May 27, 2022

ATTORNEY GENERAL RAOUL DEFENDS MINIMUM WAGE PROTECTIONS FOR EMPLOYEES OF FEDERAL CONTRACTORS

Raoul Opposes Efforts by For-Profit Prison Operator to Evade Minimum Wage Laws

Chicago — Attorney General Kwame Raoul, as part of a coalition of 16 attorneys general, filed an amicus brief in defense of state minimum wage protections for employees of federal contractors. Raoul and the coalition filed the brief in Washington v. GEO Group, a 2017 lawsuit filed by the state of Washington alleging GEO Group, Inc. (GEO) failed to pay state minimum wages to individuals who worked for GEO during their confinement to GEO's private, for-profit detention facility while awaiting the outcome of civil immigration proceedings.

<u>In the brief</u>, Raoul and the coalition highlight the critical importance of state minimum wage protections. The coalition also pushes back on GEO's efforts to evade broadly applicable wage and hour laws.

"People have a right be paid fair wages for the work they do, even if they are working for a federal contractor and even if they are working during confinement," Raoul said. "I will continue to hold accountable corporations that attempt to take advantage of their workers while profiting off their labor."

The state of Washington and individual plaintiffs filed lawsuits in 2017 against GEO over its failure to pay the state minimum wage to civil immigration detainees who worked for the company while confined to its privately-owned facility in Tacoma. For years, GEO paid these workers \$1 per day – well below Washington's minimum wage, which ranged between \$7.35 and \$13.69 during the years GEO relied on civil detainee labor to run its facility.

In 2021, a federal jury determined GEO violated Washington's minimum wage laws and ordered the company to pay all its workers at least the state minimum wage. Despite the decision, GEO continues to assert that, as a federal contractor, it should not have to comply with Washington's broadly applicable wage laws. In the amicus brief, Raoul and the coalition make it clear that selling goods or services to the federal government does not exempt a private employer from a state's minimum wage or other wage and hour laws.

In the amicus brief, Raoul and the coalition argue:

- States have broad authority to regulate employment, including by establishing minimum wages.
- Broadly applicable wage and hour laws protect workers, guard against exploitation, promote job creation and support thriving labor markets.
- The intergovernmental immunity doctrine does not exempt private employers from broadly applicable state minimum wage statutes.

Joining Raoul in filing the amicus brief are the attorneys general of California, Connecticut, Delaware, Hawaii, Maine, Maryland, Michigan, Minnesota, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont and the District of Columbia.