



# New Wage Theft Ordinance Strengthens Worker Protections

Ordinance brings Saint Paul in alignment with state wage theft law, giving the city more capacity to investigate

## What is Wage Theft?

Wage theft happens when **employers fail to pay workers** what they are legally owed. This includes paying below minimum wage, denying overtime, unpaid work, withholding tips, misclassifying workers, and making illegal deductions. **The Labor Standards Advisory Committee (LSAC)**, established by the Mayor and City Council, helped craft the civil ordinance to address wage theft and guide the city's future labor standards.



## What Will This Saint Paul Ordinance Entail?

- 1 Debarment/Limit Procurement Eligibility**  
Some cities and states limit procurement potential for businesses that have violated wage theft laws. This tool helps ensure that the city only does business with **businesses that follow the rules.**
- 2 Upstream Liability**  
The State of Minnesota law ties ultimate responsibility to the project owner. This provision results in **faster resolution for employees** and pushes lead contractors to better manage their substitutes.
- 3 No New Law!**  
Mirrors the state's bill by passing a local civil wage theft ordinance to support workers and businesses. **Businesses do not need to make any changes.**

## Did You Know?

#1

Most common form of theft in America today

10%

Low-wage worker's annual earnings are stolen

+39K

Workers in MN experience wage theft each year

\$11.9M

In wages are not paid each year in MN

- ✓ Workers **should be paid** for an honest day's work.
- ✓ Bad business undercuts good business. Wage theft **creates unfair economic advantage.** Businesses that engage in wage theft harm workers and evade their fair share of taxes.
- ✓ Wage theft has a domino effect on the health of communities. Workers whose wages are stolen **cannot participate in the local economy**, which hurts all businesses.

## Questions?

Please share your questions and your feedback. Contact the **Labor Standards team in HREEO** at 651-266-8966 or [laborstandards@ci.stpaul.mn.us](mailto:laborstandards@ci.stpaul.mn.us), or join the LSAC at one of their monthly meetings.