

Economic Policy Institute

POLICY CENTER

October 3, 2017

The Honorable Lamar Alexander
Chairman
Committee on Health, Education, Labor & Pensions
U.S. Senate
428 Dirksen Senate Office Building

The Honorable Patty Murray
Ranking Member
Committee on Health, Education, Labor & Pensions
U.S. Senate
428 Dirksen Senate Office Building

Dear Chairman Alexander and Ranking Member Murray:

On behalf of the Economic Policy Institute Policy Center, we write to express our strong opposition to the nomination of Ms. Cheryl Stanton to serve as the Administrator of the U.S. Department of Labor's Wage & Hour Division (WHD). The Economic Policy Institute is a nonprofit, nonpartisan think tank founded in 1986, and our labor policy unit assesses actions by Congress and federal agencies that impact workers and the economy. We urge you and all Senators to oppose Ms. Stanton's confirmation for this critical enforcement role.

Since 2013, Ms. Stanton has served as the head of the South Carolina Department of Employment and Workforce (SCDEW), an agency that does *not* handle wage enforcement for the state. The SCDEW's responsibilities include managing and providing employment and training services, unemployment insurance, and job-matching services for the state. The U.S. Department of Labor, of course, has an entirely separate agency that handles similar responsibilities (the Employment and Training Administration, or ETA). But the mission of the Wage & Hour Division is to promote and achieve compliance with labor standards, enforcing the provisions of the Fair Labor Standards Act, the Family and Medical Leave Act, the Migrant and Seasonal Worker Protection Act, administering prevailing wage surveys, and more.

The laws enforced by WHD cover over 135 million workers in more than 7.3 million establishments nationwide¹, with more than 200 offices located throughout the states and the U.S. territories, with only 1,000 investigators to conduct enforcement activities. For the last few years, the U.S. DOL's WHD has adopted a principle of strategic enforcement, outreach, and education to focus resources in the areas where enforcement can have the most significant impact, particularly low-wage industries where workers are the most vulnerable. In addition to enforcing fundamental minimum wage and overtime protections, WHD has a full host of responsibilities and enforcement authorities that include labor protections for certain temporary

¹ <https://www.dol.gov/whd/data/>

nonimmigrant guest workers; labor standards and wages for federal construction and service contracts; and wage, housing, and transportation standards for migrant agricultural workers.

South Carolina has no state-level wage and hour protections more protective than the federal level, nor state-level prevailing wage legislation, and the SCDEW has no wage and hour enforcement authority. We have serious doubts that Ms. Stanton has demonstrated the substantive experience necessary to manage the WHD's complex responsibilities, programs, and staff under the constraints of limited resources.

Much of Ms. Stanton's career experience prior to her service in South Carolina's government has in fact been dedicated to representing employers, not workers, in cases alleging violations of workplace laws, including wage theft and discrimination.² We are also troubled that Ms. Stanton has even faced her *own personal* wage and hour litigation. The Center for Investigative Reporting recently revealed that a cleaning services provider sued Ms. Stanton after she failed to pay for services rendered.³

The Wage & Hour Division Administrator is tasked with enforcing our nation's most basic wage and hour protections. Ms. Stanton's lack of enforcement experience and record of representing employers accused of violating the very laws she would now be responsible for enforcing raises serious questions about her nomination. Respectfully, we write to oppose her appointment to a position critically important to our nation's workers.

Sincerely,

Celine McNicholas
Labor Counsel, Economic Policy Institute Policy Center

Samantha Sanders
Director of Government Relations, Economic Policy Institute Policy Center

² <https://www.bna.com/exbush-attorney-stanton-n73014451979/>

³ <https://www.revealnews.org/blog/trumps-expected-pick-for-wage-chief-sued-for-stiffing-house-cleaners/>