To amend the Fair Labor Standards Act of 1938 and the Portal-to-Portal Act of 1947 to prevent wage theft and assist in the recovery of stolen wages, to authorize the Secretary of Labor to administer grants to prevent wage and hour violations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2022

Ms. DeLauro (for herself, Mr. Scott of Virginia, Mr. Carson, Mr. DeSaulnier, Ms. Lee of California, Mr. Sablan, Mr. McGovern, Ms. Newman, Ms. Porter, Mr. Jones, Ms. Barragán, Ms. Bonamici, Ms. Jayapal, Ms. Jacobs of California, Mr. Larson of Connecticut, Ms. Schakowsky, Ms. Wilson of Florida, Ms. Velázquez, Mr. San Nicolas, Mr. Mfume, Mr. Raskin, Mr. Bowman, Mr. Rush, Ms. Garcia of Texas, Ms. Omar, Mr. Takano, Ms. Adams, Mrs. Watson Coleman, Mr. Johnson of Georgia, Ms. Stevens, Ms. Meng, Mr. Danny K. Davis of Illinois, Ms. Tlaib, Mr. Evans, Ms. Sherrill, Mr. Pocan, Mr. Nadler, Mr. Grijalva, Ms. Scanlon, Ms. Norton, Ms. Bass, Mr. Norcross, and Mr. Cicilline) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To amend the Fair Labor Standards Act of 1938 and the Portal-to-Portal Act of 1947 to prevent wage theft and assist in the recovery of stolen wages, to authorize the Secretary of Labor to administer grants to prevent wage and hour violations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

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SECTION 1. SHORT TITLE.

This Act may be cited as the “Wage Theft Prevention and Wage Recovery Act”.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Wage theft occurs when an employer does not pay an employee for work that the employee has performed, depriving the worker of wages and earnings to which the worker is legally entitled. This theft occurs in many forms, including by employers violating minimum wage requirements, failing to pay overtime compensation, requiring off-the-clock work, failing to provide final payments, misclassifying employees as being exempt from overtime compensation or as independent contractors rather than as employees, and improperly withholding tips.

(2) Wage theft poses a serious and growing problem across industries for working individuals of the United States. Wage theft is widespread and is estimated to cost workers more than $15,000,000,000 per year. In certain industries, compliance with Federal wage and hour laws is less than 50 percent.

(3) Wage theft is closely associated with employment discrimination, with women, immigrants, and racial and ethnic minorities being disproportion-
ately affected. Women are significantly more likely to experience minimum wage violations than men, foreign-born workers are nearly 2 times as likely to experience minimum wage violations as their counterparts born in the United States, and African Americans are 3 times more likely to experience minimum wage violations than their White counterparts.

(4) Wage theft is closely associated with unsafe working conditions.

(5) Wage theft—

(A) depresses the wages of working families who are already struggling to make ends meet;

(B) strains social services funds;

(C) diminishes consumer spending power and hurts local economies;

(D) reduces vital State and Federal tax revenues;

(E) places law-abiding employers at a competitive disadvantage with noncompliant employers;

(F) burdens commerce and the free flow of goods; and
(G) lowers labor standards throughout labor markets.

(6) Low-wage workers are at the greatest risk of suffering from wage theft. A survey of 4,387 low-wage workers in New York, Los Angeles, and Chicago found that 68 percent of the workers surveyed had experienced some form of wage theft in the workweek immediately before the survey was conducted. These workers experienced a range of wage and hour violations: 26 percent of such workers were not paid minimum wage; 76 percent of such workers who worked more than 40 hours in the workweek immediately before the survey was conducted were not paid at the overtime rate; and, in the year before the survey was conducted, 43 percent of the workers who attempted to address such issues by filing a complaint with their employer or who attempted to form a labor organization experienced retaliation by their employers, including by being fired, suspended, or receiving threats of reductions in their hours or pay.

(7) In 2012, State and Federal authorities as well as private attorneys recovered at least $933,000,000 in wage theft enforcement actions, which was nearly 3 times the value of all bank rob-
beries, residential robberies, convenience store and
gas station robberies, and street robberies in the
United States during that year.

(8) A Department of Labor study of wage theft
in California and New York found that wage theft
deprived workers of 37 percent to 49 percent of
their income, pushing at least 15,000 families below
the poverty line and driving another 50,000 to
100,000 families deeper into poverty.

(9) A study analyzing wage theft claims in the
State of Washington from 2009 to 2013 estimated
that the total economic cost of wage theft to the
State totaled more than $64,000,000 resulting from
the lower economic activity and spending of low-
wage workers due to their lost wages.

(10) A Department of Labor study of wage vio-
lations in California and New York found that wage
theft deprived families of $5,600,000 in possible
earned income tax credits and resulted in a
$22,000,000 loss in State tax revenue, a
$238,000,000 loss in payroll tax revenue, and a
$113,000,000 loss in Federal income tax revenue.

(11) Barriers to addressing wage theft continue
to exist decades after the enactment of the Fair
Labor Standards Act of 1938 (29 U.S.C. 201 et
These barriers have resulted, in significant part, because enforcement of such Act has not worked as Congress originally intended and because many of the provisions of such Act do not include sufficient penalties to discourage violations. Improvements to enforcement and amendments to such Act are necessary to ensure that such Act provides effective protection to individuals subject to wage theft.

(12) The lack of a Federal right for employees to receive full compensation at the agreed upon wage rate for all work performed by the employee has resulted in workers being able to recover only the applicable minimum wage, or the overtime rate if applicable, when employers engage in wage theft.

(13) The lack of a Federal requirement to provide employees with paystubs indicating how their pay is calculated or to allow employees to inspect their employers’ payroll records significantly impedes efforts to identify and challenge wage theft.

(14) The lack of a Federal requirement to pay employees their final payments in a timely manner upon termination of the employment relationship between the employer and employee has led to unreasonable, and sometimes indefinite, delays in compensation after an employment relationship ends.
(15) While the Fair Labor Standards Act of 1938, and regulations promulgated by the Secretary of Labor, as in effect on the day before the date of enactment of this Act, require employers to compensate employees at the minimum wage rate and to provide overtime compensation when appropriate, the lack of civil penalties for most violations of these requirements has dampened their effectiveness.

(16) While the Fair Labor Standards Act of 1938 and regulations promulgated by the Secretary of Labor, as in effect on the day before the date of enactment of this Act, provide employees who are subject to wage theft with the right to unpaid minimum wages or unpaid overtime compensation plus an additional equal amount as liquidated damages, this low level of damages has proved insufficient to deter employers from stealing the wages of their employees.

(17) While the Fair Labor Standards Act of 1938 and regulations promulgated by the Secretary of Labor, as in effect on the day before the date of enactment of this Act, require employers to keep records of employees’ pay, the lack of remedies beyond injunctive relief for this requirement diminishes the effectiveness of the requirement.
(18) While the Fair Labor Standards Act of 1938 and regulations promulgated by the Secretary of Labor, as in effect on the day before the date of enactment of this Act, provide for limited criminal penalties when employers violate the provisions of such Act, the Secretary of Labor rarely resorts to these penalties, causing them to serve as a hollow threat.

(19) The statute of limitations under section 6 of the Portal-to-Portal Act of 1947 (29 U.S.C. 255), as in effect on the day before the date of enactment of this Act, precludes employees from commencing a claim for wage theft more than 2 years after the cause of action accrued, or more than 3 years after the cause of action accrued if the claim is with respect to a willful violation by the employer. Additionally, the statute of limitations is not automatically suspended while the Secretary of Labor investigates a complaint. These strict confines of the statute of limitations sometimes result in employees being deprived of their ability to institute a private lawsuit against their employer in order to recover their stolen wages.

(20) Section 16(b) of the Fair Labor Standards Act of 1938 (29 U.S.C. 216(b)), as in effect on the
day before the date of enactment of this Act, re-
quires employees to affirmatively “opt-in” in order
to be a party plaintiff in a collective action brought
by another aggrieved employee seeking to recover
stolen wages in court. This provision limits the abil-
ity of employees to unite and pursue private lawsuits
against employers.

(21) Under the penalty structure of the Fair
Labor Standards Act of 1938, as in effect on the
day before the date of enactment of this Act, many
employers who are caught violating such Act con-
tinue to violate the Act. A Department of Labor in-
vestigation found that one-third of employers who
had previously engaged in wage theft continued to
do so.

(22) The Government Accountability Office and
the Department of Labor have recognized that when
employers are assessed civil penalties, they are more
likely to comply with the law in the future and other
employers in the same region—regardless of indus-
try—are also more likely to comply with the law.

(23) States that have enacted legislation to ad-
dress wage theft by increasing the damages to which
employees are entitled following violations of wage
and hour laws have positively impacted the workers
in such States. However, many States have not enacted such legislation and, worse still, some States do not have any laws protecting workers from wage theft or even agencies to enforce workers’ rights to compensation for work. This discrepancy in State laws has resulted in a fragmentation of workers’ rights across the United States, with some workers having a measure of protection from wage theft and other workers being left extremely vulnerable to wage theft.

(24) Effective enforcement of wage and hour laws is critical to increasing compliance. Given the limited resources available for enforcement, enhanced strategic enforcement of Federal wage and hour laws is crucial.

(25) For enhanced strategic enforcement to be effective, government regulators must work with community stakeholders who have direct knowledge of ongoing violations of Federal wage and hour requirements and who are in a position to prevent such violations.

(26) Partnerships between regulators, workers, nonprofit organizations, and businesses can increase compliance by educating workers about their rights, collecting evidence, reporting violations, identifying
noncompliant employers, and modeling good practices.

(27) Partnerships between regulators, workers, nonprofit organizations, and businesses have been successful in combating wage theft. In 2006, the Division of Labor Standards Enforcement of the State of California created a janitorial enforcement team to work closely with a local janitorial watchdog organization. As of 2015, the partnership had resulted in countless administrative, civil, and criminal actions against employers and in the collection of more than $68,000,000 in back pay for janitorial workers.

(28) The Comptroller General of the United States has recommended that the Department of Labor identify ways to leverage its resources to better combat wage theft by improving services provided through partnerships.

SEC. 3. PURPOSES.

The purposes of this Act are to prevent wage theft and facilitate the recovery of stolen wages by—

(1) strengthening the penalties for engaging in wage theft;

(2) giving workers the right to receive, in a timely manner, full compensation for the work they
perform, certain disclosures, regular paystubs, and final payments;

(3) providing workers with improved tools to recover their stolen wages in court; and

(4) making assistance available to enhance enforcement of and compliance with Federal wage and hour laws through—

(A) supporting initiatives that address and prevent violations of such laws and assist workers in wage recovery;

(B) supporting individual entities and developing community partnerships that expand and improve cooperative efforts between enforcement agencies and community-based organizations in the prevention of wage and hour violations and enforcement of wage and hour laws;

(C) expanding outreach to workers in industries or geographic areas identified by the Secretary of Labor as highly noncompliant with Federal wage and hour laws;

(D) improving detection of employers who are not complying with such laws and aiding in the identification of violations of such laws; and
(E) facilitating the collection of evidence to assist enforcement efforts.

TITLE I—AMENDMENTS TO THE FAIR LABOR STANDARDS ACT OF 1938

SEC. 101. REQUIREMENTS TO PROVIDE CERTAIN DISCLOSURES, REGULAR PAYSTUBS, AND FINAL PAYMENTS.

The Fair Labor Standards Act of 1938 is amended by inserting after section 4 (29 U.S.C. 204) the following:

“SEC. 5. REQUIREMENTS TO PROVIDE CERTAIN DISCLOSURES, REGULAR PAYSTUBS, AND FINAL PAYMENTS.

“(a) DISCLOSURES.—

“(1) INITIAL DISCLOSURES.—Not later than 15 days after the date on which an employer hires an employee who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce, the employer of such employee shall provide such employee with an initial disclosure containing the information described in paragraph (3). Such initial disclosure shall be—
“(A) provided as a written statement or, if the employee so chooses, as a digital document provided through electronic communication; and

“(B) made available in the employee’s primary language.

“(2) Modification disclosures.—Not later than the earlier of 5 days after the date on which any of the information described in paragraph (3) changes with respect to an employee described in paragraph (1) or the date of the next paystub following the date on which such information changes, the employer of such employee shall provide the employee with a modification disclosure containing all the information described in paragraph (3).

“(3) Information.—The information described in this paragraph shall include—

“(A) the rate of pay and whether the employee is paid by the hour, shift, day, week, or job, or by salary, piece rate, commission, or other form of compensation;

“(B)(i) an indication of whether the employee is being classified by the employer as an employee subject to the minimum wage requirements of section 6 or as an employee that is exempt from (or otherwise not subject to) such
requirements as provided under section 3(m)(2), 6, 13, or 14; and

“(ii) in the case that such employee is not classified as being an employee subject to such minimum wage requirements, an identification of the section described in clause (i) providing for such classification;

“(C)(i) an indication of whether the employee is being classified by the employer as an employee subject to the overtime compensation requirements of section 7 or as an employee exempt from such requirements as provided under section 7 or 13; and

“(ii) in the case that such employee is not classified as being an employee subject to such overtime compensation requirements, an identification of the section described in clause (i) providing for such classification;

“(D) the name of the employer and any other name used by the employer to conduct business; and

“(E) the physical address of and telephone number for the employer’s main office or principal place of business, and a mailing address for such office or place of business if the mail-
ing address is different than the physical address.

“(b) PAYSTUBS.—

“(1) IN GENERAL.—Every employer shall provide each employee of such employer who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce, a paystub that corresponds to work performed by the employee during the applicable pay period and contains the information required under paragraph (3) in any form provided under paragraph (2).

“(2) FORMS.—A paystub required under this subsection shall be a written statement and may be provided in any of the following forms:

“(A) As a separate document accompanying any payment to an employee for work performed during the applicable pay period.

“(B) In the case of an employee who receives paychecks from the employer, as a detachable statement accompanying each paycheck.

“(C) As a digital document provided through electronic communication, subject to
the employee affirmatively consenting to receive
the paystubs in this form.

“(3) CONTENTS.—Each paystub shall contain
all of the following information:

“(A) The name of the employee.

“(B) Except in the case of an employee
who is exclusively paid a salary and is exempt
from the overtime requirements of section 7,
the total number of hours worked by the em-
ployee, including the number of hours worked
per workweek, during the applicable pay period.

“(C) The total gross and net wages paid,
and, except in the case of an employee who is
exclusively paid a salary and is exempt from the
overtime requirements of section 7, the rate of
pay for each hour worked during the applicable
pay period.

“(D) In the case of an employee who is
paid any salary, the amount of any salary paid
during the applicable pay period.

“(E) In the case of an employee employed
at piece rates, the number of piece rate units
earned, the applicable piece rates, and the total
amount paid to the employee per workweek for
the applicable pay period in accordance with such piece rates.

“(F) The rate of pay per workweek of the employee during the applicable pay period and an explanation of the basis for such rate.

“(G) The number of overtime hours per workweek worked by the employee during the applicable pay period and the compensation required under section 7 that is provided to the employee for such hours.

“(H) Any additional compensation provided to the employee during the applicable pay period, with an explanation of each type of compensation, including any allowances or reimbursements such as amounts related to meals, clothing, lodging, or any other item, and any cost to the employee associated with such allowance or reimbursements.

“(I) Itemized deductions from the gross income of the employee during the applicable pay period, and an explanation for each deduction.

“(J) The date that is the beginning of the applicable pay period and the date that is the end of such applicable pay period.
“(K) The name of the employer and any other name used by the employer to conduct business.

“(L) The name and phone number of a representative of the employer for contact purposes.

“(M) Any additional information that the Secretary reasonably requires to be included through notice and comment rulemaking.

“(c) Final Payments.—

“(1) In general.—Not later than 14 days after an individual described in paragraph (4) terminates employment with an employer (by action of the employer or the individual), or on the date on which such employer pays other employees for the pay period during which the individual so terminates such employment, whichever date is earlier, the employer shall provide the individual with a final payment, which includes all compensation due to such individual for all time worked and benefits incurred (including retirement, health, leave, fringe, and other benefits) by the individual as an employee for the employer.

“(2) Continuing wages.—An employer who violates the requirement under paragraph (1) shall,
for each day, not to exceed 30 days, of such violation
provide the individual described in paragraph (4)
with compensation at a rate that is equal to the reg-
ular rate of compensation, as determined under this
Act, to which such individual was entitled when such
individual was an employee of such employer.

“(3) LIMITATION.—Notwithstanding para-
graphs (1) and (2), any individual described in para-
graph (4) who intentionally avoids receiving a final
payment described in paragraph (1), or who refuses
to receive the final payment when fully tendered, re-
sulting in the employer violating the requirement
under such paragraph, shall not be entitled to the
compensation provided under paragraph (2) for the
time during which the individual so avoids final pay-
ment.

“(4) INDIVIDUAL.—An individual described in
this paragraph is an individual who was employed by
the employer, and through such employment, in any
workweek, was engaged in commerce or in the pro-
duction of goods for commerce, or was employed in
an enterprise engaged in commerce or in the produc-
tion of goods for commerce.”.
SEC. 102. RIGHT TO FULL COMPENSATION.

(a) IN GENERAL.—The Fair Labor Standards Act of 1938 is amended by inserting after section 7 (29 U.S.C. 207) the following:

"SEC. 8. RIGHT TO FULL COMPENSATION.

“(a) IN GENERAL.—In the case of an employment contract or other employment agreement, including a collective bargaining agreement, that specifies that an employer shall compensate an employee (who is described in subsection (b)) at a rate that is higher than the rate otherwise required under this Act, the employer shall compensate such employee at the rate specified in such contract or other employment agreement.

“(b) EMPLOYEE ENGAGED IN COMMERCE.—The requirement under subsection (a) shall apply with respect to any employee who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce.”.


SEC. 103. CIVIL AND CRIMINAL ENFORCEMENT.

(a) PROHIBITED ACTS.—Section 15(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)) is amended—
(1) in paragraph (1), by striking “section 6 or section 7” and inserting “section 6, 7, or 8”; and

(2) in paragraph (2), by striking “section 6 or section 7” and inserting “section 5, 6, 7, or 8”.

(b) DAMAGES.—The Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) is amended—

(1) in section 4(f) (29 U.S.C. 204(f)), in the third sentence, by striking “for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages” and inserting “for unpaid wages, or unpaid overtime compensation, as well as interest and liquidated damages,”;

(2) in section 6(d)(3) (29 U.S.C. 206(d)(3)), by striking “minimum”;

(3) in section 16 (29 U.S.C. 216)—

(A) in subsection (b)—

(i) by striking “section 6 or section 7” each place it appears and inserting “section 6, 7, or 8”;

(ii) by striking “minimum” each place it appears;

(iii) in the first sentence, by striking “and in an additional equal amount as liquidated damages” and inserting “, the amount of any interest on such unpaid
wages or unpaid overtime compensation accrued at the prevailing rate, and an additional amount as liquidated damages that is equal to (subject to the second sentence of this subsection) 2 times such amount of unpaid wages or unpaid overtime compensation’’;

(iv) in the second sentence, by striking “wages lost and an additional equal amount as liquidated damages” and inserting “wages lost, including any unpaid wages or any unpaid overtime compensation, the amount of any interest on such wages lost accrued at the prevailing rate, and an additional amount as liquidated damages that is equal to 3 times the amount of such wages lost’’;

(v) by striking the fifth sentence; and

(vi) by adding at the end the following: ‘‘Notwithstanding chapter 1 of title 9, United States Code (commonly known as the ‘Federal Arbitration Act’), or any other law, the right to bring an action, including a joint, class, or collective claim, in court under this section cannot be waived
by an employee as a condition of employment or in a pre-dispute arbitration agreement.”; and

(B) in subsection (e)—

(i) by striking “minimum” each place the term appears;

(ii) in the first sentence—

(I) by striking “section 6 or 7” and inserting “section 6, 7, or 8”; and

(II) by striking “and an additional equal amount as liquidated damages” and inserting “, any interest on such unpaid wages or unpaid overtime compensation accrued at the prevailing rate, and an additional amount as liquidated damages that is equal to (subject to the third sentence of this subsection) 2 times such amount of unpaid wages or unpaid overtime compensation”;

(iii) in the second sentence, by striking “and an equal amount as liquidated damages.” and inserting “, any interest on such unpaid wages or unpaid overtime compensation accrued at the prevailing
rate, and an additional amount as liquidated damages that is equal to (subject to the third sentence of this subsection) 2 times such amount of unpaid wages or unpaid overtime compensation. In the event that the employer violates section 15(a)(3), the Secretary may bring an action in any court of competent jurisdiction to recover the amount of any wages lost, including any unpaid wages or any unpaid overtime compensation, any interest on such wages lost accrued at the prevailing rate, an additional amount as liquidated damages that is equal to 3 times the amount of such wages lost, and any such legal or equitable relief as may be appropriate.”; and

(iv) in the fourth sentence, by striking “sections 6 and 7” and inserting “section 6, 7, or 8”; and

(4) in section 17 (29 U.S.C. 217), by striking “minimum”.

(c) CIVIL FINES.—Section 16(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 216(e)) is amended—

(1) by striking paragraph (2) and inserting the following:
“(2)(A) Subject to subparagraph (B), any person who violates section 6, 7, or 8, relating to wages, shall be subject to a civil fine that is not to exceed $22,030 per each employee affected for each initial violation of such section.

“(B) Any person who repeatedly or willfully violates section 6, 7, or 8, relating to wages, shall be subject to a civil fine that is not to exceed $110,150 per each employee affected for each such violation.

“(C) Any person who violates section 3(m)(2)(B) shall be subject to a civil penalty not to exceed $12,340 for each such violation, as the Secretary determines appropriate, in addition to being liable to the employee or employees affected for all tips unlawfully kept, any interest on such wages lost accrued at the prevailing rate, and an additional amount as liquidated damages that is equal to 2 times the amount of such wages lost, as described in subsection (b).”;

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (5), (6), and (7), respectively; and

(3) by inserting after paragraph (2) the following:

“(3) Any person who violates subsection (a) or (b) of section 5 shall—
“(A) for the initial violation of such subsection, be subject to a civil fine that is not to exceed $50 per each employee affected; and

“(B) for each repeated or willful violation of such subsection, be subject to a civil fine that is not to exceed $100 per each employee affected.

“(4) Any person who violates section 11(c) shall—

“(A) for the initial violation, be subject to a civil fine that is not to exceed $1,000 per each employee affected; and

“(B) for each repeated or willful violation, be subject to a civil fine that is not to exceed $5,000 per each employee affected.”.

(d) CRIMINAL PENALTIES.—Section 16(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 216(a)) is amended—

(1) by striking “Any person” and inserting “(1) Any person”;

(2) in the first sentence, by striking “$10,000” and inserting “$10,000 per each employee affected”;

(3) in the second sentence, by striking “No person” and inserting “Subject to paragraph (2), no person”; and
(4) by adding at the end the following:

“(2)(A) Notwithstanding any other provision of this Act, the Secretary shall refer any case involving a covered offender described in subparagraph (B) to the Department of Justice for prosecution.

“(B) A covered offender described in this subparagraph is a person who willfully violates each of the following:

“(i) Section 11(c) by falsifying any records described in such section.

“(ii) Section 6, 7, or 8, relating to wages.

“(iii) Section 15(a)(3).”.

SEC. 104. RECORDKEEPING.

(a) In General.—Section 11(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(c)) is amended by adding at the end the following: “In the event that an employee requests an inspection of the records described in this subsection that pertain to such employee from the employer, orally or in writing, the employer shall provide the employee with a copy of the records for a period of up to 5 years prior to such request being made. Not later than 21 days after an employee requests such an inspection, the employer shall comply with the request.
(b) Rebuttable Presumption.—Section 15 of the Fair Labor Standards Act of 1938 (29 U.S.C. 215) is amended by adding at the end the following:

“(c) In the event that an employer violates section 11(c) and any regulations issued pursuant to such section, resulting in a lack of a complete record of an employee’s hours worked or wages owed, the employee’s production of credible evidence and testimony regarding the amount or extent of the work for which the employee was not compensated in compliance with the requirements under this Act shall be sufficient to create a rebuttable presumption that the employee’s records are accurate. Such presumption shall be rebutted only if the employer produces evidence of the precise amount or extent of work performed or evidence to show that the inference drawn from the employee’s evidence is not reasonable.”.

TITLE II—AMENDMENTS TO THE PORTAL-TO-PORTAL ACT OF 1947

SEC. 201. INCREASING AND TOLLING STATUTE OF LIMITATIONS.

Section 6 of the Portal-to-Portal Act of 1947 (29 U.S.C. 255) is amended—

(1) in the matter preceding subsection (a), by striking “minimum”;

(2) in subsection (a)—
(A) by striking “may be commenced within two years” and inserting “may be commenced within 4 years”;

(B) by striking “unless commenced within two years” and inserting “unless commenced within 4 years”; and

(C) by striking “may be commenced within three years” and inserting “may be commenced within 5 years”;

(3) in subsection (d), by striking the period and inserting “; and”; and

(4) by adding at the end the following:

“(e) with respect to the running of any statutory period of limitation described in this section, the running of such statutory period shall be deemed suspended during the period beginning on the date on which the Secretary of Labor notifies an employer of an initiation of an investigation or enforcement action and ending on the date on which the Secretary notifies the employer that the matter has been officially resolved by the Secretary.”.

**TITLE III—WAGE THEFT PREVENTION AND WAGE RECOVERY GRANT PROGRAM**

**SEC. 301. DEFINITIONS.**

In this title:
(1) **Administrator.**—The term the “Administrator” means the Administrator of the Wage and Hour Division of the Department of Labor.

(2) **Community Partner.**—The term “community partner” means any stakeholder with a commitment to enforcing wage and hour laws and preventing abuses of such laws, including any—

(A) State department of labor;

(B) attorney general of a State, or other similar authorized official of a political subdivision thereof;

(C) law enforcement agency;

(D) consulate;

(E) employee or advocate of employees, including a labor organization, community and faith-based organization, business association, or nonprofit legal aid organization;

(F) academic institution that plans, coordinates, and implements programs and activities to prevent wage and hour violations and recover unpaid wages, damages, and penalties; or

(G) any municipal agency responsible for the enforcement of local wage and hour laws.
(3) **COMMUNITY PARTNERSHIP.**—The term “community partnership” means a partnership between—

(A) a working group consisting of community partners; and

(B) the Department of Labor.

(4) **ELIGIBLE ENTITY.**—The term “eligible entity” means an entity that is any of the following:

(A) A nonprofit organization, including such an organization that is a community-based organization, faith-based organization, or labor organization, that provides services and support to employees, including assisting such employees in recovering unpaid wages.

(B) An employer.

(C) A business association.

(D) An institution of higher education, as defined by section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(E) A partnership between any of the entities described in subparagraphs (A) through (D).

(5) **EMPLOY; EMPLOYEE; EMPLOYER.**—The terms “employ”, “employee”, and “employer” have
the meanings given such terms in section 3 of the

(6) SECRETARY.—The term “Secretary” means
the Secretary of Labor.

(7) STRATEGIC ENFORCEMENT.—The term
“strategic enforcement” means the process by which
the Secretary—

(A) targets highly noncompliant industries,
as identified by the Secretary, using industry-
specific structures to influence, and ultimately
reform, networks of interconnected employers;

(B) analyzes regulatory regimes under
which specific industries operate; and

(C) modifies the enforcement approach of
such regulatory regimes in order to ensure the
greatest impact.

(8) WAGE AND HOUR LAW.—The term “wage
and hour law” means any Federal law enforced by
the Wage and Hour Division of the Department of
Labor, including any provision of this Act enforced
by such division.

(9) WAGE AND HOUR VIOLATION.—The term
“wage and hour violation” refers to any violation of
a Federal law enforced by the Wage and Hour Divi-
SION OF THE DEPARTMENT OF LABOR, INCLUDING ANY PRO-
VISION OF THIS ACT ENFORCED BY SUCH DIVISION.

SEC. 302. WAGE THEFT PREVENTION AND WAGE RECOVERY
GRANT PROGRAM.

(a) IN GENERAL.—The Secretary, acting through the
Administrator, shall provide grants to eligible entities to
assist such entities in enhancing the enforcement of wage
and hour laws, in accordance with this section and con-
sistent with the purposes of this Act.

(b) GRANTS.—A grant provided under this section
shall be designed to—

(1) support an eligible entity in establishing
and supporting the activities described in subsection
(c)(1); and

(2) develop community partnerships to expand
and improve cooperative efforts between enforcement
agencies and members of the community to—

(A) prevent and reduce wage and hour vio-
lations; and

(B) assist employees in recovering back
pay for any such violations.

(c) USE OF FUNDS.—

(1) PERMISSIBLE ACTIVITIES.—The grants de-
scribed in this section shall assist eligible entities in
establishing and supporting activities that include—
(A) disseminating information and conducting outreach and training to educate employees about their rights under wage and hour laws;

(B) conducting educational training for employers about their obligations under wage and hour laws;

(C) conducting orientations and trainings jointly with officials of the Wage and Hour Division of the Department of Labor;

(D) providing assistance to employees in filing claims of wage and hour violations;

(E) assisting enforcement agencies in conducting investigations, including in the collection of evidence and recovering back pay;

(F) monitoring compliance with wage and hour laws;

(G) performing joint visitations to worksites that violate wage and hour laws with officials from the Wage and Hour Division of the Department of Labor;

(H) establishing networks for education, communication, and participation in the workplace and community;
(I) evaluating the effectiveness of programs designed to prevent wage and hour violations and enforce wage and hour laws;

(J) recruiting and hiring of staff and volunteers;

(K) production and dissemination of outreach and training materials; and

(L) any other activities as the Secretary may reasonably prescribe through notice and comment rulemaking.

(2) PROHIBITED ACTIVITIES.—Notwithstanding paragraph (1), an eligible entity receiving a grant under this section may not use the grant funds for any purpose reasonably prohibited by the Secretary through notice and comment rulemaking.

(d) TERM OF GRANTS.—Each grant made under this section shall be available for expenditure for a period that is not to exceed 3 years.

(e) APPLICATIONS.—

(1) IN GENERAL.—An eligible entity seeking a grant under this section shall submit an application for such grant to the Secretary in accordance with this subsection.

(2) PARTNERSHIPS.—In the case of an eligible entity that is a partnership described in section
301(4)(E), the eligible entity may submit a joint application that designates a single entity as the lead entity for purposes of receiving and disbursing funds.

(3) CONTENTS.—An application under this subsection shall include—

(A) a description of a plan for the program that the eligible entity proposes to carry out with a grant under this section, including a long-term strategy and detailed implementation plan that reflects expected participation of, and partnership with, community partners;

(B) information on the prevalence of wage and hour violations in each community or State of the eligible entity;

(C) information on any industry or geographic area targeted by the plan for such program;

(D) information on the type of outreach and relationship building that will be conducted under such program;

(E) information on the training and education that will be provided to employees and employers under such program; and
(F) the method by which the eligible entity will measure results of such program.

(f) Selection.—

(1) Competitive basis.—In accordance with this subsection, the Secretary shall, on a competitive basis, select grant recipients from among eligible entities that have submitted an application under subsection (e).

(2) Priority.—In selecting grant recipients under paragraph (1), the Secretary shall give priority to eligible entities that—

(A) serve employees in any industry or geographic area that is most highly at risk for noncompliance with wage and hour violations, as identified by the Secretary; and

(B) demonstrate past and ongoing work to prevent wage and hour violations or to recover unpaid wages.

(3) Other considerations.—In selecting grant recipients under paragraph (1), the Secretary shall also consider—

(A) the prevalence of ongoing community support for each eligible entity, including financial and other contributions; and
(B) the eligible entity’s past and ongoing partnerships with other organizations.

(g) MEMORANDA OF UNDERSTANDING.—

(1) IN GENERAL.—Not later than 60 days after receiving a grant under this section, the grant recipient shall negotiate and finalize with the Secretary a memorandum of understanding that sets forth specific goals, objectives, strategies, and activities that will be carried out under the grant by such recipient through a community partnership.

(2) SIGNATURES.—A representative of the grant recipient (or, in the case of a grant recipient that is an eligible entity described in section 301(4)(E), a representative of each entity that composes the grant recipient) and the Secretary shall sign the memorandum of understanding under this subsection.

(3) REVISIONS.—The memorandum of understanding under this subsection shall be reviewed and revised by the grant recipient and the Secretary each year of the duration of the grant.

(h) PERFORMANCE EVALUATIONS.—

(1) IN GENERAL.—Each grant recipient under this section shall develop procedures for reporting, monitoring, measuring, and evaluating the activities
of each program or project funded under this section.

(2) GUIDELINES.—The procedures required under paragraph (1) shall be in accordance with guidelines established by the Secretary.

(i) REVOCATION OR SUSPENSION OF FUNDING.—If the Secretary determines that a recipient of a grant under this section is not in compliance with the terms and requirements of the memorandum of understanding under subsection (g), the Secretary may revoke or suspend (in whole or in part) the funding of the grant.

(j) USE OF COMPONENTS.—In addition to the Wage and Hour Division, the Secretary (acting through the Administrator) may use any division or agency of the Department of Labor in carrying out this title.

SEC. 303. GAO STUDY.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study to identify successful programs carried out by grants under section 302, and the elements, policies, or procedures of such programs that can be replicated by other programs carried out by grants under such section.

(b) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Secretary and
Congress containing the results of the study conducted under subsection (a).

(c) Use of Information.—The Secretary shall use information contained in the report submitted under subsection (b)—

(1) to improve the quality of community partnership programs assisted or carried out under this title that are in existence as of the publication of the report; and

(2) to develop models for new community partnership programs to be assisted or carried out under this title.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $50,000,000 for fiscal year 2023 and for each subsequent fiscal year through fiscal year 2026, to remain available until expended, to carry out the grant program under section 302.

TITLE IV—REGULATIONS AND EFFECTIVE DATE

SEC. 401. REGULATIONS.

Not later than 18 months after the date of enactment of this Act, the Secretary of Labor shall promulgate such regulations as are necessary to carry out this Act, and the amendments made by this Act.
SEC. 402. EFFECTIVE DATE.

The amendments made by titles I and II shall take effect on the date that is the earlier of—

(1) the date that is 6 months after the date on which the final regulations are promulgated by the Secretary of Labor under section 401; and

(2) the date that is 18 months after the date of enactment of this Act.