



NEW YORK STATE SENATOR

Jose Peralta

## State Senator José Peralta, State Senator Diane Savino, State Senator Toby Ann Stavisky and Assembly member Jeff Aubry Call for Passage of the Wage Theft Prevention Act

JOSE PERALTA May 13, 2010



(Queens, NY)- State Senator José Peralta, joined by State Senator Diane Savino, State Senator Toby Ann Stavisky., Assembly member Jeff Aubry, Make the Road New York, The Retail, Wholesale and Department Store Union, United Food and Commercial Workers Local 1500 are calling for the passage of the The Wage Theft Prevention Act, S7050 (Savino), A10163(Heastie).

Every day across New York State, countless workers face rampant abuse on the job: nonpayment of overtime for 70+ hour workweeks; theft of tips; illegal deductions from wages; and payment of wages drastically below the legal minimum. In industries that form the backbone of the emerging economy, retail, service, restaurants, construction – noncompliance with the basic protections of New York Labor Law is often the norm, not the exception. Unscrupulous employers drive down standards, benefiting from unfair competition with businesses that do comply with the law. The resulting lost wages, tax revenue, and economic stability affect all New Yorkers. Every dollar stolen from the hands of a worker is a dollar's unfair advantage over the competition and a dollar's absence from commerce in our neighborhoods.

Standing in front of Bright Spot Cleaning, a business that has been accused of violating the workers' rights Senator Peralta said "We are facing tough economic times with a high unemployment rate and businesses like the one we are highlighting today are taking advantage of working men and women and violating the law. It is unconscionable to steal money from people who simply want to earn an honest day's pay and support their families. Peralta continued "The Wage Theft Prevention Act will guarantee that hard working New Yorkers will be fairly compensated and that unscrupulous businesses will be punished to the fullest extent of the law."

Deborah Axt, Deputy Director, Make the Road New York said "Wage thieves steal almost a billion dollars every year out of the pockets of New York city's working families, undercutting decent businesses trying to play by the rules. The Wage Theft Prevention Act will level the playing field by putting a real price tag on this kind of law-breaking for the first time." Sen. Stavisky's added "Wage theft is a terrible problem not just for the individual workers who are cheated but for the state as a whole because the practice steals from our tax base and costs up to \$1 billion per year in New York City alone. It also leaves law-abiding

employers at a disadvantage because their products and services cost more than those of dishonest businesses. Even if an employer is caught withholding wages or overtime, the penalties are so low they do little to discourage the practice. We must protect employees who speak up, and we must stiffen the penalties for the dishonest business owners so that they are more of a deterrent.”

The Wage Theft Prevention Act would increase penalties and tighten enforcement of the New York laws protecting workers like those at Bright Spot from nonpayment and underpayment of wages. Advocates also project that the WTPA would bring in approximately \$50 million in increased savings and revenues to help the state government save valuable programs currently on the chopping block due to the fiscal crisis.