

To Truly Invest in the U.S. Workforce and our Nation's Infrastructure, Enforcement Matters

A Primer on Enforcing Job Quality Requirements for States and Cities

by Jenn Round
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Across the U.S., workers and their communities continue to grapple with historic levels of inequality. For tens of millions, work has become increasingly precarious and low paid. Recent federal legislation—including the Infrastructure Investment and Jobs Act, the Inflation Reduction Act, and the CHIPS Act—championed by the Biden Administration earmarks over \$2 trillion in new infrastructure projects in the coming decade, presenting states and cities with a powerful opportunity to deliver quality jobs to those people and communities who are too often overlooked. Likewise, recent revisions to federal grant rules, known as the Uniform Guidance, now provide a clear pathway for states and localities to embed labor and equity standards in federally funded projects, including protections against worker misclassification, prohibitions against interfering with collective bargaining, enabling local and targeted hire, and allowing community benefits agreements.

The vast investment in infrastructure along with changes to the Uniform Guidance present historic opportunities to transform the U.S. economy while growing the middle class and raising labor standards for millions of workers. Though the passage of these policies is a crucial step, the path to job quality and economic mobility for low-wage workers cannot be paved by laws alone. Simply put, these policies must be enforced to be effective.

With President Trump's recent election, the federal landscape has shifted, bringing renewed uncertainty to the federal laws and policies that protect workers in the U.S. Trump's stated agenda will increase inequality, lower worker protections, and weaken federal enforcement. **Thus, under a Trump presidency, it is more critical than ever for states and cities to harness the full potential of infrastructure spending by**

attaching and enforcing robust job quality requirements on all federally funded projects.

The Critical Role of Enforcement in Combating Wage Theft

Research on wage theft underscores the critical role of enforcement in ensuring workers have full access to their rights. Thirty states and 63 localities have enacted laws to increase their minimum wage above the federal rate.¹ Despite these laws, minimum wage violation rates remain staggeringly high, affecting 17% of low-wage workers, or 4.2 million workers per year.² These violations, which cost individual workers thousands of dollars annually, and pushed 77% of those impacted into poverty, and disproportionately affected female, Black and immigrant workers.³

However, robust enforcement of minimum wage laws is associated with significantly lower rates of minimum wage violations, with a 61% decline in the likelihood of minimum wage theft—a lesson that must be embraced by states and cities leveraging federal funding to revitalize infrastructure while creating quality jobs.⁴

This memo serves as a primer, outlining the key components of a robust enforcement framework for good job standards in federally funded projects. It is intended as a foundational guide, providing an overview of the following principles that states and cities can look to ensure these projects truly benefit workers and their communities:

- Principle 1: Establish clear guidelines for compliance
- Principle 2: Designate an enforcement agency, ensure it has sufficient authority
- Principle 3: Ensure consequences for noncompliance are clear and significant
- Principle 4: Require the maintenance and proactive submission of records
- Principle 5: Include worker organizations in implementation and compliance monitoring

Notably, enforcement is most effective when it is considered from the outset. However, there are often multiple opportunities to build in strong enforcement tools. For example, a city may pass a local hire ordinance and enter into a community benefits agreement

¹ Economic Policy Institute, “Minimum Wage Tracker,” accessed November 18, 2024, <https://www.epi.org/minimum-wage-tracker/>.

² Daniel J. Galvin, *Alt-Labor and the New Politics of Workers’ Rights* (Cambridge, MA: Harvard University Press, 2024).

³ Ibid.

⁴ Daniel Galvin, Hana Shepherd, Jenn Round, Jake Barnes, and Janice Fine, *Powers and Practices in Labor Standards Enforcement*, Working Paper WP-24-30, 2024, <https://www.ipr.northwestern.edu/our-work/working-papers/2024/wp-24-30.html>. Specifically, when analyzing minimum wage violations in states that do no enforcement versus those with the strongest statutory powers and enforcement practices, the latter is associated with 3.6 percentage point difference, or a 61% decline, in the probability of a minimum wage violation.

(CBA) that incorporates the local hire requirements. Both the ordinance and the CBA offer opportunities to implement the principles discussed in this memo to establish effective enforcement mechanisms. Thus, the ideas discussed in this paper are applicable in various contexts and should be considered whenever cities and states are planning infrastructure projects. Each principle is accompanied by example language that is intentionally stringent, providing a strong starting point for negotiations while allowing room for compromise, when necessary.

Principle 1: Establish clear guidelines for compliance.

Effective enforcement requires **clear** obligations. This means the law and/or contract should explicitly and specifically define the relevant requirements (for simplicity, we'll refer to these as "good jobs requirements").⁵ For example, if a city/state wants to require contractors to hire local workers for a federally funded project, it should mandate a specific percentage of hours to be performed by local hires while defining who is considered "local". **Example language: "35% of all project work hours within each trade must be performed by workers who reside within the city limits."** Such specificity ensures that contractors and subcontractors understand their obligations and can be held responsible if they violate them.

Example

San Francisco's local hire policy originally required public works contractors to make a "good faith effort" to hire San Francisco residents for at least 50% of the construction workforce. However, the good faith effort standard was too nebulous to achieve the City's local hiring goals.⁶ The ordinance was eventually amended such that the good faith effort language was replaced by mandatory local hire percentages.⁷

⁵ See U.S. Department of Labor, "Good Jobs Summit: Principles Factsheet," accessed November 18, 2024, <https://www.dol.gov/sites/dolgov/files/goodjobs/Good-Jobs-Summit-Principles-Factsheet.pdf> for a summary of good jobs principles.

⁶ Chinese for Affirmative Action and Brightline Defense Project, *The Failure of Good Faith: Local Hiring Policy Analysis and Recommendations for San Francisco*, August 2010, accessed November 18, 2024, https://www.reimaginepe.org/files/The_Failure_of_Good_Faith-CAA_and_Brightline.pdf.

⁷ See e.g. San Francisco Office of Economic and Workforce Development, "Local Hire Presentation," WISF Board Meeting, March 30, 2011, 3, accessed November 18, 2024, https://oewd.org/ftp/oewd_meetings/media/docs/WorkforceDevelopment/wisf/WISF%20Board/2011/3.30.2011/Local%20Hire%20Presentation_WISF_3.30.11.pdf.

Principle 2: Designate an enforcement agency, ensure it has sufficient authority

The agency charged with enforcing the good jobs requirements is critical to realizing their policy goals. Where possible, the city or state should designate a primary enforcement agency with the relevant expertise and capacity, even when other departments may be awarding funds to contractors. Designating a specialized agency allows it to leverage its experience while developing specific strategies to most effectively enforce good jobs requirements.

When considering which agency is best suited for this work, the city or state should consider the following questions:

- Which agency/department's mission and mandate align most closely with the goals of the policy?
- Is the orientation of the agency/department's leadership and existing staff, along with the agency/department's culture, in alignment with the vigorous enforcement of the relevant requirements?
- Which agency/department has staff with expertise and skills that are helpful for enforcement of the good jobs requirements? (E.g. industry expertise, labor standards investigations, legal analysis, outreach and education to low-wage workers and employers, and partnerships with relevant community organizations.)
- Which agency/department has the necessary resources/capacity to support oversight and enforcement of the good jobs requirements?

Centralized Enforcement Example Language

The Office of Labor Standards Enforcement (OLSE) is authorized to enforce all terms of this agreement. Awarding Departments shall work cooperatively with OLSE to implement requirements of this agreement, to include the provisions of the agreement in every contract for which inclusion is required, to assist Contractors and Subcontractors in complying with the agreement, and to assist OLSE in furthering the purposes of the agreement through monitoring and enforcement activities.

If centralizing the enforcement of good jobs requirements in a single agency is not a viable option, the city or state could instead designate the agency or department that is awarding the funds as the enforcement agency.

Alternative Language

Department of Public Workers (DPW) shall have the authority to perform all tasks and responsibilities necessary and proper to enforce and carry out the provisions and purposes of this contract, as well as any other duties assigned by the DPW director.

The agency charged with enforcement must have robust enforcement powers to investigate and remedy noncompliance. Like the examples above, this starts with including a broad statement in the law or contract providing the designated agency with authority to enforce the requirements. Additionally, there should be language that gives the agency explicit authority to investigate all possible violations committed by a contractor or subcontractor—whether or not a complaint has been filed—interview all persons who may have relevant information; and have access to job sites, employees, and the records (more on records below) of all contractors and subcontractors.

Example Language

The Office of Labor Standards Enforcement (OLSE) is authorized to take all appropriate steps to enforce this Article, including investigating any possible violations of this Article. OLSE shall have the authority and discretion to engage in proactive and complaint-driven investigations and inspections of job sites to monitor and investigate compliance of Contractor and Subcontractors working on the project with requirements of this Article. OLSE shall create a process for members of the public to submit complaints regarding alleged violations of this Article.

Where OLSE has reason to believe that a violation has occurred, it may order any appropriate temporary or interim relief to mitigate the violation or maintain the status quo pending completion of a full investigation or hearing.

Each Contractor and Subcontractor shall allow representatives of OLSE and the Awarding Department, in the performance of their duties, to engage in inspections of job sites and to have access to the employees of the Contractor and Subcontractor and the records required to be kept by this Policy. All Contractors, Subcontractors, and Awarding Departments shall cooperate fully with OLSE in monitoring and compliance activities. OLSE may interview, either at the worksite or elsewhere, any witness who may have information related to a complaint.

OLSE shall determine whether a contractor and/or any subcontractor has failed to comply with the local hire requirements. If after conducting an investigation, OLSE determines that a violation has occurred, it shall issue and serve an assessment of remedies and penalties to the contractor and/or any subcontractor that sets forth the basis of the assessment and order payment of applicable remedies and penalties.

Principle 3: Ensure consequences for noncompliance are clear and significant

Consequences for noncompliance start with fully remedying the violation/s. For example, where a law or contract requires that workers are paid the prevailing wage but they instead receive only the minimum wage, the contractor and/or subcontractor must, at a minimum, be liable for back wages to all affected workers. Additionally, the enforcement agency must be empowered to assess and recover all such damages.

In addition to remedying wage violations, financial damages—whether payable to aggrieved workers or to the city or state—are crucial for deterring violations and should thus be clearly established and outlined in the contract or law.⁸ Cumulative damages or penalties that increase with each day/week/month the violation continues or for each instance of a violation can be especially helpful as they incentivize a prompt resolution of the violation. Further, to ensure the city/state is able to collect all back wages and financial damages, the contracting city or state should include language allowing it to withhold payment to cover any back wages, damages, or other penalties the enforcement agency finds are owed.

Example Language

Authority to remedy: The Office of Labor Standards Enforcement (OLSE) may order any appropriate relief.

Back wages: Where OLSE has established a violation of [prevailing wage requirements], the violator/s will be liable to all aggrieved workers for the full payment of unpaid wages plus interest, calculated at 12% annually.

Additional damages payable to workers

- Liquidated damages – OLSE may order liquidated damages payable to each person whose rights were violated in an additional amount of up to twice the unpaid wages.
- Daily penalty – OLSE may order a penalty in the amount of \$50 payable to each person whose rights were violated for each day that the violation occurred or continued.

Penalties payable to the city/state

⁸ Daniel J. Galvin, “Deterring Wage Theft: Alt-Labor, State Politics, and the Policy Determinants of Minimum Wage Compliance,” *Perspectives on Politics*, 2016;14(2):324-350. doi:10.1017/S1537592716000050, available at <https://www.cambridge.org/core/journals/perspectives-on-politics/article/abs/deterring-wage-theft-altlabor-state-politics-and-the-policy-determinants-of-minimum-wage-compliance/1A366C3B5FBD35A4CDAEC8EC453FA353>. Galvin finds that higher penalties and stronger enforcement capacities lead to lower violation rates.

- General example: In the event of noncompliance, the contractor and/or subcontractor shall be subject to a penalty of 10% of the total contract value for each instance of noncompliance. Additionally, for every day of continued noncompliance following formal notice, the City may impose a penalty of \$500 per day, up to a maximum of 25% of the maximum contract amount.
- Apprenticeship example: OLSE may order a penalty of \$75 per hour by which the prime contractor or a subcontractor fell short of the apprentice hiring goal set forth in [xxx].
- Local hire example: If the contractor or subcontractor fails to satisfy the local hire requirements, the contractor and subcontractor shall forfeit to the city/state an amount equal to the applicable prevailing wage rate for each hour by which the contractor or subcontractor fell short of the local hire requirement.

Enforcement of other requirements not precluded:

- The assessment of penalties under this agreement shall not preclude the City from exercising any other rights or remedies to which it is entitled or enforcing other applicable laws.

Withholding payment:

A few general options:

- All such damages and/or penalties, including back wages, interest, damages or penalties payable to each person whose rights were violated, and fines and penalties payable to the city/state, may be withheld from future payments or deducted from the final contract payment.
- OLSE may withhold all or part of any payment or payments until the prime contractor and/or subcontractor has remedied the breach of this Agreement.
- OLSE may withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the contractor or any subcontractor for any unpaid wages; monetary relief, including interest and liquidated damages; penalties; and fines. **The necessary funds may be withheld from the contractor under this contract, or any other city contract with the same prime contractor regardless of whether the other contract was awarded or by the same agency**, and such funds may be used to satisfy the contractor liability for which the funds were withheld.

An option that includes the right to appeal:⁹

OLSE shall send notice to a Contractor of its final determination that the Contractor has violated the requirements of this Article and of the Contractor's right of appeal to the Controller. After such notice, OLSE may direct the Contracting Department and the Controller to deduct from the payment or payments otherwise due to the Contractor the amounts that the Agency has determined the Contractor must pay to Covered Employees for violation of this Article and to the City for liquidated damages. The Controller, in issuing any warrant for any such payment, shall deduct the amounts specified by the Agency.

The Controller shall withhold these funds until (A) the hearing officer issues a decision finding that the Contractor does not owe all or a portion of the amount withheld, in which case the Controller shall release funds to the Contractor consistent with the hearing officer's decision or (B) the Contractor consents to the use of the funds to pay Covered Employees and/or the City the amounts that the Agency or hearing officer found due. As to any funds being withheld for which neither (A) nor (B) applies, the Controller shall retain the funds until the hearing officer's decision is no longer subject to judicial review, at which time the Controller shall distribute the funds as provided in subsection (e)(3) of this Section, provided that this action is consistent with any final determination of a court of competent jurisdiction.

Other powerful tools for compliance that the city/state should include are the right to terminate the contract for noncompliance and to debar violators, tools that are especially important in cases where the contractor or subcontractor has been found to have committed egregious or repeat violations, and where the contractor or subcontractor has failed to correct violations.

Example Language

Debarment

- By executing this agreement, contractees agree they have been notified that failure to comply with the requirements of this agreement may lead to the prime contractor's and/or subcontractor's disqualification from bidding on and receiving other contracts, pursuant to established laws and procedures.
- In accordance with local and state law and procedures, a prime contractor and/or subcontractor that has committed or is responsible for two or more

⁹ To ensure compliance with due process, there should be a mechanism or process for the contractor or subcontractor to appeal the government's assessment of remedies and penalties (including debarment). If a relevant statutory appeals process does not otherwise exist in statute, one can be created in a good jobs statute or contract.

violations within a five-year period may not be allowed to bid on any City contract for two years.

Termination

- This agreement may be terminated by the city/state for material or repeat breaches by the contractor and/or subcontractor(s).

Unscrupulous employers too often use retaliation to keep workers silent and to punish those who come forward to report noncompliance. Thus, strong anti-retaliation protections—including full remedies for aggrieved workers and high penalties—are crucial for deterring retaliation and fully addressing it when it does occur.

Example Language

Retaliation Protections: It is unlawful for any person to interfere with, restrain, deny, or attempt to deny the exercise of any right protected under this Chapter or take any adverse action against any person because the person has exercised in good faith the rights protected under this Chapter. Such rights include but are not limited to the right to make inquiries about the rights protected under this Chapter; the right to inform others about their rights under this Chapter; the right to inform the person's employer, union, or similar organization, and/or the person's legal counsel or any other person about an alleged violation of this Chapter; the right to file a complaint with any agency for an alleged violation of this Chapter; the right to cooperate with any agency in an investigation of this Chapter; the right to testify in a proceeding under or related to this Chapter; the right to refuse to participate in an activity that would result in a violation of city, state or federal law; and the right to oppose any policy, practice, or act that is unlawful under this Chapter.

"Adverse action" means denying a job or promotion, demoting, terminating, failing to rehire after a seasonal interruption of work, threatening, penalizing, retaliating, engaging in unfair immigration-related practices, filing a false report with a government agency, changing an employee's status to a nonemployee, or otherwise discriminating against any person for any reason prohibited by this Chapter. "Adverse action" may involve any aspect of employment, including pay, work hours, responsibilities, or other material change in the terms and condition of employment.

No person shall communicate to a person exercising rights protected under this Chapter, directly or indirectly the willingness to inform a government employee that the person is not lawfully in the United States, or to report, or to make an

implied or express assertion of a willingness to report, suspected citizenship or immigration status of an employee or a family member of the employee to a federal, state, or local agency because the employee has exercised a right under this Chapter.

It shall be considered a rebuttable presumption of retaliation if an employer or any other person takes an adverse action against a person within 90 days of the person's exercise of rights protected in this Chapter. The employer may rebut the presumption with clear and convincing evidence that the adverse action was taken for a permissible purpose.

Proof of retaliation under this Chapter shall be sufficient upon a showing that an employer or any other person has taken an adverse action against a person and the person's exercise of rights protected in Chapter was a motivating factor in the adverse action, unless the employer can prove that the action would have been taken in the absence of such protected activity.

Remedies: Any person found to have failed to comply with prohibitions against retaliation in violation of this Chapter shall be subject to:

1. Any appropriate relief at law or equity including, but not limited to reinstatement of the aggrieved party, front pay in lieu of reinstatement with full payment of unpaid compensation plus interest in favor of the aggrieved party under the terms of this Chapter;
2. Liquidated damages in an additional amount of up to twice the unpaid compensation;
3. Penalty payable to the aggrieved party of up to \$20,000; and
4. Penalty payable to the city of up to \$20,000.

Finally, compliance is increased when those with the most power in the contracting relationship are liable for downstream violations.¹⁰ Thus, the city or state should ensure that all contractors and subcontractors are required to comply with the good jobs requirements and that prime contractors are legally and financially responsible for the violations of their subcontractors.

¹⁰ Janice Fine, Daniel J. Galvin, Jenn Round, and Hana Shepherd, "Maintaining Effective U.S. Labor Standards Enforcement Through the Coronavirus Recession," September 2020, 25, accessed November 18, 2024, https://smlr.rutgers.edu/sites/default/files/Documents/Centers/WJL/LaborEnforcementRpt_090320.pdf.

Example Language

- **Subcontractor compliance:** The provisions of this agreement shall apply to each and every contractor and subcontractor. Each contractor and subcontractor shall ensure that all subcontractors agree to comply with applicable requirements of this agreement. All contractors and subcontractors agree as a term of participation on covered projects that the City shall have third party beneficiary rights, limited to the right to enforce the requirements of this agreement against all contractors and subcontractors, under all contracts under which subcontractors are performing covered project work.
- **Joint liability** – The contractor and its subcontractors shall be subject to joint and several liability and shall share legal responsibility for any violations of the Agreement and applicable local, state, and federal wage and hour laws (“those laws”), including provisions of this agreement and those laws regarding retaliatory actions against employees for exercising their rights under any of those laws and misclassification of workers. The contractor and any subcontractor(s) responsible will be liable for any unpaid wages, remedies, penalties, or other monetary relief provided for under this contract and those laws.

Principle 4: Require the maintenance and proactive submission of records

Accurate and accessible records are essential in verifying employers are meeting good jobs requirements. Thus, the law or contract should clearly outline the records that contractors and subcontractors are required to keep to demonstrate compliance with the good jobs requirements, as well as how long these records must be maintained. Likewise, where possible, the city or state should require contractors and subcontractors to regularly submit certified payroll via an electronic reporting system, which helps to identify discrepancies or violations early, reducing the likelihood of ongoing underpayment, and allowing for more proactive monitoring and enforcing.

Example Language

Record maintenance requirements

- Targeted and local hire example: Each contractor and subcontractor shall keep, or cause to be kept, for a period of four years from the date of substantial completion of the project, certified payroll and basic records, including time cards, tax forms, and superintendent and foreman daily logs, for all workers within each trade performing work on the project. Such records shall include the name, address and social security number of each worker who worked on the project, their classification, a general description of the work each worker performed each day, the Apprentice or journey-level status of each worker, daily and weekly number of hours worked, the self-identified race, gender, and ethnicity of each worker, whether or not the worker was a Local Resident or Disadvantaged Worker, and the referral source or method through which the contractor or subcontractor hired or retained that worker for work on the project (e.g., core workforce, name call, union hiring hall, City-designated referral source, or recruitment or hiring method).
- Prevailing wage example: All regular payrolls and other basic records must be maintained by the contractor and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work for a period of at least 4 years after all the work on the prime contract is completed. Such records must contain the name; social security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 40 U.S.C. 3141(2)(B) of the DavisBacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.

Reporting and inspection:

- Each contractor and/or subcontractor shall submit weekly, for each week in which any covered work is performed, certified payrolls to the Office of Labor Standards Enforcement (OLSE) electronically using the Project Reporting System. The contractor is responsible for the submissions of all certified payrolls by all subcontractors. All certified payroll records shall be accompanied by a statement of compliance signed by the Contractor indicating that the payroll records are correct and complete, that the wage rates contained therein comply with relevant prevailing wage requirements, and that the classifications set forth for each employee conform with the work performed.
- All records described in this section shall at all times be open to inspection and examination by the City, including representatives of the Awarding Department and the Office of Labor Standards Enforcement (OLSE).

Further, to incentivize compliance with recordkeeping requirements, the law or contract should also include significant penalties for record violations, including monetary penalties, withholding of payment, and prohibiting the contractor or subcontractor from relying on records they failed to submit upon request as evidence in an enforcement action against them.

Example Language**Penalties for noncompliance:**

- Penalty: The Office of Labor Standards Enforcement (OLSE) may assess a penalty of \$500 per missing record for failure of the contractor or subcontractor/s to maintain records for four years as required by this Agreement.
- If the contractor or subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, OLSE may, after written notice to the contractor, subcontractor, or other entity that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action pursuant to

relevant state and/or city law. In addition, any contractor or other person that fails to submit the required records or make those records available to OLSE within the time OLSE requests that the records be produced will be precluded from introducing as evidence in any administrative proceeding any of the required records that were not provided or made available to OLSE.

Transparency is essential to promoting accountability. By making relevant compliance data accessible to the public, cities and states can create an additional layer of oversight, allowing workers, advocates, and the general public to monitor contractors' adherence to good jobs requirements. Public access to data on contractor and subcontractor compliance also provides additional incentives for contractors and subcontractors to act in accordance with their legal obligations.

Example Language

Transparency: Except as prohibited by law, the Office of Labor Standards Enforcement (OLSE) will make data collected from contractors and subcontractors available on-line to the public in real-time and searchable by entity name and project location.

Principle 5: Include worker organizations in implementation and compliance monitoring

Immigrants, women, and workers of color—the same workers who are the focus of many good jobs initiatives—are disproportionately vulnerable to workplace violations yet are often the least likely to report them. However, partnerships between enforcement agencies and worker organizations have proven highly effective in helping agencies to identify and connect with low-wage workers in high-violation sectors.¹¹ Worker organizations, which have built relationships and trust within these communities, play a vital role in encouraging workers to come forward and participate in enforcement processes—a role that is even more crucial amid heightened fears stemming from anti-worker, anti-immigrant federal policies.¹² By leveraging the existing trust between workers and partner organizations, agencies can gain access to the knowledge and information workers possess about violations.

Worker organizations also bring a deep understanding of industry dynamics and employer practices, information that is often gained through relationships with front-line workers who are observing and experiencing firsthand the specific ways employers are committing wage and hour and health and safety violations. This makes the organizations powerful sources of expertise for investigators, who seldom specialize in a specific sector.

Thus, by partnering with worker organizations, agencies can:

- Gain deeper insights into industry norms and practices;
- Develop more effective industry-specific enforcement strategies;
- Create and implement compelling outreach and education initiatives;
- Identify high impact cases and improve compliance across low-wage sectors;
- Level the playing field for employers who are doing the right thing; and
- More effectively recover unpaid wages and ensure ongoing wages, hours, and safety and health compliance.¹³

¹¹ See generally Jenn Round, Janice Fine, and Michael Felsen, “Introduction to Co-Enforcement,” Workplace Justice Lab@RU, May 2023,

https://smlr.rutgers.edu/sites/default/files/Documents/Centers/WJL/Toolbox_Tool12_Intro_to_Co-enforcement_final.pdf.

¹² See Tanya L. Goldman, “Addressing and Preventing Retaliation,” Workplace Justice Lab@RU, April 2019, 5–7, regarding the climate of fear under the first Trump administration and how it enabled “unprecedented levels of targeting and fear,”

https://smlr.rutgers.edu/sites/default/files/Documents/Centers/CIWO/2019_addressingandpreventingretaliation.pdf.

¹³ For more on community partnerships, see “Introduction to Co-Enforcement,”

https://smlr.rutgers.edu/sites/default/files/Documents/Centers/WJL/Toolbox_Tool12_Intro_to_Co-enforcement_final.pdf.

Example Language

Language authorizing partnerships: In accordance with applicable law, the city/state may enter into one or more contracts with community organizations and/or labor unions that have industry expertise and/or relationships with disadvantaged workers to further the purposes of [policy], including for services not limited to 1) disseminating information and conducting know your rights outreach and training to workers; 2) training workers as workplace monitors to identify violations and together with their co-workers, bring them to the attention of their employers and if necessary, appropriate government agencies; 3) providing assistance to workers in filing complaints; 4) preventing, identifying, and remedying violations, including assisting in investigations and developing and implementing systems needed to advance the purposes of [policy]; and 5) monitoring compliance with relevant requirements.

There are a variety of options to explore that could fund these partnerships.

- 1) Recognizing the importance and efficacy of such partnerships, cities and states across the country—including Chicago, Minneapolis, Seattle, San Francisco, California, and Connecticut—have funded partner organizations (generally through their General Funds) for worker outreach, training, and collaborating on the enforcement of labor standards laws.
- 2) The revised Uniform Guidance permits grantees to use federal funds for “costs related to data and evaluation....Evaluation costs include (but are not limited to)...conducting evaluations, sharing evaluation results, and other personnel or materials costs related to the effective building and use of evidence and evaluation for program design, administration, or improvement.”¹⁴ Thus, under the revised Guidance, a city or state could potentially use federal funds toward contracts with community partners to evaluate compliance with good jobs requirements.
- 3) Requiring the contractor or developer to pay the costs associated with the work of community partners can also be included in a community benefits agreement.

Example Language

Payment by Developer: The Parties will create or cause to be created a Community Compliance Committee responsible for evaluating and monitoring compliance with this CBA and undertaking the specific acts expressed in accordance with the terms herein. The contractor/developer shall contribute [_____] per year to the Committee to fund these efforts.

¹⁴ 2024 *Uniform Guidance*, § 200.455(c).

Cities and states can also require that contractors and subcontractors allow partner organizations—including but not exclusively unions—to have access to worksites to monitor compliance.

Example Language

Access: In their capacity as a partner organization as designated by the city/state, contractors and subcontractors shall give authorized representatives of partner organizations access to all information necessary to evaluate monitor compliance with [____], including access to the site of Covered Projects, provided the representatives do not interfere with the work of the employees and further provided that such representatives comply with any visitor and security rules established for a Covered Project.

Conclusion

With the updated Uniform Guidance and substantial federal infrastructure funding, states and cities have a unique chance to deliver not only on infrastructure revitalization but also on the promise of good jobs and economic justice for workers and their communities, even as the federal landscape changes. However, this potential can only be realized through robust enforcement mechanisms that ensure compliance with good job standards. As outlined in this brief, effective enforcement requires clear guidelines, empowered agencies, meaningful penalties, accurate recordkeeping, and strong partnerships with worker organizations. Without these pieces in place, the transformative potential of these investments will remain blunted.

Additional Resources: WJL's Labor Standards Enforcement Toolbox

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The Workplace Justice Lab conducts research on workers' rights and economic inequality and collaborates with local, state, and federal government agencies as well as worker centers, unions, and legal nonprofits. The Lab is a multi-institutional partnership that is anchored by the Workplace Justice Lab @ Rutgers University and includes the Workplace Justice Lab @ Northwestern University and the Pilipino Workers Center of Southern California.