

Proposed Wage Theft Ordinance

August 22, 2013

The city's proposed ordinance ---

- Defines “Wage theft” as action by an employer that, with intent to avoid payment for a service that the employer knows is provided only for compensation, intentionally or knowingly secures the performance of the service by agreeing to provide compensation and, after the service is rendered, fails to make full payment after receiving notice demanding payment.
- Declares new city policy: the city will not do business, or continue to do business, with any employer that has been found to have engaged in wage theft, whether in a civil, criminal, or administrative context.
- Creates a new, publicly accessible database, to be maintained on the city’s website, listing all employers located in the greater Houston area found to have engaged in wage theft, whether in a criminal, civil, or administrative context.
 - Before an employer is included on the database, the wage theft coordinator shall provide written notice to the employer and provide the employer ten business days to provide information demonstrating that the employer should not be included in the database.
 - Employers may be removed from the database if:
 - A conviction, assessment, or adjudication has been annulled, overturned, or withdrawn;
 - More than five years has elapsed since the date of the employer’s most recent conviction, adjudication, or assessment.
- Creates the position of wage theft coordinator whose duties shall be to:
 - Review complaints of wage theft against city contractors;
 - Investigate complaints of wage theft involving city contracts and take any action necessary to try to resolve the complaint; and
 - Provide information and resources to persons with concerns of wage theft by non-city contractors.
- Provides for sanctions against employers that hold city contracts and engage in wage theft. If a city contractor is included on the database or fails to work in good faith with the wage theft coordinator to resolve a complaint:
 - The contract with the employer may be terminated;
 - The employer may be referred for debarment;
 - Appropriate city officials may take action appropriate to serve the best interests of the city; or
 - If the employer hold an occupational license or permit with the city (e.g., restaurant or food service, game room, kennel, and the like), the permit or licensed may be revoked or not renewed.