

COMMONWEALTH of VIRGINIA DEPARTMENT OF LABOR AND INDUSTRY

Gary G. Pan COMMISSIONER Main Street Centre 600 East Main Street, Suite 207 Richmond, Virginia 23219 PHONE (804) 371-2327 FAX (804) 371-6524

November 1, 2022

Division of Legislative Automated Systems (DLAS) Pocahontas Building, 5<sup>th</sup> Floor 900 East Main Street Richmond, Virginia 23219

Attention: Legislative Documents and Reports Processing

Attached is the Department of Labor and Industry Annual Report on the State's Minimum Wage Program, Anti-Discrimination in Payment of Wage Program, Anti-Discrimination in Worker Misclassification Program and the Prevailing Wage Rate Program. The Appropriation Act – Item 365 B.1-4. (Special Session 1, 2022) required the Department to make this report.

I am the contact person for this report. My contact information is:

Robert B. Feild 804-786-4777 robert.feild@doli.virginia.gov

Sincerely,

Robert B. Feild Hearing and Legal Services Officer



COMMONWEALTH of VIRGINIA

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November 1, 2022

The Honorable Janet Howell Chair, Senate Finance and Appropriations Committee Virginia General Assembly 900 East Main Street Richmond, Virginia 23219

The Honorable Barry D. Knight Chair, House Appropriations Committee Virginia General Assembly 900 East Main Street Richmond, Virginia 23219

Michael Maul Director, Department of Planning and Budget 1111 East Broad Street, Room 5040 Richmond, Virginia 23219-1922

Dear Senator Howell, Delegate Knight and Director Maul:

Appropriation Act - Item 365 B.1-4. (Special Session 1, 2022) required the Department of Labor and Industry to report on the state's minimum wage program, anti-discrimination in payment of wage program, anti-discrimination in worker misclassification program and the prevailing wage rate program:

B.1. The Department shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, and the Director, Department of Planning and Budget, by November 1 of each year on the state's minimum wage program, including, but not limited to, the number of (i) customer contacts concerning minimum wage, (ii) minimum wage claims processed, (iii) cases with wages collected, (iv) cases with claims ruled invalid, (v) cases with final orders issued, and (vi) cases cleared within 90 days. 2. The Department shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, and the Director, Department of Planning and Budget, by November 1 of each year on the state's anti-discrimination in payment of wage program, including, but not limited to, the number of (i) customer contacts concerning discrimination involving payment of wage complaints or proceedings, (ii) payment of wage discrimination complaints processed, (iii) meritorious complaints with payment of wage discrimination resolved with either reinstatement or recovery of lost wages, (iv) non meritorious complaints, i.e. cases with no adverse action or no protected activity, and (v) cases taken to court.

3. The Department shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, and the Director, Department of Planning and Budget, by November 1 of each year on the state's anti-discrimination in worker misclassification program, including, but not limited to, the number of (i) customer contacts concerning discrimination involving worker misclassification, (ii) discrimination in worker misclassification claims processed, (iii) meritorious complaints with worker misclassification wage discrimination resolved with either reinstatement and/or recovery of lost wages, (iv) non meritorious complaints, i.e. cases with no adverse action or no protected activity, and (v) cases taken to court.

4. The Department shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, and the Director, Department of Planning and Budget, by November 1 of each year on the state's prevailing wage rate program, including, but not limited to, the number of (i) contacts from state agencies to determine the proper prevailing wage, (ii) prevailing wage determinations for the involved planning district calculated using Davis-Bacon rates for the cities and counties within the planning district, and (iii) contractor provided scale of pay and fringe benefits certified and received.

This letter provides the information requested on the newly passed programs in the Department's Labor Law Division.

B.1. asks for information on the minimum wage program. Entry wages in many areas of the state are above the current minimum wage in Virginia reducing the number of minimum wage claims.

Minimum Wage Enforcement	
Customer Contacts	1238
Minimum Wage Claims Processed	58
- Cases with Wages Collected	8
- Cases Ruled Invalid	43
Cases with Final Orders Issued	3
Cases Cleared in 90 Days	55

B.2. asks for information about the anti-discrimination in payment of wage program. As more people have become aware of these protections we have seen an increase in complaints.

Anti-Discrimination in Payment of Wage	
Customer Contacts	352
Complaints Processed	52
Meritorious Complaints Resolved	
- Reinstatement	0
- Recovery of Lost Wages	0
Non Meritorious Complaints	52
Cases Taken to Court	0

B.3. asks for information about the anti-discrimination in worker misclassification program. We have seen an increase in contacts about but complaints have not increased.

Anti-Discrimination in Worker Misclassification	
Customer Contacts	188
Complaints Processed	2
Meritorious Complaints Resolved	
- Reinstatement	0
- Recovery of Lost Wages	0
Non Meritorious Complaints	2
Cases Taken to Court	0

B.4. asks for information on the prevailing wage rate program. Some local governments have adopted or are in the process of adopting prevailing wage ordinances. We have included contacts from localities in this report.

Prevailing Wage	
Contacts with State and local Agencies to Determine Proper Prevailing Wage	324
Prevailing Wage Determinations	276
Certified Pay and Fringe Benefit Scales Received	678

I look forward to reporting on these programs next November,

Sincerely 42

Gary G. Pan Commissioner Department of Labor and Industry