

## Senate Bill No. 1342

### CHAPTER 115

An act to add Section 53060.4 to the Government Code, relating to wages.

[Approved by Governor July 25, 2016. Filed with  
Secretary of State July 25, 2016.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1342, Mendoza. Wages: investigations: subpoenas.

Existing law authorizes the Industrial Welfare Commission to subpoena witnesses. Existing law provides that if a person fails to comply with an order or subpoena of the commission or a witness refuses to testify to any matter regarding which he or she may lawfully be interrogated before any wage board or the commission, it shall be the duty of the superior court to compel obedience in a manner by which such obedience could be compelled in a proceeding pending before the court.

This bill would specify that a legislative body of a city or county is authorized to delegate that body's authority to issue subpoenas and to report noncompliance thereof to the judge of the superior court of the county, to a county or city official or department head in order to enforce any local law or ordinance, including local wage laws. The bill would provide legislative findings in support of this provision.

*The people of the State of California do enact as follows:*

SECTION 1. (a) The Legislature finds and declares all of the following:

- (1) Wage theft is prevalent among immigrant and low-wage workers in California.
- (2) Los Angeles County, where approximately \$26.6 million in wages is stolen from laborers every week, has been dubbed by some as the "wage theft capital" of the United States.
- (3) The Economic Roundtable and the University of California, Los Angeles, indicate that violations of wage laws in Los Angeles are pervasive, with 30 percent of low-wage workers in Los Angeles receiving less than the minimum wage and 88.5 percent of workers experiencing some sort of wage theft.
- (4) Wage theft can cause workers extreme financial hardship, making it harder for workers experiencing wage theft to take care of their families and contribute to the state economy.
- (5) According to the Milton Marks "Little Hoover" Commission on California State Government Organization and Economy, wage enforcement resources in California have not kept pace with increases in the number of

employers and increased complexity of the employer-employee relationship. Local jurisdictions, including the City and County of San Francisco, the City of Los Angeles, and the County of Los Angeles, have addressed the need for additional wage enforcement resources by establishing local wage enforcement agencies.

(6) In California, 14 local jurisdictions have enacted minimum wage ordinances. The majority of these jurisdictions have designated or created local agencies to enforce local wage laws.

(7) Local wage enforcement is an effective means of combating wage theft. For example, San Francisco's Office of Labor Standards Enforcement recovered 90.5 percent of wages and interest owed to workers between 2003 and 2013.

(8) Pursuant to Sections 25207, 27721, and 37104, and *Dibb v. County of San Diego*, (8 Cal. 4th 1200), cities and counties are authorized to delegate to local officials the authority to issue subpoenas in support of enforcing local wage ordinances.

(b) It is the intent of the Legislature in enacting this measure to promote honest pay for fair work by giving local wage enforcement programs all of the tools necessary to conduct successful wage claim investigations in order to recover unpaid back wages for hardworking Californians.

(c) Cities and counties are encouraged to develop and enact specific measures to target and remedy wage theft.

SEC. 2. Section 53060.4 is added to the Government Code, to read:

53060.4. (a) The legislative body of a city or county may delegate to a county or city official or department head its authority to issue subpoenas and to report noncompliance thereof to the judge of the superior court of the county, in order to enforce any local law or ordinance, including, but not limited to, local wage laws.

(b) The Legislature finds and declares that these provisions do not constitute a change in, but are declaratory of, existing law.