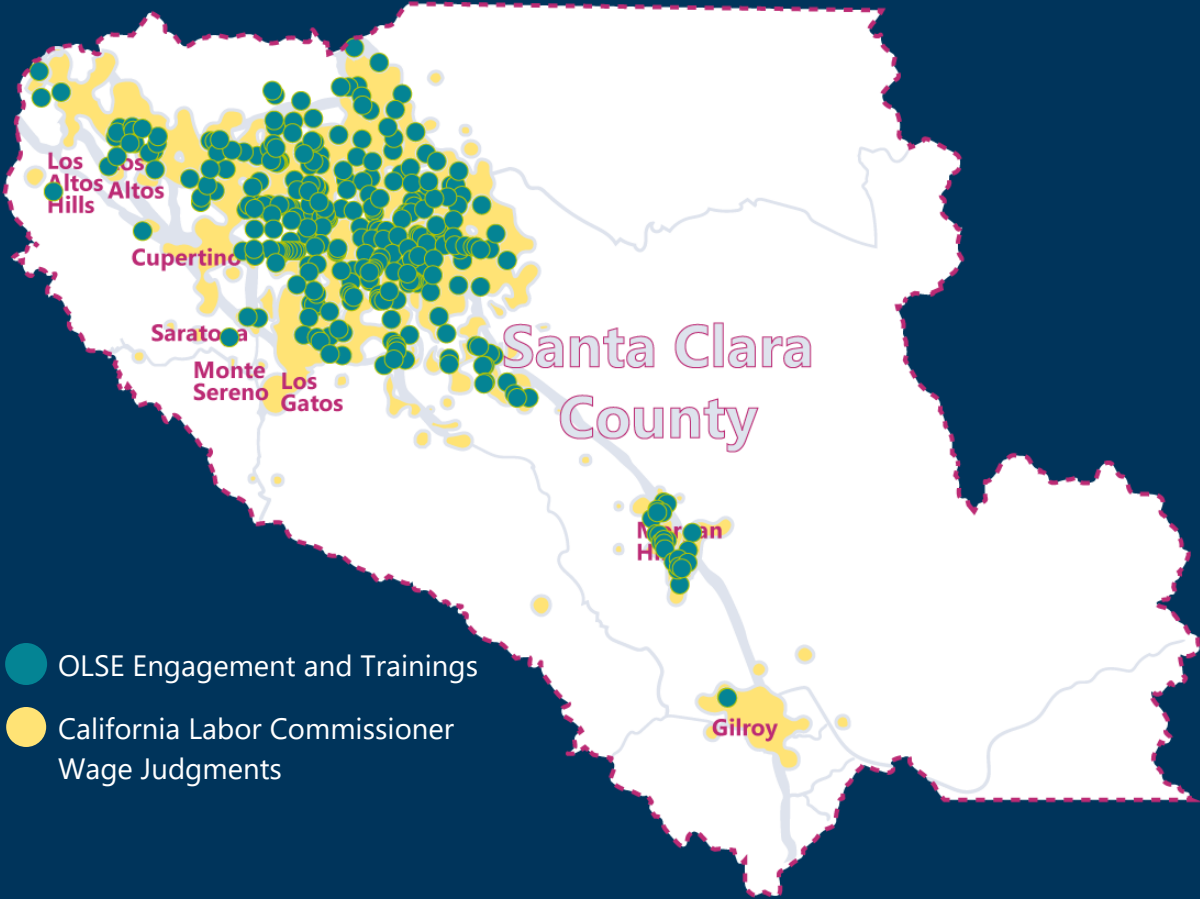
157 Legal Clinic Clients Served

At 28 legal clinics, 157 clients were provided information, legal advice counseling, and potential solutions to their workplace issues like unpaid wages, wrongful termination, and disability.



Maria Alba, La Mejor Taqueria #2

By the Numbers



Do OLSE services match the needs of workers and businesses?

Engagement and training activity with workers and businesses was broadly dispersed throughout Santa Clara County to ensure all areas were provided outreach and education resources on business responsibilities and workers' rights.

Wage judgments issued by the California Labor Commissioner's Office are present throughout the county. These judgments highlight the need for further outreach and education activity into South County and continued enforcement of wage judgments.

Activity By the Numbers

Advice Line Calls from Community



Attorney's Fees Saved by Advice Line



Business Engagement



Worker Engagement



Businesses Trained



Workers Trained



Case Management Services



Legal Advice Clinic Clients Served



*Attorney's fees avoided through free Advice Line support at \$350/hr to community



Outreach & Education

The objective of OLSE's outreach and education is to inform workers and businesses throughout the county of their legal rights and responsibilities, deliver technical trainings, and provide individualized services in order to encourage compliance with local, State and Federal labor laws.

These services are provided through a robust countywide community partners and an engagement campaign called the Labor Standards Outreach and Education Initiative. OLSE partners with the Katharine and George Alexander Community Law Center and with the Fair Workplace Collaborative (FWC) to facilitate the Initiative. The FWC specializes in direct engagement with small, under-resourced businesses and vulnerable worker populations, including low-wage workers, women, people of color, immigrants and refugees, veterans, the disabled, and the LGBTQ+ community.

OLSE also launched the Retail Food Advisory Council to establish feedback loops to better understand worker and business labor standards experiences and inform and advise OLSE's work in the retail food sector.

Working Partnerships USA at La Placita Tropicana

Community Services

Community Partners	Outreach	Advice Line	Trainings	Case Management	Service Languages
Day Worker Center of Mountain View					E, S
Pilipino Assoc. of Workers & Immigrants in San Jose					E, T
Step Forward Foundation					E, S, V, M, T, VS
Vietnamese American Roundtable					E, V
Working Partnerships USA					E, S
Enterprise Foundation					E, S
Business Circle LatinX powered by Prosperity Lab					E, S, V



Business Focused Service



Worker Focused Service

Languages = English (E), Spanish (S), Vietnamese (V), Mandarin (M), Tagalog (T), Visayan (VS)



Marcos, Mariscos Costa Alegre

Meet Marcos!

Marcos received services from Business Circle LatinX to understand local labor laws and participated in free trainings for himself and his employees. Marcos recently opened another restaurant in Alum Rock. With Business Circle LatinX's support, Marcos is committed to a fair workplace environment for the health and wellbeing of his employees.

Legal Advice Line

The Advice Line is a free resource for workers and businesses in Santa Clara County with questions and concerns about their workplace issues. The Advice Line is staffed by attorneys who specialize in labor and employment law, and provides information and support in English, Spanish, Vietnamese, Mandarin, Tagalog, and Visayan.

In FY21-22, the Advice Line received and responded to **over 900** calls. The top four workplace issues focused on COVID-19 related concerns, wage and hour, paid sick leave, and unemployment.

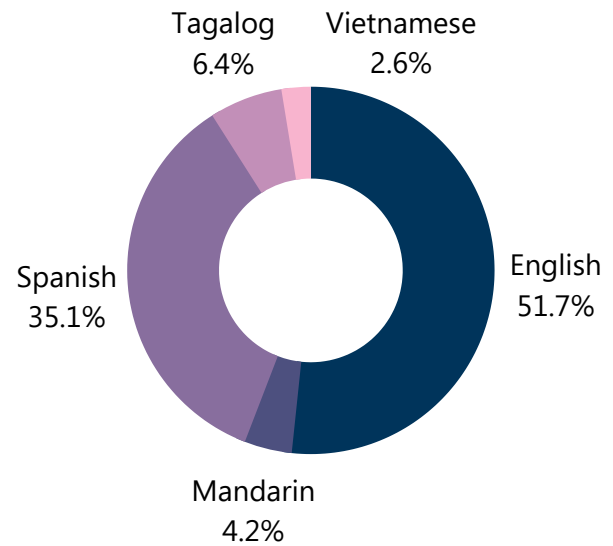
"I was misclassified as an independent contractor. I was laid off and rehired as a W-2 employee. My employer insisted that I sign an arbitration agreement.

I called the Advice Line and learned that it was not lawful to require an arbitration agreement as a condition of employment.

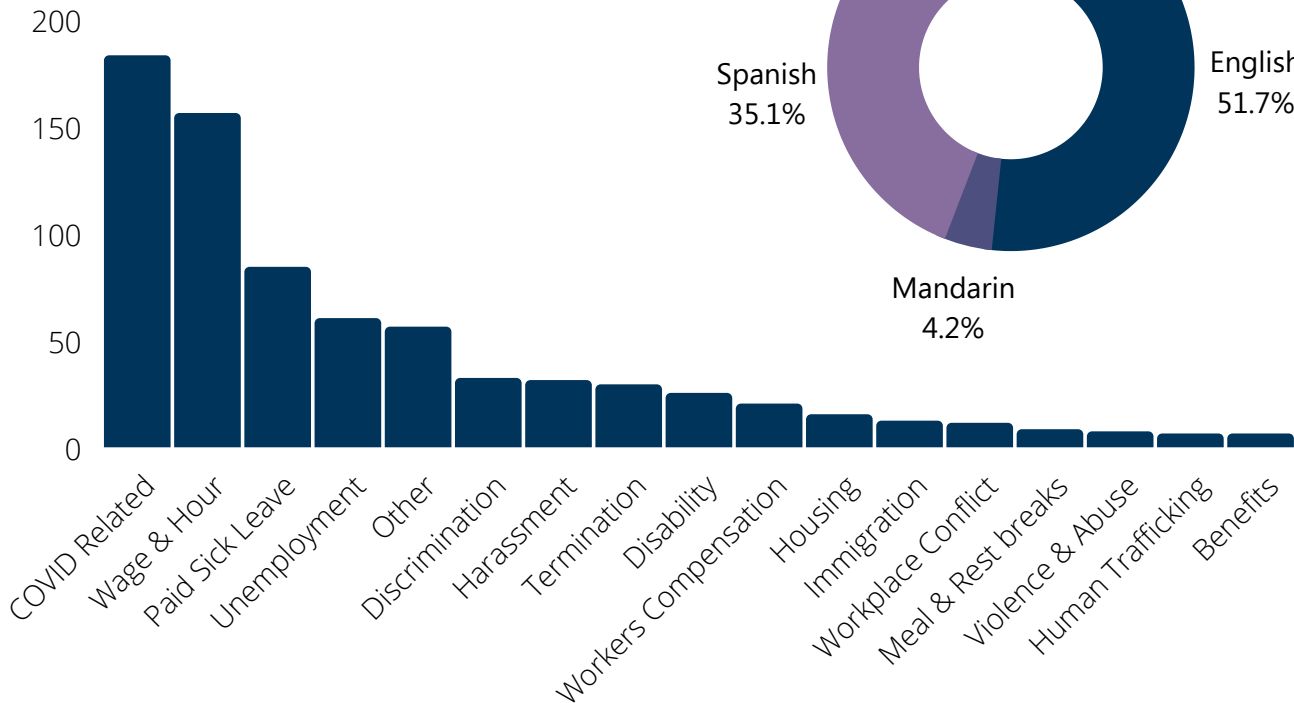
The attorney helped me and seven other workers write a letter to the employer letting them know their actions were unlawful. After the letter, the workers and I were exempt from the arbitration agreement."

- Anonymous

Advice Line Calls by Language



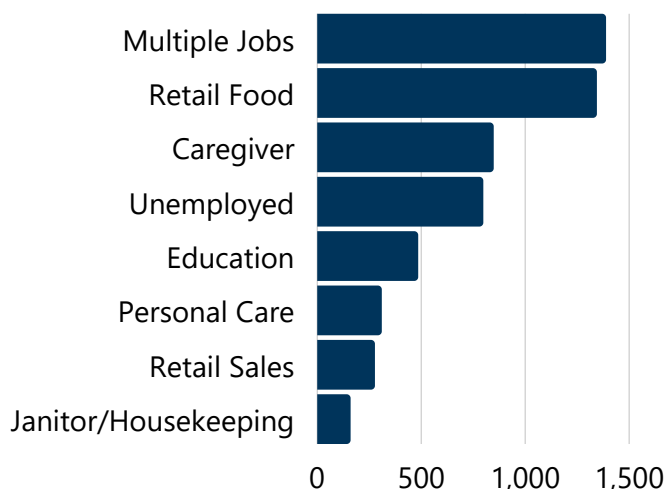
Advice Line Calls by Workplace Issue



Engagement

FWC engages directly with workers and businesses countywide through flyering, attending community events, and door-to-door canvassing. Outreach activities provide information to the community and connect individuals to additional services like the Advice Line, trainings, and case management. FWC engaged with over **16,000** workers and over **1,300** businesses.

Worker Engagement by Job Industry



Workers' Rights Trainings by VAR & Step Forward Foundation

Worker & Business Trainings

FWC partners provide free trainings to both worker and businesses on a variety of labor law issues such as workers' rights, paid time off, sexual harassment prevention, and wage and hour. Businesses can also access resources to help retool to be COVID-19 safe. FWC provided in-person and virtual trainings to over **1,700** workers and **500** businesses.

Worker Case Management

In FY21-22, FWC provided individualized services to **over 400** community members throughout Santa Clara County. These services consisted of issue intake, needs assessment, planning, implementation, and follow-up. These result in claims filed with the California Labor Commissioner's Office or other jurisdiction, resolution of the business issue, resources provided, and/or referral to another organization with additional resources to address the issue.



Business Outreach by Business Circle LatinX

Community Legal Clinics

Overview

The Katharine and George Alexander Community Law Center (Law Center) began in 1993 as a volunteer effort of La Raza Law Students Association at the Santa Clara University School of Law to help day laborers collect wages they were owed.

The County has supported the Law Center since 2016. The Law Center's Workers' Rights program has grown to include consumer protection, immigration, and anti-human trafficking work. Law students under attorney supervision provide free legal services to workers who live or work in Santa Clara County, including but not limited to those working in low wage industries, those with limited English proficiency, and those from immigrant communities.

Today, in partnership with and through the support of OLSE, the Law Center employs a three-pronged strategy to service the needs of workers in Santa Clara County. It provides (1) community outreach and education; (2) information and legal advice clinics; and (3) brief services, referrals, and representation.



"I came to the Law Center because I realized in 2021 that I had not been paid for 2 to 3 days a month since 2013. I am a Special Education Assistant and in a union.

The Law Center lawyer informed me that I needed to file a claim with the Labor Commissioner's Office and provided me with information about their procedures. I also provided the Law Center lawyer with my documents.

I am hopeful that the union will be able to resolve my pay issue, but if they do not, I will be filing a claim with the Labor Commissioner's Office with the Law Center's assistance. I am happy that I called the Law Center, and I am hopeful that I will obtain justice."

- Special Education Assistant

Accomplishments

Community Outreach & Education

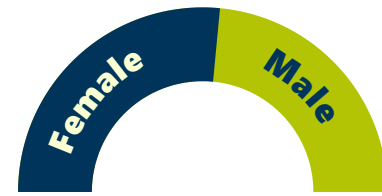
- 12 Workers' Rights Workshops focused on caregivers and Vietnamese-speaking workers
- Workshop topics included wage theft remedies and strategies for collecting unpaid wages, latest developments on employment law, and human trafficking training for domestic violence participants.
- 368 participants attended Community Workshops

Information and Legal Advice Clinics

- 28 Legal Advice Clinics
- 156 clients supported through information and legal advice

Clinic Services by:

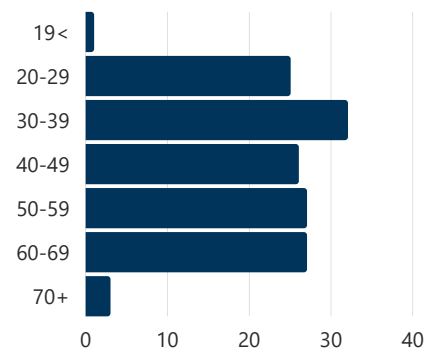
Client Gender



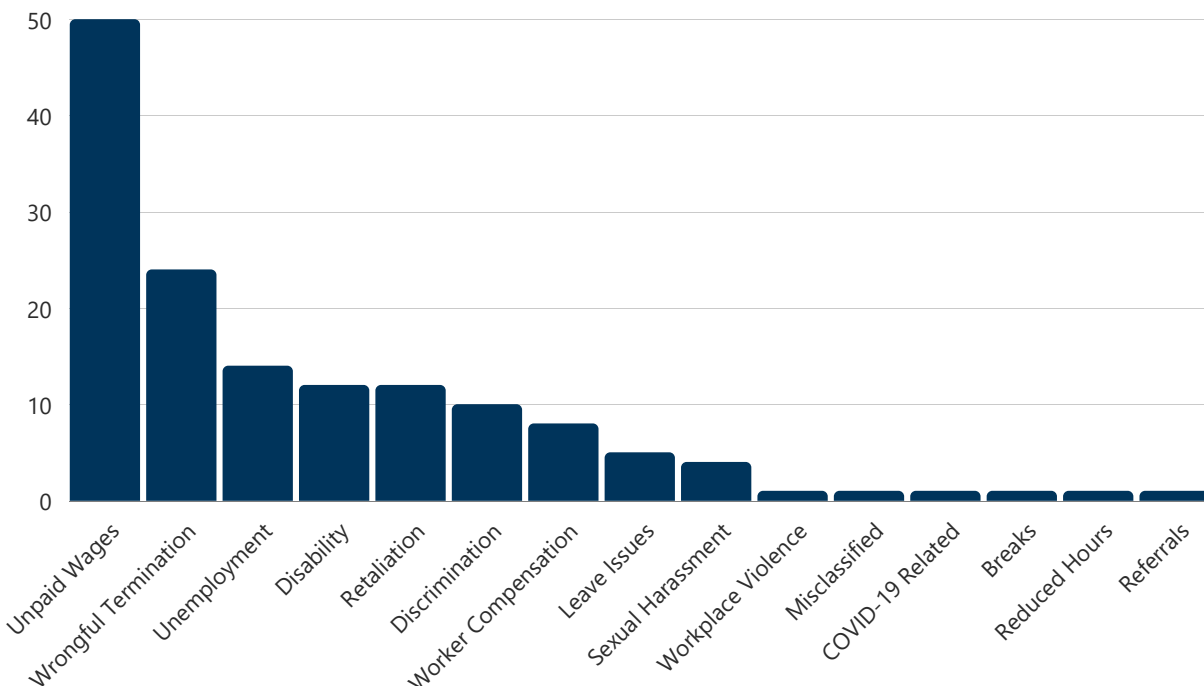
53% of clinic clients identified as female

47% of clinic clients identified as male

Client Age



Client Workplace Issue



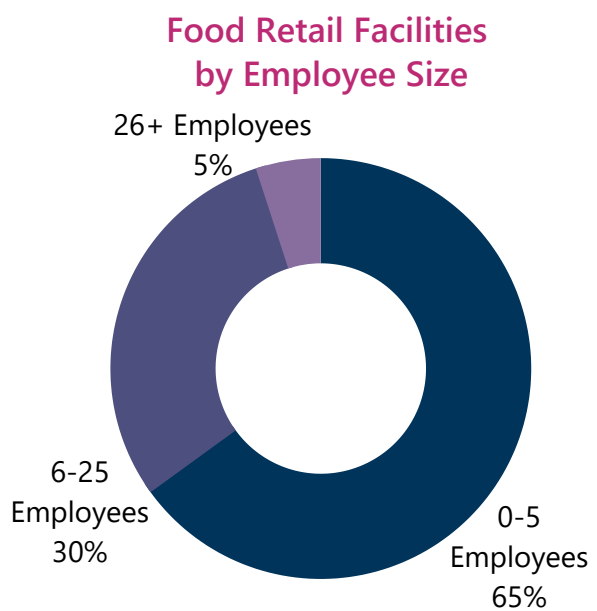
Community Engagement

Overview

The Retail Food Advisory Council (RFAC) is an informal stakeholder advisory group that OLSE established in September 2021 to provide input in advancing labor standards in the retail food industry in Santa Clara County. OLSE created the RFAC in order help it advance labor standards compliance in the retail food industry, in addition to creating a healthy economy for both businesses and workers in Santa Clara County.

RFAC informs and advises OLSE's effort to advance labor standards countywide through research, identifying best practices, prioritizing workplace issues specific to the retail food industry, and call attention to topics where community outreach and education is needed.

OLSE's outreach and education efforts to retail food businesses is a priority as 65% are small businesses with five employees or less. This large number of small retail food businesses increases the importance of RFAC-informed engagement with local stakeholders for their experiences in the industry.

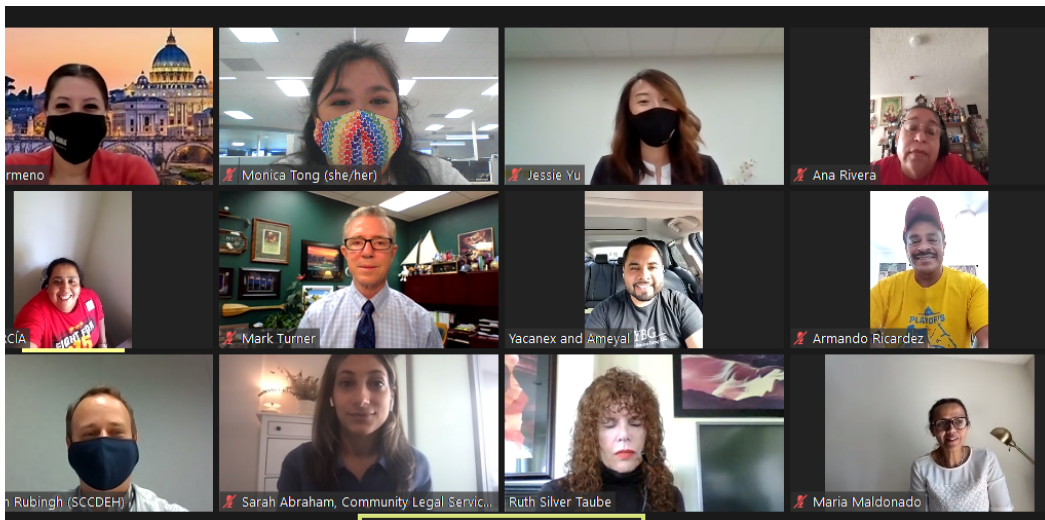


Source: 2021 County of Santa Clara Department of Environmental Health

RFAC Goals

1. Inform and advise OLSE from a variety of stakeholder perspectives;
2. Advise OLSE regarding its operation and expansion of the Food Permit Enforcement Program throughout Santa Clara County;
3. Research and identify labor standard best practices;
4. Conduct and gather research to inform OLSE's consideration of strategies to create uniformity in labor standards across State and County policy and practice;
5. Advise OLSE on methods to prioritize issues like retaliation, wage theft, sexual harassment, and violence in the workplace.

RFAC Members



RFAC is made up of community members that have a variety of retail food stakeholder perspectives, including employees, employee advocates, business owners, business facility managers, and industry or consumer representatives.

Sarah Abraham, Community Legal Services in East Palo Alto

Elizabeth Avila, Business Owner

Olivia Garcia, Retail Food Worker

Maria Maldonado, Fight for 15

Yacanex Posadas, Yacanex Business Group, LLC

Armando Ricardez, Business Circle LatinX

Ruth Silver-Taube, Santa Clara County Wage Theft Coalition

Mark Turner, Gilroy Chamber of Commerce

Rosa Vargha, Retail Food Worker



Wage Theft Enforcement

Wage Theft is the failure of employers to pay workers the wages and benefits they have earned. Based on data from the California Labor Commissioner's Office, from January 2012 to July 2022, wage claims filed by workers in Santa Clara County resulted in judgments equaling over \$23.6 million in unpaid worker wages.

In addition to OLSE's outreach and education efforts, OLSE also leverages County authority over food permits and County contracts to ensure businesses that the County works with are free of unpaid wage judgments from the California Labor Commissioner's Office.

Professional Auto Care

OLSE's enforcement activity builds upon the work done by the US Department of Labor Wage and Hour Division and the California Labor Commissioner's Office's wage claim adjudication process.

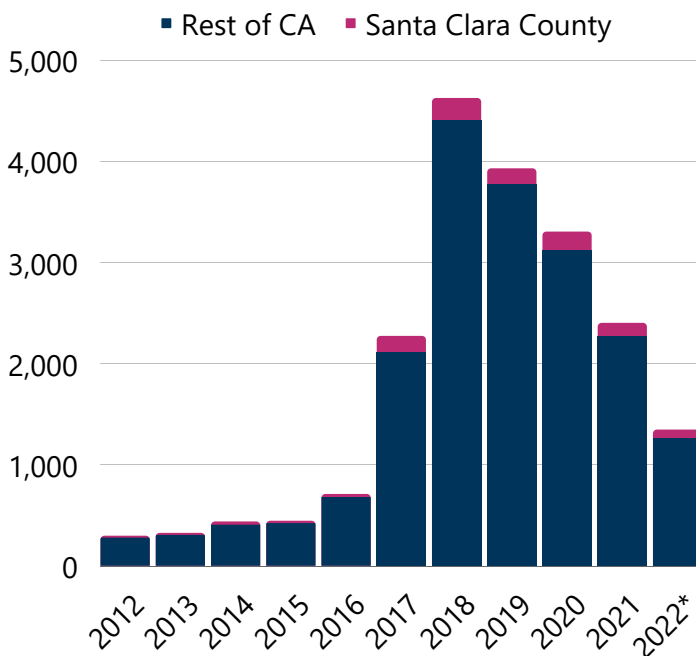
OLSE does this by educating our community about what wage theft looks like at the workplace; teaching businesses how to avoid committing wage theft; supporting workers to file claims with appropriate enforcement agencies; and putting our values to practice by leveraging County authority over food permits and contracts to encourage payment of judgments.



Educational flyer on wage theft. See sccfairworkplace.org for the full size.

Labor Commissioner's Office Data:

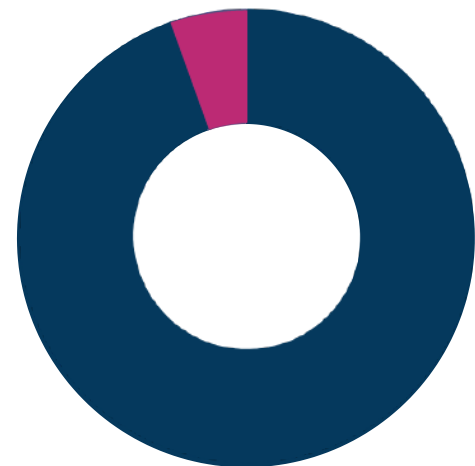
Worker Filed Wage Claims



Source: 2012-2022 California Labor Commissioner's Office

Total Judgment Amounts

Santa Clara County
\$23,660,346.44



Rest of CA
\$410,106,948.43

Food Permit Enforcement Program

Overview

The Food Permit Enforcement Program launched in September 2019 to combat wage theft and help workers in the retail food industry collect outstanding unpaid wage judgments issued by the California Labor Commissioner's Office.

The Program addresses a pervasive wage theft problem that disproportionately affects vulnerable employees, many of them immigrants, women and low-wage workers. The Program aims to:

- Foster a healthy economic environment for the County's businesses and workers
- Achieve industry-wide compliance with Federal and State labor laws
- Realize satisfaction of existing judgments so workers are paid in full for hours worked.

In partnership with the County's Department of Environmental Health (DEH), OLSE exercises the County's authority over food permits to suspend permits of vendors with outstanding unpaid wage judgments.



Eliselda, La Mejor Taqueria #2

"I've worked in the restaurant industry for 20 years and recently called the Advice Line because my employer was paying me late, causing me to be behind on my rent.

The Advice Line attorney was extremely helpful and provided invaluable information about the California Labor Code's late paycheck penalty so that I could provide this to my employer.

I plan to quit soon and the Advice Line attorney also assisted me with my wage claim at the Labor Commissioner's Office for late check penalties. Thank you, Advice Line team!"

- Jeffrey R.
Retail Food Worker

COVID-19 Impact

The program collected over \$50,000 in outstanding unpaid worker wages between December 2019 and March 2020, when the Program was put on hold due to the COVID-19 pandemic. While the program was on hold, OLSE pivoted its efforts to provide COVID-19 related outreach and education. Retail food workers and businesses were provided health and safety supplies like face masks and hand sanitizer; and information for COVID-19 compliance.

OLSE and DEH relaunched enforcement activities in April 2022, collecting over \$1,000 in outstanding unpaid workers' wages. OLSE will expand the program into new parts of the county in fall 2022.

Enforcement Process

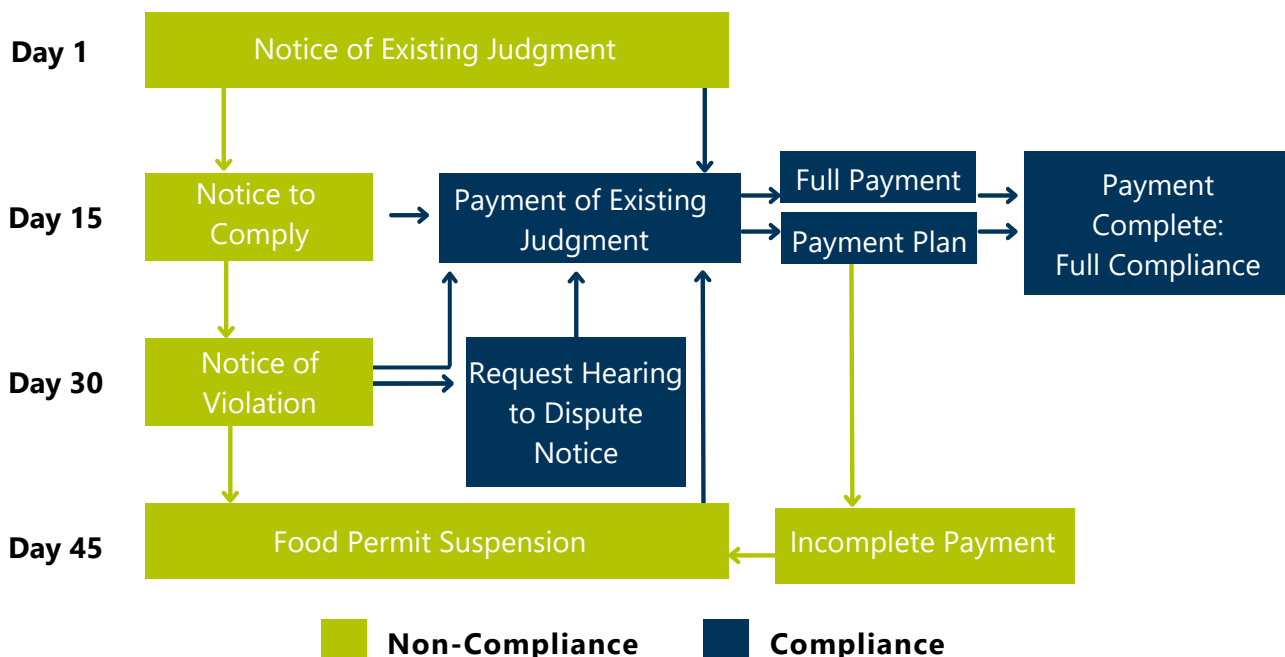
Food facility permit holders with existing outstanding unpaid wage judgments from the California Labor Commissioner's Office receive a series of notices requiring a response.

Upon receiving an initial communication, businesses have 45 days to come into compliance by:

1. Proving full compliance with the wage judgment;
2. Proving that the judgment is not final or does not apply to the permit holder; or
3. Acknowledging the outstanding judgment and agreeing to and following a payment plan.

Enforcement action ends when all outstanding judgments are paid in full.

Food Permit Enforcement Process



County Contracts Labor Standards Enforcement Program

Background

The Board of Supervisors adopted its Wage Theft Prevention Policy to use existing County operations to generate enforceable mechanisms to assist workers collect on outstanding wage judgments and prevent ongoing wage theft. One of those County operations is County contracting. The County policy requires all contractors comply with applicable federal, state, and local wage and hour laws. These include the Federal Fair Labor Standards Act, the California Labor Code, and any minimum wage ordinance enacted by the County or city/town within the county.

With the authorization and support of the Board of Supervisors, OLSE has implemented a County Contracts Labor Standards Enforcement Program to more fully realize the potential of the County's Wage Theft Prevention Policy. Until this program, the County relied on contractors to self-report outstanding wage judgments. But now, the County proactively monitors contractors for wage theft compliance.

Program Summary

In early 2020, OLSE partnered with the Office of Countywide Contracts Management (OCCM) to launch the County Contracts Labor Standards Enforcement Program. Under the program, the County can disqualify a contractor, or suspend or terminate an existing agreement, if the contractor has an outstanding unpaid judgment.

Enforcement of the Board's policy aligns with and advances the County's interest in ensuring all workers are fully compensated, prevents the County from inadvertently financially supporting employers with outstanding wage theft judgments, and enables wage theft judgment enforcement across its many contracts for more than \$4 billion worth of goods and services. This program also offers other jurisdictions a model to take affirmative steps to prevent public dollars from contributing to wage theft and other worker abuses.

The County has had early success. In April 2020, OLSE and OCCM identified a contractor providing care home facility services that had an outstanding wage judgment. The County referred the case to the California Labor Commissioner's Office, resulting in the collection and payment of **\$40,200.42** in wages to workers just two months later in June 2020.

Pilot Program

In May 2021, OLSE and OCCM began enforcement of the Policy in a more systematic and scalable way through a pilot program with the Procurement Department's Facilities, Office, and Institutions Operations (FOIO) unit. FOIO's portfolio includes contracts for services in industries that OLSE has identified as posing high risk for wage theft.

During the pilot, FOIO identified three outstanding judgments that appeared to be associated with four vendors. These were potential recipients of a contract or contracts eligible for renewal. OLSE and FOIO closed two cases after confirmation from the California Labor Commissioner's Office that the judgments were satisfied and paid.

After further research, OLSE determined that the third judgment applied to a commercial landscaping company related to, but separate from, two County vendors. Since the judgment debtor was not a County vendor, the County could not directly require satisfaction of the judgment as a condition of contracting.

Instead, OLSE worked with the California Labor Commissioner's Office and the California Contractors State Licensing Board. The result was that the judgment debtor satisfied the judgment and in July 2021 it paid the \$748.20 due to the worker.

After the pilot period, FOIO continues to screen every contractor for unpaid judgments and has continued to implement wage theft screenings as a standard business practice. FOIO also flagged five additional outstanding judgments that appeared to be associated with four vendors. After additional research, all five were either closed or outside of the Policy's purview.

OLSE Due Diligence

In addition to partnering with County Procurement units, OLSE periodically conducts due diligence research between businesses with outstanding judgments and current contractors. If a contractor is identified, OLSE works with County Departments and the contractor to satisfy the judgment. For example, a service provider for the Health System was identified to have an outstanding judgment in early 2022, and after engaging with the contractor, the vendor satisfied and paid the outstanding judgment of \$6,128.67 in June 2022.

FY21-22 Enforcement Activity

FOIO Reviewed Contracts	441
Potential Judgment & Vendor Matches	8
Wages Collected	\$6,876.87



Thank You

OLSE expresses our gratitude to the workers and businesses in our community that lead, build, sustain, serve, and care for the residents throughout the county on a daily basis.

OLSE is also thankful to all our community, City, County, State, and Federal partners that have supported and enabled progress towards our vision of a Santa Clara County that is a safe and respectful environment for all workers.

Despite the challenges posed by the COVID-19 pandemic, OLSE looks forward to building and remaining steadfast in our commitment to creating a just and equitable community for all in Santa Clara County.

Looking Ahead

- Continued expansion of enforcement programs to leverage Countywide food permits and County contracts through all County departments.
- Increased worker and business engagement and training to communities where worker wage claims and wage judgments are prevalent, especially South County.
- Employ media tools to increase labor standards awareness by creating culturally competent content, sharing information, and ensuring OLSE services meet the needs of the community.

Mary, Immaculate Cleaning Services

Partners

Federal



State



County



Office of Countywide Contracting Management

Local



City of Mountain View



Community



FAIR WORKPLACE COLLABORATIVE



Consisting of:





Office of Labor Standards Enforcement

Advancing labor standards through thoughtful community and business engagement, strategic enforcement, innovation and study, and policy development with a commitment to social justice.

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OLSE

Office of Labor
Standards Enforcement
Division of Equity & Social Justice