



June 11, 2018

On behalf of Community Legal Services and our low wage clients, I urge you to oppose House Bill 861. HB 861 would preempt local governments from passing legislation in a host of areas that directly affect the varied needs of their businesses, workforce, and communities. If passed, the legislation will hamstring local governments, ultimately harming economic development.

Local governments have always been the laboratories of democracy, experimenting with new laws to grow businesses, protect workers, and improve economies. Examples of local ordinances that HB 861 will preempt include those that:

- **Help mothers get back to work by protecting breastfeeding**
- **Combat wage theft and level the playing field for business that follow the law**
- **Ensure that people with records can get back to work**
- **Provide paid sick leave protections that are humane to workers and reduce public health disasters.**

On behalf of our clients and the workforce problems they face, CLS has worked on a variety of these measures over the last decade to improve the local economy in Philadelphia. Philadelphia has the highest rate of deep poverty of any big city in the U.S. and is therefore unique amongst Pennsylvania municipalities. **These ordinances have been effective in addressing workforce needs individual to Philadelphia without subjecting the entire state to the same regulations which may not be needed elsewhere.** Allowing localities to customize legislation to the needs of their local economy and workforce can only help the Commonwealth.

In the case of wage theft, Philadelphia understood that low wage workers are particularly susceptible to unscrupulous employers who withhold earned wages. Our clients find it difficult to take the time to go to court in order to take legal action on their own, or to find a lawyer to navigate the legal system for them; their priorities after experiencing wage theft are usually focused on keeping their families afloat and paying rent and other bills, and scrambling to find another job to accomplish this. This is one of the reasons that wage theft is underreported: the workforce most at risk, low-wage workers, don't have the resources to fight it. At the same time, businesses are hurt when some employers undercut them by underpaying workers, and the state's Bureau of Labor Law Compliance only has one investigator for the Philadelphia region. Unpaid wages also mean unpaid local and state taxes. Philadelphia decided the impact of wage theft on its local economy necessitated creating an office that will take complaints online, conduct an



investigation, and recommend a penalty if wages are owed, making it much easier on our clients to pursue their wages. Philadelphia also has the ability to suspend licensure of businesses that violate wage laws – a local law and a local remedy. HB 861 would throw this system into disarray and take away a valuable remedy from Philadelphia’s workers.

HB 861 goes beyond merely preventing local governments from passing the best laws for their communities prospectively. By overturning laws passed after January 1, 2015, HB 861 strips away protections that workers and the economy currently have – some that have been in effect for more than three years. In Southeastern Pennsylvania alone, over 200,000 workers would lose access to paid sick days if HB 861 passes, almost half of whom live outside Philadelphia.

HB 861 would hurt the health, safety, and economic wellbeing of municipalities seeking to take proactive measures to improve conditions in their workforces.

For all of these reasons, Community Legal Services urges you to stand with local communities and local government, and oppose both amendments to House Bill 861 and the bill itself.

Respectfully,

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