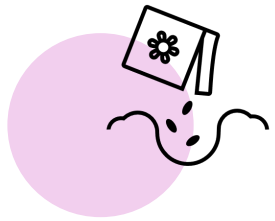


# Wage Recovery Fund Proposed Growth and Implementation Plan

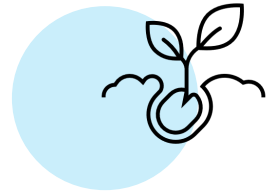


# Wage Recovery Fund Implementation Phases



## Phase One

Recommendations/  
Legislative  
Changes



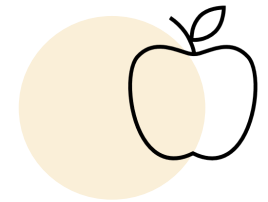
## Phase Two

Fund Growth/  
Progress  
Assessment



## Phase Three

Fund Maturity/  
Targeted  
Payouts

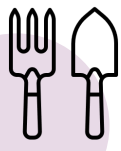


## Phase Four

Program  
Evaluation and  
Expansion



# Wage Recovery Fund Growth Timeline



## Starting Point

Workgroup Makes  
Recommendations



## Phase One

Legislation  
Creates Fund



## Phase One

Legislation  
enhances penalties  
for bad actors and  
deposits penalties  
into fund



## Phase One

Legislation  
enhances agency  
collections  
resources



## Phase Three

Targeted  
payments begin  
based on  
established criteria



## Phase Two

Workgroup assesses  
progress and  
determines whether  
additional funding  
sources are needed to  
sustain fund long term



## Phase Two

Fund grows for an  
established time  
from increasing  
penalties and  
improved  
collections



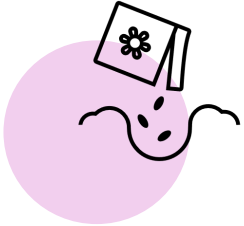
## Phase Four

Workgroup assesses ways to  
continue to grow fund and expand  
program to reach more workers

# Phase One Considerations

## Recommendations/Legislative Changes

Legislation  
Creates Fund

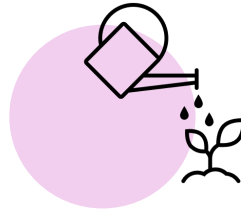


Fund Management

Investments/Interest

Move Penalties  
from SPF into  
WRF

Legislation increases penalties for bad  
actors and deposits penalties into fund



Repeat/Willful  
Violators (WPA)

Repeat Settlers

Administrative  
Penalties

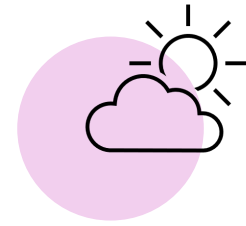
Insolvency  
Considerations

Higher Penalties  
for Bad Actors

Administrative  
Exemplary Damages

Education  
Opportunity in  
Lieu of Penalties

Legislation enhances agency  
collections resources



Using  
Liens

Stop  
Orders

Hot  
Goods

Claim Aggregation

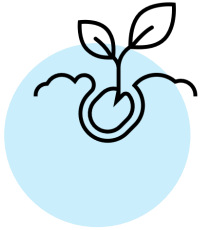
L&I Investigating  
Every Wage Claim

Engage AGO  
Support

# Phase Two Considerations

## Fund Growth/Progress Assessment

Fund grows for an established time from increasing penalties and improved collections



Track Overall  
Growth of Fund

Identify Amounts  
Generated by Each  
Funding Source

Workgroup assesses progress and makes recommendations as needed



Problem/Issue  
Spotting

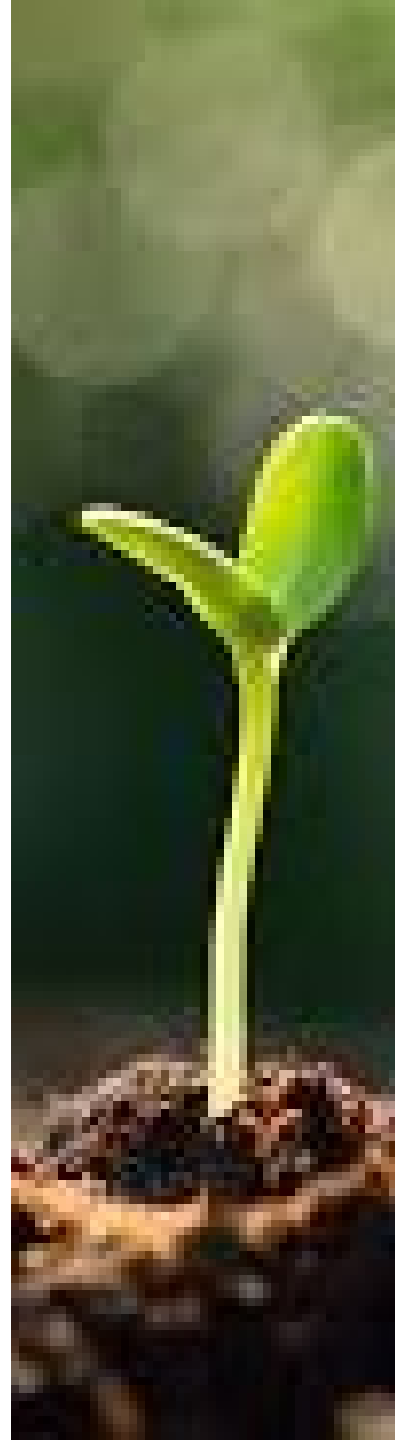
Determine which  
Tools are Working

Develop Additional  
Recommendations  
Based on Progress  
and Feasibility  
Considerations

Assess Need for  
Additional  
Funding Sources

Assess Need for  
Budgetary  
Allocation

Agency  
Regulatory  
Review – What Is  
Working and What  
Isn't



# Phase Three Considerations Fund Maturity/Targeted Payouts

Targeted payments begin  
based on established criteria



Who gets Paid

Claim-Related  
Criteria

Amount of Payment

Thresholds for  
Stopping/Starting  
Payments

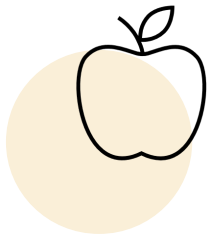
Staggered Payments -  
Initial Portion of  
Claim and Balance  
Upon Collection

Industry Focus



## Phase Four Considerations Program Evaluation and Expansion

Workgroup assesses ways to continue to grow fund and expand program to reach more workers



Identify other  
Groups of  
Workers that  
can be Helped

Evaluate Need  
for Additional  
or Modified  
Resources

Assess Whether  
the Fund Can  
Support Paying  
Out on Claims  
that Will Be  
More Difficult  
to Collect

Expand  
Education and  
Outreach  
Efforts within  
the Business  
Community