TESTIMONY BEFORE SENATE STANDING COMMITTEE ON THE JUDICIARY SENATE STANDING COMMITTEE ON LABOR SECURING WAGES EARNED AGAINST THEFT (S.W.E.A.T.) MAY 25, 2023

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Thank you for this opportunity to speak before your committee about steps our lawmakers in New York can take to stop employers from stealing the wages of their workers. This thievery is a pernicious social sin against God and one another. As it says in Deuteronomy Chapter 24:14 to 15,, "You shall not exploit a poor and needy hired servant, whether one of your own kindred or one of the resident aliens who live in your land, within your gates. On each day you shall pay the servant's wages before the sun goes down, since the servant is poor and is counting on them. Otherwise, the servant will cry to the LORD against you, and you will be held guilty."

The sin of stealing from the poor, our own kin, or resident aliens (we call them immigrants now) is behavior that is damaging to the soul and economic livelihood of workers who enter employment relationships in good faith. They rightfully expect that, if they do their job and work hard, that they will be paid what the employer agreed to pay them.

For those of us who run not-for profits who employ people, we make every effort to be clear with our employees about what is expected and the compensation they will receive for their labor. This is why since 1893 we have joined our Roman Catholic brethren to shape laws which promote worker's rights. Pope Benedict, not known as the most progressive Pope, nonetheless stood on principle by saying in his *Charity encylcial in* no. 25, quoting Second Vatican Council, *The Church in the Modern World* [Gaudium et Spes], no. 63) "I would like to remind everyone, especially governments engaged in boosting the world's economic and social assets, that the primary capital to be safeguarded and valued is man, the human person in his or her integrity: "Man is the source, the focus and the aim of all economic and social life."

The faith community is broken like everyone else and there are poor practices and abuses to be found in institutions which proclaim the virtues of which Pope Benedict spoke. But as a faith-based employer, I know if we have any hope of surviving spiritually and financially, how we treat our workers is everything. We also do business with groups who treat their workers ethically and we don't do business with those who do not. And as the church, we offer our praise to the vast majority of employers in all sectors of our economy who make good on formal and informal contracts with their workers. Conversely, as a matter of principle, the Council representing 7,500 congregations, will critique and change laws and practices which facilitate theft and unethical behavior.

The SWEAT bill was close to becoming law in 2019 by the legislature. Unfortunately, it was vetoed by Governor Cuomo. Since that time, wage theft has not abated but gotten progressively worse. We note the gross fact that employers in this state steal at least 1 billion dollars a year from their workers—an estimate last proffered in 2014. The pandemic made it hard to work but

many brave workers, out necessity, put their lives at risk to work only to have their wages stolen. Our government did not stop this theft. In our present situation where we try to welcome migrant people to our state, we have people across the partisan divide who complain about the cost of welcoming them. In response, we have lawmakers, the Mayor of NYC, The Governor and the Federal government scrambling to ease some of the cost by helping migrants secure a work authorization. Letting people work is, of course, a humane and altruistic position, but this is also about practical public economics. As a state, we are spending a lot of money on services on people who would like to be less reliant on public shelters and have their own agency. They would prefer to work instead. And yet its cruel and duplicitous to tell people we want them to work only to refuse to change laws that incentivize work and facilitate independence. Frankly, employers who steal are asking the public to not only tolerate their theft from workers but actually subsidize their stealing because employers, in not pulling their weight, are in effect tasking the government to pick up the tab for their negligence. Moreover, as our safety net gets more strained matters get even worse because we receive less revenue to pay for those services because people are not paying taxes on lost wages.

Instead of our government rewarding unethical employers while punishing employers who do the right thing while seeing a corresponding increase in social spending combined with a decrease in tax revenue, we owe it to the residents of New York to break the cycle. We need employers to carry the load that is properly theirs. The SWEAT bill allows a worker to place a lien on a employer's assets if they steal so the worker has some assurance that they will be paid the wages owed to them. This mechanism would, of course, be unnecessary if all employers had a moral compass---but alas we are human and live in a fallen world, which makes laws like SWEAT necessary.

In closing, I have few words about process. Last year, we almost got the SWEAT bill to the floor for a vote but at the very end of session, the legislature managed to kill the bill in committee so members would not have to vote on it. It is really my request and hope that such procedural nonsense does not happen again in this session and today's hearing facilitates enough of a transparent public conversation about the merits of this legislation, so the sponsors can craft any amendments and do everything in their power to stand up to the resistance and get a vote on this bill by the end of this session in 2023. Workers have suffered too long and have run out of patience with political promises being made which are subsequently broken by a state legislative process which is notorious for its lack of transparency and public debate. We call on you as our legislatures to lead the way and get SWEAT passed this session and onto the Governor's desk.