

PRESS RELEASE April 19, 2021 Contact: Brooke Peery (202) 701-1376 bpeery@usccr.gov

## New Mexico Advisory Committee to the U.S. Commission on Civil Rights Commission Issues Advisory Memorandum on Wage Issues

On April 19, 2021, the New Mexico Advisory Committee (Committee) to the U.S. Commission on Civil Rights issued an <u>Advisory Memorandum</u> on issues involving wage theft and subminimum wages. The Memorandum was issued after a series of public meetings and with testimony provided by advocacy groups, employers, government officials, labor union officials and other affected individuals. The Memorandum focuses on two issues: a) wage theft and b) subminimum wages. The Committee issued multiple recommendations to address concerns arising from these wage-related civil rights issues.

## Wage Theft

Wage theft is the unlawful practice of employers not paying their employees the full amount for the work they have performed or the wages they were guaranteed. Common examples include not paying workers minimum wage, withholding overtime pay, forcing employees to work off the clock and during breaks or mealtimes, and simply not paying them for all the services they have performed for the company. The Committee's issued many findings, but most significantly found:

- Immigrants, both documented and undocumented, are more likely to be victims of wage theft and face additional barriers in filing wage theft claims.
- Certain industries, including the hospitality industry and construction industries, were more prone to wage theft issues.
- The New Mexico Department of Workforce Solutions has made strides to address wage theft in the state, but more resources were needed to assist the agency in enforcement of wage laws.

The Advisory Committee made recommendations at both the state and federal level to improve enforcement, strengthen laws to protect against wage theft, and to broaden awareness of workers' rights.

## **Subminimum Wages**

In contrast to wage theft where the minimum wage is guaranteed by law but unlawfully withheld, there are some instances and specific categories of workers who can lawfully receive a wage that is less than minimum wages. One example that was of concern to the Committee was Section

14(c) of the federal Fair Labor Standards Act that permits employers to pay individuals with disabilities less than the minimum wage in often segregated or "sheltered" workplaces. The Committee issued many findings, but want to highlight:

- Individuals with disabilities were paid wages far below the standard minimum wage
- While the 14(c) subminimum wage programs provide an opportunity for employment that an individual might not have otherwise, current 14(c) program and standards do not incentivize work for either the individual or employer.

The Advisory Committee recommended a planned phase-out of 14(c) and interim steps, such as creating a wage floor or minimum 14(c) wage requirement to address reports of abusively low wage rates.

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The U.S. Commission on Civil Rights, established by the Civil Rights Act of 1957, is the only independent, bipartisan agency charged with advising the President and Congress on civil rights and reporting annually on federal civil rights enforcement. Our 51 state Advisory Committees offer a broad perspective on civil rights concerns at state and local levels. The Commission: in our 7th decade, a continuing legacy of influence in civil rights. For information about the Commission, please visit <a href="http://www.usccr.gov">http://www.usccr.gov</a> and follow us on <a href="mailto:Twitter">Twitter</a> and <a href="facebook">Facebook</a>.