

Protecting District Workers

December 2019

OAG is committed to protecting workers' rights, fighting wage theft, and holding employers accountable if they violate District law.

ENFORCING WAGE-AND-HOUR LAWS

OAG enforces the District's wage-and-hour laws to make sure that workers receive the wages and benefits they have earned, and to make sure that employers live up to their legal responsibilities.

- Minimum wage: As of July 1, 2019, D.C.'s minimum wage is currently \$14/hour (increasing to \$15/hour on July 1, 2020).
- **Overtime:** Under District law, any hours worked in excess of 40 hours per week are overtime hours. Employers are required to pay employees 1.5 times their regular wage for overtime hours worked.
- **Paid sick leave:** District employers are required to provide employees with paid sick leave. Employees generally accrue paid sick leave in proportion to the hours they work.

Worker Misclassification

OAG is working to stop a form of payroll fraud called worker misclassification, where employers improperly categorize their workers as "independent contractors" instead of direct employees. Businesses do this to strip workers of legal protections, reduce costs, evade paying their fair share of payroll taxes, and to gain an unfair advantage over their law-abiding competitors. This illegal practice is particularly prevalent in the construction industry.

HOLDING EMPLOYERS ACCOUNTABLE

OAG established its wage enforcement unit in 2017 with the support of the Council of the District of Columbia. Since then, OAG has opened dozens of investigations and filed lawsuits which have resulted in hundreds of thousands of dollars in restitution and penalties for harmed workers and the District, including:

- Airway Sheet Metal Co. (Apr. 2019): OAG settled an investigation of Airway Sheet Metal Co., a sheet metal contractor, for failing to pay workers earned overtime and sick leave. Airway is required to pay over \$110,000 in unpaid wages to harmed workers and \$5,000 to the District.
- **Turning Natural, Inc. (Aug. 2019):** OAG resolved a lawsuit against Turning Natural, Inc., a local café chain, for failing to pay its workers minimum wage, overtime, and failing to provide paid sick leave. As part of a settlement with OAG, Turning Natural is required to pay over \$10,000 in relief to workers, provide current employees with retroactive paid sick leave, and pay a \$5,000 penalty to the District.
- Rock Spring Contracting, LLC (Dec. 2019): OAG settled an investigation of Rock Spring Contracting, LLC, a drywall contractor, for allegedly misclassifying workers as independent contractors and depriving them of legally-mandated paid sick leave and overtime. As part of the settlement with OAG, Rock Spring is required to pay over \$56,000 in restitution to workers and a \$225,000 penalty to the District.