

Congressional Progressive Caucus
U.S. House of Representatives
Washington, D.C. 20515

March 31, 2014

Secretary Thomas E. Perez
U.S. Department of Labor
Frances Perkins Building
200 Constitution Ave. NW
Washington DC, 20210

Dear Secretary Perez,

We write to bring your attention to an opportunity to build on your long-standing commitment to American workers by focusing on wage theft by federal government contractors. We urge the Department of Labor to take action to ensure the federal government is protecting American workers through stronger enforcement of current labor laws relating to wage theft and a swift resolution to ongoing wage theft complaints within federal contracts. We also request greater accessibility of data on wage theft violations that would lay the groundwork for making more just contract award decisions.

President Obama took a bold step forward when he signed Executive Order 13658 requiring federal contractors to increase the minimum wage for their low wage workers. He also took action to extend and enforce overtime rules. We applaud these actions for American workers. However, without stronger wage theft enforcement, these wage increases and overtime protections could be at risk. If federal contractors failed to comply with wage and hour laws when the minimum wage was \$7.25, they may be more likely to ignore the new minimum wage of \$10.10 as well as the new overtime regulations.

Recent studies indicate that federal contractors are among America's worst perpetrators of wage theft. A [report](#) by the Health, Education, Labor, and Pensions (HELP) Committee of the United States Senate revealed that 32% of the largest Department of Labor penalties for wage theft were levied against federal contractors. Similarly, a [National Employment Law Project](#) study found that nearly one in three low-wage contract workers in the DC metro area reported stolen wages. Contract workers at the Ronald Reagan Building and Union Station filed wage theft complaints alleging widespread violations of law among federal contractors, including being paid below the minimum wage, being forced to work off the clock, and not receiving time-and-a-half for overtime. We urge the Department of Labor to immediately resolve existing wage theft complaints like these.

According to the HELP Committee report, one of the primary barriers to a more just contracting process is that contracting officers cannot readily discern which contractors have violated the law. Making these data easily accessible would enable contracting officers to make informed decisions. Even better oversight would result if the American people had access to an annually published list

of wage theft violations by existing federal contractors. Americans deserve to know when their hard earned taxpayer dollars are funding corporations that steal from their workers.

Strong enforcement of wage theft violations and consideration of those violations in future contract award decisions would send a clear signal to contractors that the federal government will not do business with law-breakers. We look forward to your response.

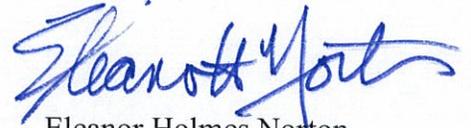
Sincerely,



Keith Ellison
Co Chair,
Congressional Progressive Caucus



Raúl M. Grijalva
Co Chair
Congressional Progressive Caucus



Eleanor Holmes Norton
Member of Congress