

WAGE THEFT ORDINANCE FAQs

Q: Why does the City need a municipal wage theft ordinance?

According to the Economic Policy Institute, the average victim earning minimum wage loses \$3,300 per year to wage theft and earns an average of \$10,500 in annual wages. The \$3,300 is a 31% loss of income in a year's time. It is estimated that there are 390 cases of wage theft that occur in Denver every year where the value of the loss is less than \$2,000.

Currently, victims of wage theft who suffer losses of less than \$2,000 have no meaningful path to criminal prosecution and, consequently, restitution. Creating a municipal wage theft ordinance gives the victim a means of pursuing criminal charges. In these cases, the City Attorney's Office would prosecute, thus saving the victim the money needed to hire a lawyer or even a private investigator.

Q: Isn't theft already a crime?

Employers use various methods to commit wage theft. Many of those methods include a promise of future payment. The City's current petty theft ordinance requires that the offender intend to permanently deprive the victim of any stolen wages. This makes prosecution of wage theft cases difficult under the City's current petty theft ordinance.

Q: How does this interact with the state law criminalizing wage theft?

A municipal wage theft ordinance would align the City more closely with state law. Currently, the District Attorney's Office is only prosecuting felony-level cases where the loss is over \$2,000. A city ordinance criminalizing wage theft would allow the City Attorney's Office to fill this gap in enforcement.

Q: What are the key provisions of the proposed ordinance?

The ordinance would prohibit an employer from denying or withholding a wage owed to any worker who is not a true independent contractor. The ordinance includes provisions to ensure that workers who are misclassified as independent contractors receive protection, as well as an anti-retaliation provision, and annual reporting to City Council.

Q: Will this be the only tool Denver has to combat wage theft?

No. The City Attorney's Office has committed to continual outreach and coordination with internal and external partners. The Wage Theft Unit will work with other internal agencies such as the City Auditor, the Agency for Human Rights and Community Partnerships, and the Department of Excise and Licenses in conducting outreach, providing city services, and pursuing concurrent enforcement. Coordination with external partners including the District Attorney's Office, the Colorado Department of Labor & Employment, and Towards Justice will make sure victims of wage theft find no "wrong door" when seeking help for wage theft.