

1 BUILD PUBLIC AWARENESS

Every time a worker is denied workplace protections, most likely a responsible employer is being undercut. When workers and responsible employers are undercut, everyone loses. The public loses much-needed tax revenue and absorbs medical costs for uninsured worksite accidents. Injured workers cannot fully engage in the economy. Every industry decision maker must ensure full compliance with the law.

2 IMPACT INVESTIGATION

If you lose business to a competitor who is breaking the law, contact the LCO. We need to hear from you. We want to develop cases that expose unfair competition.

3 INCREASE COMPLIANCE

New California laws hold client companies responsible for the violations of their contractors. Accountability will stop the lowballing of contracts and increase compliance with workplace protections. Appropriate and consistent enforcement will protect law-abiding businesses from law-breaking businesses and help to create and maintain stable jobs in the California workforce.



California's economy thrives because of the contributions of law-abiding employers and workers. In building a California that works for all, working families need stable employment that provides upward mobility and participation in our economy.

The Labor Commissioner's Office (LCO) has a legal obligation to protect the most vulnerable workers and law-abiding employers from law breaking operators. Companies who skirt the law compromise the health and economic stability of California. The LCO fights to eliminate the unfair advantage gained over responsible employers.

The Business Engagement Program (BEP) is a targeted program of LCO to engage stakeholders in the fight to eliminate unfair competition and promote fair and legal business practices.

Recent legislation has extended liabilities to up-the-chain entities, demonstrating that part of the solution lies beyond the direct employer. The LCO is committed to building public awareness, developing impact investigations that expose unfair competition and increasing compliance with California laws.

CALIFORNIA LABOR COMMISSIONER'S OFFICE



BUSINESS ENGAGEMENT PROGRAM

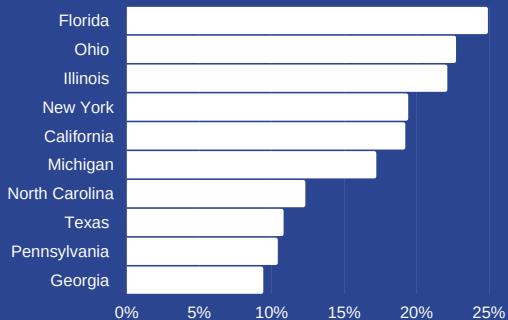
WHAT DOES UNFAIR COMPETITION COST US?

Noncompliance by California businesses hurts everyone: honest business owners, employees, and the state. State loses an estimated \$8.5 billion or more annually in **uncollected tax revenue**, money that could fund education, law enforcement, freeway maintenance or lower tax rates for people and businesses [1]

In California, the nation's most populous state, the underground economy employs an estimated **15 to 17 percent** of the labor force, costing the state as much as **\$28 billion** in lost revenue annually, according to the Employment Development Department.

The Economic Policy Institutes ranks California 5th among the 10 most populous states with the largest amount of wage violations.

Share of low wage minimum-wage-eligible workers experiencing minimum wage violations, by state.



Economic Policy Institute, 2017

Note: "Low-wage minimum-wage-eligible workers" includes all minimum wage eligible workers in the bottom quintile of wage earners in each state.

Industries most impacted by wage theft include restaurants, janitorial, garment, retail, construction, trucking and nail salons.

[1] AB-2770 Employee wages and working hours: violators. (2009-2010)

IF YOU ARE CONTRACTING WITH A COMPANY FOR SERVICES, ENSURE THAT YOU ARE DEALING WITH A LAW-ABIDING EMPLOYER.

Confirm that they have current and sufficient Worker's Compensation Insurance.



<https://www.caworkcompcoverage.com/>

Confirm that they are registered and licensed.



www.dir.ca.gov/dlse/DLSE-Databases.htm

Confirm that they are registered with the EDD.



<https://www.edd.ca.gov/>

WHEN PROVIDING LEAD INFORMATION, PLEASE INCLUDE THE FOLLOWING:

- Name of business
- Name of owner or supervisor
- Business address
- Where the work is performed
- Number of impacted employees
- Industry
- What the business does
- Description of alleged violations
- Client companies or who the company contracts with
- How they are breaking the law

THE FOLLOWING INDUSTRIES ARE LICENSED BY OUR OFFICE:

- FARM LABOR CONTRACTORS
- FOREIGN LABOR CONTRACTORS
- GARMENT MANUFACTURING*
- CAR WASH
- TALENT AGENCIES
- STUDIO TEACHERS
- CHILD PERFORMER SERVICES
- ENTERTAINMENT WORK
- PUBLIC WORKS*
- JANITORIAL*

*These registries carry joint liability statutes for contracting entities.

DON'T RISK BEING HELD RESPONSIBLE. PROTECT YOUR BUSINESS TODAY!

We are investigating law-breakers, promoting fair competition, and building relationship with law-abiding employers. What else can we do to eliminate unfair competition?



You can email us at:
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