PCUN Testimony supporting HB 2977. This bill will reduce wage theft and provide means to collect wages owed, to the **WAYS AND MEANS SUBCOMMITTEE ON TRANSPORTATION AND ECONOMIC DEVELOPMENT**

May 15, 2013

Submitted by Ramon Ramirez, President.

PCUN, Oregon's Farmworker Union strongly supports passage of **HB 2977**. This bill will reduce wage theft and provide means to collect wages owed.

Farmworkers are more than ever being recruited by labor contractors to work in the construction, painting and building cleaning industries.

We have seen an increase of violations of labor laws, minimum wage and wage fraud. Wage theft is the underpayment or non-payment of the wages workers have earned for their labor. It occurs when workers do not receive minimum wage or the agreed rate or overtime, when they are paid under the table or in cash, when they are not paid tips, and too often not paid at all.

When we try to identify the employer, it became very difficult to pinpoint who was the contractor or sub-contractor. That's why it important to require people who recruit and employ workers be licensed and bonded.

An increasing problem area is the mislabeling of employees as independent contractors. Independent contractors have no guarantees of minimum wage and overtime. They do not receive workers' compensation or unemployment compensation. They are not covered by anti discrimination laws.

Wage theft occurs in most industries and affects all people. But it affects the low-wage workers whose wages are stolen the most. These workers are left without money to pay for food, shelter, and provide for their children.

Wage theft also harms all workers, honest employers, our communities, and the local economy as well as revenues for the State of Oregon.

We strongly encourage the passage of **HB 2977**