

1 BY AUTHORITY

2 ORDINANCE NO. _____
3 SERIES OF 2025

COUNCIL BILL NO. _____
COMMITTEE OF REFERENCE:

4
5 A BILL

6
7 **For an ordinance amending chapter 58 of the Code regarding enforcement of**
8 **wage violations and in connection therewith clarifying the wage trust fund.**
9

10 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

11 **Section 1.** That chapter 58, article I, division 1 of the Revised Municipal Code shall be
12 amended by adding the language underlined, to read as follows:
13

14 **Sec. 58-7. – Duties of the auditor; dData collection and reporting.**

15 (a) Support to nonprofit organizations. The auditor shall provide support to non-profit
16 organizations who conduct educational campaigns and outreach efforts to workers and employers
17 regarding duties, obligations, and rights under this article or pursuant to state or federal law, and in
18 connection therewith, is authorized to provide funding to be used exclusively for such purposes.

19 (b) Data collection and reporting. The auditor shall track complaints, investigations, and
20 violations of this article, including penalties assessed, during each calendar year, and by March 31 of
21 the following year, beginning in 2023 for Denver minimum wage and 2024 for civil wage theft, issue a
22 written report to city council.

23 **Sec. 58-9. – Wage Trust Fund.**

24 (a) Dedicated revenues. There is hereby created a wage trust fund for the purpose of
25 receiving and accounting for all revenues, including damages and interest, derived from employers
26 and other persons ordered to locate and pay workers under this article and revenues associated with
27 the payment of a penalty for retaliation under section 58-4.

28 (b) Permitted uses of revenue in wage trust fund. Revenue received in the wage trust fund
29 shall be held in trust and used exclusively to pay claims submitted by workers which have been
30 verified by the auditor.

31 (c) Submission and verification of claims. Any worker who has performed work on behalf of
32 or for the benefit of an employer or any other person subject to enforcement this article and who has
33 not been located and paid by that employer or other person, or who has been retaliated against, may
34 submit a claim for payment of any unlawfully withheld wages or payment of any damages associated

1 with an act of retaliation from the wage trust fund. Such claim shall be paid by the auditor if it is
2 submitted within three (3) years from the date of the order to pay such worker or the date a penalty is
3 assessed for an act retaliation and the claim can be verified by the auditor, as provided in rules and
4 regulations promulgated under this article. The amount of any payment shall only include the portion
5 of wages unlawfully withheld as verified by the auditor or the amount of damages verified by the
6 auditor related to an act of retaliation.

7 (d) Unclaimed funds. Any funds not claimed within one (1) year shall be remitted to the
8 general fund on the last working day of each calendar month, except as otherwise required by law.
9 The auditor shall maintain a list of all unclaimed payments made by an employer or other person to
10 the fund, which shall be updated each calendar month and shall be available for inspection at the
11 office of the auditor.

12
13 **Section 2.** That chapter 58, article 1, division 2 of the Revised Municipal Code shall be
14 amended by deleting the language stricken and adding the language underlined, to read as follows:
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16 **Sec. 58-16. - Enforcement; ~~minimum wage special trust fund.~~**

17 (a) *Complaint, investigation, and enforcement.* Complaints, investigations, and enforcement
18 of violations under this division shall be conducted as provided in division 1. Penalties under this
19 division shall be in addition to those provided in division 1.

20 (b) *Non-cumulative remedy.* Where a violation of this division also constitutes a violation of
21 division 3, the auditor may only assess penalties under either this division or division 3, but not both.

22 (c) *Payment of withheld wages.*

23 (1) *Payment owed.* The auditor shall order an employer in violation of this division to pay the
24 aggrieved party any wages unlawfully withheld, including amounts that accrued after the filing of a
25 complaint.

26 (2) *Duty to locate and pay worker.* Withheld wages shall be due to the worker and payable
27 thirty (30) days after notice of an order to pay wages or a final determination. An employer shall make
28 a good faith attempt to locate and pay the worker prior to the thirty (30) day deadline identified herein.
29 Such attempts to locate and pay the worker shall be documented, and if the worker is not located and
30 paid, the employer shall notify the auditor and provide such documentation, together with ~~the~~ any
31 required payment to the special minimum wage fund wage trust fund identified in division 1, no later
32 than fifteen (15) days after the thirty (30) day deadline identified herein.

33 ~~(3) *Special wage theft fund.*~~

34 ~~a. Any employer or other person who is unable to locate a worker pursuant to~~

subsection (c)(2) shall submit to the auditor, for each worker to whom wages are due, a check payable to that worker or to the City of Denver in a manner that is negotiable by either the worker or the city. Any check submitted as payment of a penalty for violation of this article shall be negotiated by the city and the proceeds deposited in the auditor's unclaimed wage theft special trust fund.

b. Any valid, verified claim by a worker for payment from the auditor's unclaimed minimum wage special trust fund must be made prior to three (3) years after the date of the most recent underpayment of wages by employer to the worker to whom such wages were due. After such date, the city shall no longer be liable for payment. The city, as trustee, shall pay such claimant only the amount of the check concerning such claimant that is actually negotiated pursuant to this section, regardless of any dispute as to any additional amount of wages owed to the claimant. No interest shall be paid by city on any funds received or disbursed pursuant to this section.

c. On the last working day of each calendar month, the amount of any claim for which the city is no longer liable pursuant to this section shall be credited to the general fund, except as otherwise required by law.

d. The auditor shall maintain a list of all unclaimed, city-negotiated wage theft checks received. Such list shall be updated monthly and shall be available for inspection at the office of the auditor.

(d) *Penalties.*

(2) *Failure to make a good faith effort to locate and pay worker.* The auditor shall issue a penalty of five thousand dollars (\$5,000.00) for each failure to comply with subsection (b)(2) pursuant to an order or final determination, if applicable.

Section 3. That chapter 58, article 1, division 3 of the Revised Municipal Code shall be amended by adding the language underlined to read as follows:

Sec. 58-26. - Enforcement.

(c) *Payment of withheld wages.*

(1) *Payment owed.* The auditor shall order an employer or other person in violation of this division to pay the worker any wages unlawfully withheld, including amounts that accrued after the filing of a complaint, and interest on unpaid wages at a rate of twelve (12) percent per annum from the date such wages were first due.

(2) *Treble damages.* The auditor may order an employer or other person to pay treble damages in an amount equal to three (3) times the amount of unpaid wages and overtime compensation in connection with such withheld wages owed to a worker.

(3) *Duty to locate and pay worker.* Withheld wages shall be due to the worker and payable

1 thirty (30) days after notice of an order to pay wages or a final determination, if applicable. An
2 employer or other person shall make a good faith attempt to locate and pay the worker prior to the
3 thirty (30) day deadline identified herein. Such attempts to locate and pay the worker shall be
4 documented, and if the worker is not located and paid, the employer or other person shall notify the
5 auditor and provide such documentation, together with any required payment to the wage trust fund
6 identified in division 1, no later than fifteen (15) days after the thirty (30) day deadline identified herein.

7
8 COMMITTEE APPROVAL DATE: _____, 2025.
9 MAYOR-COUNCIL DATE: _____, 2025.
10 PASSED BY THE COUNCIL _____ 2025
11 _____ - PRESIDENT
12 APPROVED: _____ - MAYOR _____ 2025
13 ATTEST: _____ - CLERK AND RECORDER,
14 EX-OFFICIO CLERK OF THE
15 CITY AND COUNTY OF DENVER
16

17 NOTICE PUBLISHED IN THE DAILY JOURNAL _____ 2025; _____ 2025

18
19 PREPARED BY: Anshul Bagga, Assistant City Attorney ; DATE: _____
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21 Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the
22 City Attorney. We find no irregularity as to form and have no legal objection to the proposed
23 ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to §
24 3.2.6 of the Charter.
25

26 Katie J. McLoughlin, Interim City Attorney

27
28 BY: _____, _____ City Attorney DATE: _____