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## New Measure Would Address Unchecked Wage Theft in Florida

Bill would create statewide entity to enforce the minimum wage and other wage and hour laws

TALLAHASSEE, Fla. – Representative Angie Nixon (D-Jacksonville) and Senator Victor Torres (D-Kissimmee) recently announced legislation (HB 507/SB 1756) that would create a statewide department tasked with addressing minimum wage violations — the most common form of wage theft in Florida. The new entity would bridge the significant gap between current federal and local wage enforcement capacity.

A statewide wage enforcement agency is particularly important given the recent increase in Florida's minimum wage under Amendment 2. The wage is now \$10 for non-tipped workers and will continue to increase by one dollar annually until it reaches \$15 in 2026. Despite having one of the highest minimum wages in the South, Florida simultaneously has the <a href="https://distribution.org/highest-minimum-wage-violation-rate">highest minimum wage violation rate</a> of the ten most populous states in the nation.

A <u>study</u> by Florida Policy Institute and Rutgers University found that 15 percent of lowwage workers currently face minimum wage violations (employers committing wage theft by failing to pay the minimum wage). They also found that after Florida's 2005 minimum wage bump, the violation rate *more than doubled*; a similar spike is expected as Amendment 2 phases in.

Concerningly, the study found these wage violations went unchecked by the state for at least a decade. Should these rates persist, consumer spending will take a hit. The state could expect to lose an average of \$25.3 million in sales tax revenue each year over the next five years. Without a robust enforcement agency that protects all working Floridians, the gains of Amendment 2 cannot be fully realized.

**Representative Nixon** said, "I'm proud to sponsor this legislation. Florida has a poor track record for pay enforcement, and unless there is a state-level effort to hold bad actors accountable, many Floridians will not see the benefits that come with the state's recent wage hike. As people struggle to make ends meet amid this pandemic and recession, it's crucial now more than ever that employers are held to wage laws. "

**Senator Torres** said, "No Floridian should have to worry about having their wages stolen, but unfortunately, we know that wage theft is not uncommon in Florida. The current process for reporting wage law violations can be confusing and intimidating, which deters

working Floridians — especially immigrants — from doing so. SB 1756 helps ensure workers are compensated for what they're owed."

**Andrea Mercado**, executive director of Florida Rising, said, "These proposals represent model legislation for Florida's workers — the creation of a statewide department affording working people a seat at the table that promptly pursues wage theft complaints and educates employers so that working people receive their rightful wages. This includes minimum wage increases under Amendment 2, which voters overwhelmingly passed in 2020. We applaud Sen. Torres and Rep. Nixon for putting forth this important bill."

**Sadaf Knight**, CEO of Florida Policy Institute, said: "This bill will do many things to protect Floridians' hard-earned pay, especially low-wage workers who already struggle to make ends meet. Above all, HB 507/SB 1756 will ensure the state has dedicated wage theft investigators and that all working Floridians have clear and responsive avenues to report wage theft without fear of retribution or relying on timely and costly lawsuits instead."

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