

OXFAM REPORT

BEST AND WORST STATES TO WORK IN AMERICA

2020 BEST STATES TO WORK INDEX



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ABOUT THE BEST STATES TO WORK INDEX

In 2018, Oxfam decided it was time to survey the states across the country, and to catalog the many policies that have a dramatic effect on workers' lives. The result was the annual Best States to Work Index (BSWI), which scored and ranked the states.

In 2020, when it became clear that COVID-19 had changed the landscape for working families, we decided to survey the states' policies, and to offer an assessment of how well (or poorly) they were doing in helping residents cope. On Labor Day 2020, we published the Best States to Work Index – During COVID-19.

This edition is the standard BSWI for 2020.

WHY 52?

This index covers all 50 states, plus the District of Columbia (a federal district) and Puerto Rico (a territory). There are many reasons to include these two, starting with the large populations of US citizens.

The workforce in DC measures roughly 800,000–larger than the total population of four states (Wyoming, Vermont, Alaska, and North Dakota). Puerto Rico has a population larger than nearly 20 states, with roughly 3.2 million inhabitants. Each also has a significant history of laws around working conditions and compensation.

For simplicity, we use the word "states" in this report to cover all 52 entities

WHAT'S THE TIMEFRAME?

All data is based on policies and laws in effect by August 31, 2020.

INTRODUCTION

Low-wage work is the engine that drives the US economy. These jobs encompass the food chain — farmers, grocery store workers, cashiers, delivery workers, and warehouse workers — and people in the service and care industry, caring for us at restaurants, for our children, and for our elderly. These truly vital jobs, many deemed "essential" during the COVID-19 pandemic, are often overlooked and underpaid. Women, people of color, and immigrants and refugees are disproportionately represented in this workforce and bear the heaviest burden. This leaves too many members of our society struggling to pay their bills, to feed themselves and their families, and to keep a roof over their heads. This is more dire now than ever as service jobs remain scarce with the downturn of the entertainment and tourist industries.

Labor laws are meant to protect workers, by ensuring their safety and keeping power balanced between workers and employers through the right to collectively bargain. However, while the federal government has historically been a strong supporter of workers, notably through President Franklin Roosevelt's New Deal and support of basic wages and unions, government support of workers has waned. Today federal worker protections lag severely behind more localized state measures, the federal minimum wage hasn't been increased in over a decade, the federal tipped minimum wage hasn't been increased in almost twenty years, and federal labor agencies and departments have been reoriented to support corporations over workers.

As the federal government continues to abdicate its responsibility toward workers, some states are stepping up to fill the gaps. For example, 30 states have raised their minimum wages (from \$8.15 in Minnesota to \$15 in DC); states have protected the right to organize, ensured paid leave, and expanded protections to workers excluded by federal provisions.

For the last two years, Oxfam America has produced a Best States to Work Index (BSWI), which tracks how states treat, protect, and pay workers. Formulated in 2017 and published for the first time in 2018, this index was born out of a vacuum left by inadequate federal agencies, static federal policies on wages, and the continued movement toward privatization. The BSWI focused on how states were forced to address this failure of our national institutions to protect workers.

This 2020 update focuses on the same three policy dimensions: wage policies, worker protection policies, and right-to-organize policies. Within these three dimensions, there are 16 policy areas and 24 data points that lead to a cumulative score out of 100 for each state. In calculating the final score, each of the three dimensions was assigned a weight: wages (35% of overall score), worker protections (40% of overall score), and right to organize (25% of overall score).

The 2020 BSWI includes all 50 states, plus the District of Columbia, as well as Puerto Rico (new this year), ranking the states on a scale of best (1) to worst (52).

The table on the next page provides rankings and scores by dimension. The sections that follow explore each dimension in depth. For the full database with scores on each element, please refer to the interactive map on the Oxfam web site: www.oxfamamerica.org/statemap2020.

Table 1: The Best States to Work Index, November 2020						
State	Ranking	Overall Score	Wage Score	Worker Protection Score	Right to Organize Score	
California	1	87.68	71.93	93.75	100.00	
District of Columbia	2	86.29	83.46	80.21	100.00	
New York	3	84.34	69.53	87.50	100.00	
Washington	4	82.50	92.86	75.00	80.00	
Oregon	5	81.90	59.01	90.63	100.00	
Massachusetts	6	78.67	64.04	84.38	90.00	
New Jersey	7	76.19	49.83	90.63	90.00	
Connecticut	8	74.39	58.99	84.38	80.00	
Puerto Rico	9	70.18	36.22	84.38	95.00	
Illinois	10	65.90	56.16	56.25	95.00	
Vermont	11	65.17	54.06	59.38	90.00	
Colorado	12	63.19	71.02	58.33	60.00	
Maine	13	62.91	65.45	50.00	80.00	
Rhode Island	14	60.31	42.56	63.54	80.00	
New Mexico	15	59.19	46.50	54.17	85.00	
Hawaii	16	59.16	45.22	58.33	80.00	
Maryland	17	57.51	51.22	45.83	85.00	
Minnesota	18	54.43	46.00	39.58	90.00	
Arizona	19	51.60	78.38	41.67	30.00	
Ohio	20	50.68	43.60	29.17	95.00	
Nevada		48.51	57.64	39.58	50.00	
Alaska	21	48.29	58.20	22.92	75.00	
Montana	22	46.11	55.54	29.17	60.00	
Delaware	23	44.55	34.42	31.25	80.00	
New Hampshire	24	43.37	21.54	39.58	80.00	
New Hampshire Nebraska	25	42.63	38.46	29.17	70.00	
South Dakota	26	41.76	64.55	22.92	40.00	
	27	36.54	17.50	22.92	85.00	
Pennsylvania Michigan	28	35.52	41.96	27.08	40.00	
Florida	29	34.95	30.80	22.92	60.00	
Missouri	30	33.60	41.23	16.67	50.00	
	31				ļ	
West Virginia	32	33.01	43.12	29.17 29.17	25.00	
Idaho	33	30.32	17.58 44.20		50.00	
Arkansas	34	29.64		22.92	20.00	
Indiana	35	27.98	10.88	22.92	60.00	
Wisconsin	36	27.25	23.11	22.92	40.00	
Virginia	37	27.04	15.35	41.67	20.00	
lowa	38	26.92	22.16	22.92	40.00	
North Dakota	39	25.39	24.92	22.92 16.67	30.00	
Wyoming	40	25.32	24.72	1	40.00	
Kentucky	41	25.22	10.15	29.17	40.00	
Utah	42	24.01	13.83	35.42	20.00	
Oklahoma	43	23.86	9.83	29.17	35.00	
Louisiana	44	23.55	7.76	33.33	30.00	
Tennessee	45	23.16	11.40	29.17	30.00	
Kansas	46	21.22	9.43	16.67	45.00	
Texas	47	16.72	14.43	16.67	20.00	
South Carolina	48	14.28	7.46	29.17	0.00	
Alabama	49	9.46	10.37	8.33	10.00	
Mississippi	50	8.63	10.37	0.00	20.00	
Georgia	51	8.62	5.59	4.17	20.00	
North Carolina	52	6.55	6.82	10.42	0.00	

WHAT DOES THE INDEX TELL US?

While the index is a complex capture of many policies at the state level, the basic question the index seeks to answer is: Which states are proactively seeking to protect and support workers and working families? The three dimensions of this index create the foundation for improving the lives of workers and working families. Nearly all workers fare better with more robust wages, right to organize, and protections in the workplace, whether that be an office or a private home.

Oxfam believes that the state scores reflect a daily reality for millions of workers. Higher scores equate to safer workplaces and increased economic stability, and lower scores equate to trouble making ends meet and less safe environments.

In California, for example, a working woman's experience is markedly different than in Mississippi. In California, workers are entitled to equal pay regardless of gender, protections for pregnant and breastfeeding workers, paid family and sick leave, protection against sexual harassment, and protection for domestic workers. Mississippi, on the other hand, has none of those protections. The minimum wage in California is \$12 an hour, while in Mississippi the minimum wage is the federal minimum of \$7.25. California has extended its minimum wage to farmworkers, who are not traditionally covered under minimum wage laws. Mississippi has not. This is just one example of what the index shows us.

Taken together, these policies demonstrate what states could provide when they are invested in the safety and well-being of workers and working families. Ultimately, all these policies add up to more equitable workplace practices.

At the top of the index, **California** ranked first overall with a cumulative score of 87.68, bolstered, as in past indexes, by strong worker protection policies. The **District of Columbia** came in second with a score of 86.29, **New York** is third with 84.34, **Washington** is fourth with 82.50, and **Oregon** is fifth with 81.90.

On the bottom end of the index, the states all fall in the South: **North Carolina** (52) with a score of 6.55, **Georgia** (51) with a score of 8.62, **Mississippi** (50) with a score of 8.63, **Alabama** (49) with a score of 9.46, and **South Carolina** (48) with a score of 14.28. All states in the bottom five have their minimum wages set at the federal minimum of \$7.25, none offer paid leave, and none except South Carolina provide pregnancy accommodations or protection against sexual harassment.

DEVELOPMENTS IN 2020

While the emergence of the COVID-19 pandemic took the world by force in 2020 and dealt a shattering blow to the US economy, many states continued to make important changes in their policies around workers and working families.

In addition, changes in the index itself caused scores and rankings to shift, in some cases substantially. This year's index includes several new data points, such as the state's tipped wage (which ranges from the federal floor of \$2.13 to the state minimum of \$13.50); and protections for historically "excluded" workers (such as farmworkers).

- Virginia, which was at the bottom of the index in 2018 and 2019, jumped significantly upward this year (now 37). The state has seen substantial changes in its legislature and leadership (including a new governor, Ralph Northam), which resulted in significant new legislation. Virginia now offers accommodations for pregnant workers and protections against sexual harassment. Virginia has also legalized project labor agreements to ensure fair wages and extended worker protections to domestic workers.
 - o In mid-July, Virginia was the first state to pass a range of COVID-19 workplace safety regulations, pushing for more stringent safety protocols and protections for workers in the context of the pandemic. But more than mandating handwashing and social distancing, the new set of regulations created the foundation for more worker protections in Virginia moving forward, including for previously excluded populations such as domestic workers.
- **North Carolina**, ranked 47 in the 2019 index, dropped to last place this year. North Carolina provides no support for workers' right to organize, pays the federal minimum wage, and has very few worker protection policies. Even Mississippi, ranked last in the 2019 BSWI, offers some protection around the right to organize.
- The top states continue to be located on the coasts. The West Coast came in slightly stronger this year, with three of the top five: California (1), Washington (4), and Oregon (5).
 - The addition of the new data point on the tipped wage affected scores, especially in the wage dimension. For example, in California (1), Washington (4), and Oregon (5), the tipped wage is the same as the minimum wage.
 - The tipped wage data also played a role in the drop of some states. On the East Coast, for example, **Massachusetts** went from 4 to 6; the tipped wage is only \$4.95.
- Featured in our index for the first time, Puerto Rico secured a spot in the top ten overall
 (9) with its robust worker protection policies and strong support of workers' right to organize.

TRENDS ACROSS THE COUNTRY

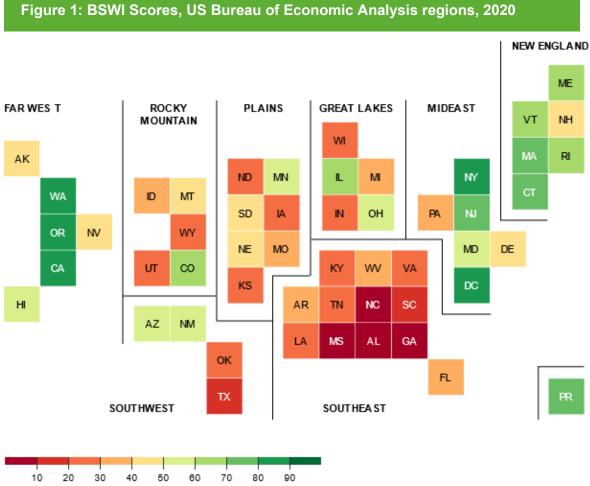
The BSWI reveals several illuminating trends and patterns among the states:

- State labor policies vary dramatically across the US.
 - BSWI overall scores range from 6.55 (North Carolina) to 87.68 (California), with scores spread out along the spectrum.
- Regions show distinct patterns to a point.
 - While states within the four Census regions tend to score close to each other (for example, states in the Northeast score much higher than states in the South), several bordering states stand in marked contrast to each other. For example, while the West Coast does very well, adjacent states do less well. Washington

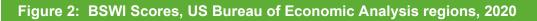
- (4) and Oregon (5) are next to Idaho (33). Similarly, in the Midwest, Illinois (10) is next to Wisconsin (36).
- Even the highest state minimum wage is not enough to support a family.
 - According to a simple ratio of the minimum wage to the basic cost of living, no state minimum wage reaches even half the cost of living for a family of four with one wage earner (the closest is the District of Columbia, where the minimum wage covers 47.5% of the basic cost of living).²
- Workers need more robust protections at the state and federal level.
 - While most states have passed basic laws on equal pay and sexual harassment, few have passed paid sick leave, paid family leave, or fair scheduling laws.

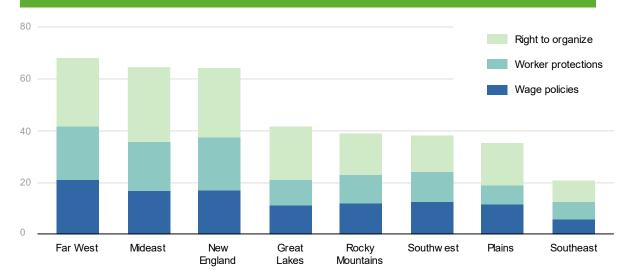
REGIONAL ANALYSIS

As shown in the map below, there are distinct regional differences in state labor laws.



The eight regions identified by the US Bureau of Economic Analysis (which excludes the Caribbean) are illustrated, and the differences are stark.





This chart shows the average cumulative score of each region, with color-coded representation of each dimension. The helpful visualization demonstrates how the Far West scores best on wages, but the Mideast is stronger in the right to organize. The Southeast fares worst on all the dimensions.

NEW ADDITIONS

When getting ready to update the BSWI for 2020, Oxfam made several important changes.

INCLUDING "EXCLUDED" WORKERS

This year the index tracks which states extend legal protections to workers that the federal government chose to ignore when writing worker protection legislation: domestic workers and farmworkers.

When it comes to domestic workers and farmworkers, employers can *legally* pay these workers below the minimum wage, do not need to follow federal health and safety protocols for workplaces, and cannot be taken to court for sexually harassing their employees. Estimates are that a quarter of farmworkers and more than two-thirds of housekeepers (a type of domestic worker) are paid less than the minimum wage, which is already below poverty standards.³ These two groups of workers are also excluded from legal protections around the right to organize, which were formalized in the National Labor Relations Act in 1935.

The history of this is deeply racialized and demonstrates the unfortunate history of labor rights in this country. When drafting the Fair Labor Standards Act (FLSA) in 1938, the government left out two crucial groups of workers: agricultural workers and domestic workers. Both groups were, at the time, disproportionately Black laborers, and both domestic and farmworkers continue to be disproportionately represented by people of color today. When designing policies to protect workers, which included pensions, minimum wages, and hours in a work week, low-wage Black workers and workers of color were excluded, leaving them to have to work until they were no longer able. These exclusions were explicitly gendered as well. Domestic workers were then and continue to be overwhelmingly women of color.

So why include rules around domestic workers and farmworkers in this index? Because policies in the index — such as accommodations for pregnant workers, minimum wage mandates, and rights to unionize — do not apply to domestic workers and farmworkers. The federal government must end this exclusion. But until that time, some states, and certain cities, have stepped up to proactively expand protections to these workers. Seattle and Philadelphia, for example, are leading the way with their Domestic Workers Bill of Rights that not only expand rights and protections to domestic workers, but in the case of Seattle, are seeking to give workers a seat at the table.⁵

CHANGING THE WEIGHTS OF THE POLICY AREAS

The previous two versions of the BSWI calculated the overall score of each state by averaging the three dimension scores (i.e., each dimension was given one-third of the overall score). This year's index changed the weight of each dimension in the final score as follows: wages, 35%; worker protections, 40%; and right to organize, 25%. This change reflects the number of policies within each dimension, and more equitably distributes the weight of each policy into the overall score, with the one exception being the ratio of minimum wage to cost of living. The importance

of being able to afford food and housing, especially given the economic context of 2020 and the COVID-19 pandemic, necessitated that policy being given a stronger weight than any other single policy. For a full breakdown of the weight of each policy, see Appendix 2.

INCLUDING PUERTO RICO

Unlike the past indexes that chose to include all 50 states plus the District of Columbia, this year's index includes those 51 entities with the addition of Puerto Rico. The island territory not only houses a huge number of US citizens (roughly 3 million), but also holds one of the more progressive constitutions for labor and workers' rights in the country. This example is an important one for other localities.

PREEMPTION

In the past, the BSWI has included the issue of wage preemption legislation, or policies that allow states to overturn local efforts. Traditionally in our index, we have tracked states that have these policies in place and how it relates to local attempts to increase wages, like recently in Birmingham, AL.⁶ This year Oxfam decided to pivot somewhat. While we do include preemption, this index does not track which states simply have the legislation that allows preemption, but rather which states actually utilize preemption to stop localities from creating higher minimum wages. This change allows the index to more accurately capture which states undermine efforts by local government to pay wages that more closely cover the cost of living.

NEW POLICIES

This version of the index includes several new policies, including:

- The state's tipped wage, and the ratio to the state minimum wage
- Protections for domestic workers
- Inclusion of farmworkers in minimum wage mandates
- Extension of workers' compensation to farmworkers
- Protection against wage theft
- Collective bargaining requirements for public workers

HOW CAN POLICYMAKERS USE THE BSWI?

Oxfam hopes this index inspires a race to the top for policymakers.

First, it allows a state to evaluate its labor policies, and it provides guidance as to the types of legislation the state government may enact to improve its treatment of workers. States may gain inspiration from neighboring states or states ranking just above them. Small policy changes can mean worlds of difference for their residents.

Second, the research can guide policymakers and advocates toward the states where the most improvement is required. Overall, states found at the bottom of the BSWI need greater efforts to advance labor legislation.

THE THREE POLICY AREAS

DIMENSION 1: WAGES — 35% OF OVERALL SCORE

The federal minimum wage has not changed in over a decade, and continues to decrease in real value as inflation impacts the power of the dollar. Adjusted for inflation, the minimum wage in the United States was at its strongest in 1968 and has grown steadily weaker since then. In response to this, states (and many cities) have acted to support workers by increasing their wages. According to the Organization for Economic Co-operation and Development (OECD), a group which tracks the economic health of nations, the US leads the developed world in economic inequality and proportion of the workforce earning insufficient wages. Put more simply, too many working families live in poverty.

The wage dimension of the BSWI focuses on several key policies that create a picture of how states approach the issue of wages for their workforce. These include:

- Ratio of minimum wage to cost of living¹ for a family of four
- Ratio of tipped cash wage to minimum wage
- Local control of minimum wage
- Minimum wage extension to farmworkers

As in each of the dimensions, each state is given a score on a scale of 0 to 100; scores closer to 100 indicate states are more invested in paying workers a reasonable wage. However, though minimum wages across the United States vary — from the federal minimum of \$7.25 to the national high of \$15 (in DC) — no state pays its minimum wage workers enough to cover the basic cost of living.

As in past years, the wage dimension tracks the ratio of the minimum wage to the basic cost of living for a working family (two adults, two children) with one wage earner. No state covers even half that cost of living; the closest two states are Washington (which covers 49.1% of costs with its minimum wage of \$13.50) and the District of Columbia (which covers 47.5% of costs with its minimum wage of \$15). The purpose of the ratio is not only to celebrate states with higher wages, but also take into consideration how far the dollar will stretch to cover the cost of living for working families. Though DC pays the highest minimum wage in the country, the cost of living in the District is high, so the dollar covers less than in Washington State, where costs are lower.

The wage dimension this year focuses not only on the minimum wage but also the minimum tipped cash wage. The federal tipped minimum wage has remained stagnant since 1991 (in contrast to the federal minimum wage which increased most recently in 2009) at \$2.13 an hour.

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¹ Calculated using the MIT Living Wage Calculator, https://livingwage.mit.edu/.

This is less than 30 percent of the full minimum wage. While the assumptions for tipped wages are that cash or credit card tips will fund the difference between the tipped minimum wage and regular minimum wage, this relies on the generosity of patrons to achieve base wages. This impacts an estimated 4.3 million workers in the United States, most in the restaurant industry.⁹

While state-level minimum wages are still insufficient to cover the basic cost of living of a working family, states that mandate their tipped minimum wage match the regular minimum wage are in a better position to collectively increase wages for all workers. If tipped minimum wages, for example, match minimum wages, compensation of all workers is lifted as states pass legislation to increase minimum wages.

Finally, as mentioned previously, this year's BSWI includes workers who are excluded from federal protections, including wage policies. The index now tracks which states have expanded the minimum wage to include farmworkers, a large and vital workforce in the US economy. This wage extension is crucial to provide wage consistency and wage protection to workers otherwise made to do grueling labor at piecemeal rates where wage theft is often rampant.

Table 2: Wage	Dimension,	Novem	ber 2020
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State	Wage Ranking	Wage Score	State	Wage Ranking	Wage Score
Washington	1	92.86	Missouri	27	41.23
District of Columbia	2	83.46	Nebraska	28	38.46
Arizona	3	78.38	Puerto Rico	29	36.22
California	4	71.93	Delaware	30	34.42
Colorado	5	71.02	Florida	31	30.80
New York	6	69.53	North Dakota	32	24.92
Maine	7	65.45	Wyoming	33	24.72
South Dakota	8	64.55	Wisconsin	34	23.11
Massachusetts	9	64.04	lowa	35	22.16
Oregon	10	59.01	New Hampshire	36	21.54
Connecticut	11	58.99	ldaho	37	17.58
Alaska	12	58.20	Pennsylvania	38	17.50
Nevada	13	57.64	Virginia	39	15.35
Illinois	14	56.16	Texas	40	14.43
Montana	15	55.54	Utah	41	13.83
Vermont	16	54.06	Tennessee	42	11.40
Maryland	17	51.22	Indiana	43	10.88
New Jersey	18	49.83	Alabama	44	10.37
New Mexico	19	46.50	Mississippi	44	10.37
Minnesota	20	46.00	Kentucky	46	10.15
Hawaii	21	45.22	Oklahoma	47	9.83
Arkansas	22	44.20	Kansas	48	9.43
Ohio	23	43.60	Louisiana	49	7.76
West Virginia	24	43.12	South Carolina	50	7.46
Rhode Island	25	42.56	North Carolina	51	6.82
Michigan	26	41.96	Georgia	52	5.59

At the top of this dimension is Washington, with a score of 92.86, followed by DC (83.46), Arizona (78.38), California (71.93), and Colorado (71.02). This dimension demonstrates the stronger wages on the West Coast and the general increase in scores on the West Coast across the index.

At the bottom of the index, Georgia comes in last (5.59), followed by North Carolina (6.82), South Carolina (7.46), Louisiana (7.76), and Kansas (9.43). Like the overall index, the states at

the bottom of the wage dimension are overwhelmingly in the South, where wages remain stuck at the federal minimum and states use their ability to overturn higher wages at a local level.

DIMENSION 2: WORKER PROTECTION — 40% OF OVERALL SCORE

"Worker protection" refers to laws that support various real-life needs of workers and their families. These laws are especially important to women, parents, and caretakers, as they seek to balance the demands of work and family. If a worker falls ill, will they need to report to work and risk infecting others, or risk missing vital hours and pay? Will a worker be called into work on an hour's notice? If a worker is sexually harassed, can they seek protection? If a worker is pregnant, will they be able to continue to safely work?

The policies include:

- Pregnancy accommodations and protection for breastfeeding workers
- Equal pay
- Paid family leave
- Paid sick leave
- Fair scheduling
- Sexual harassment protections
- Extension of workers' compensation to farmworkers
- Protections for domestic workers

Table 3:	Warker Brotes	ction Dimoneion	i, November 2020
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State	Protection Ranking	Protection Score	State	Protection Ranking	Protection Score
California	1	93.75	Kentucky	26	29.17
New Jersey	2	90.63	Montana	26	29.17
Oregon	2	90.63	Nebraska	26	29.17
New York	4	87.50	Ohio	26	29.17
Connecticut	5	84.38	Oklahoma	26	29.17
Massachusetts	5	84.38	South Carolina	26	29.17
Puerto Rico	5	84.38	Tennessee	26	29.17
District of Columbia	8	80.21	West Virginia	26	29.17
Washington	9	75.00	Michigan	35	27.08
Rhode Island	10	63.54	Alaska	36	22.92
Vermont	11	59.38	Arkansas	36	22.92
Colorado	12	58.33	Florida	36	22.92
Hawaii	12	58.33	Indiana	36	22.92
Illinois	14	56.25	lowa	36	22.92
New Mexico	15	54.17	North Dakota	36	22.92
Maine	16	50.00	Pennsylvania	36	22.92
Maryland	17	45.83	South Dakota	36	22.92
Arizona	18	41.67	Wisconsin	36	22.92
Virginia	18	41.67	Kansas	45	16.67
Minnesota	20	39.58	Missouri	45	16.67
Nevada	20	39.58	Texas	45	16.67
New Hampshire	20	39.58	Wyoming	45	16.67
Utah	23	35.42	North Carolina	49	10.42
Louisiana	24	33.33	Alabama	50	8.33
Delaware	25	31.25	Georgia	51	4.17
Idaho	26	29.17	Mississippi	52	0.00

Once again, California tops the worker protection dimension, with a score of 93.75, and only misses a perfect score by a few scheduling policies (it is still missing flexible scheduling and advance notice of shift scheduling). Tied for second place are Oregon and New Jersey with 90.63. New York follows in fourth place with a score of 87.50, and Connecticut, Massachusetts, and Puerto Rico tie for fifth place with a score of 84.38.

On the bottom, as in the previous two years, Mississippi is dead last with a cumulative worker protection dimension score of 0. Mississippi is the only state to have none of the policies in the BSWI. Following Mississippi are Georgia (4.17), Alabama (8.33), and North Carolina (10.42). Four states tie for the subsequent position with a score of 16.67: Kansas, Missouri, Texas, and Wyoming.

Unlike the other policies captured in this dimension, the expansion of worker protections to domestic workers is a more complicated component of this index. The National Domestic Workers Alliance (NDWA), an organization that represents domestic workers nationally, has been fighting for improved worker protections for this population for over a decade. In their fight for improved worker protection, they helped create a National Domestic Workers Bill of Rights, which includes policies ranging from overtime pay to meal breaks, paid sick days to protection against workplace harassment. Because domestic workers include a wide array of workers — live-in aides, home cleaners, nannies — these policies cover the needs of many workers.

DIMENSION 3: RIGHT TO ORGANIZE — 25% OF OVERALL SCORE

When workers act collectively, they have more strength. Historically, unions have played a crucial role in supporting workers in the US; they protect rights to speak out about problems, bargain for higher wages, push for stronger protections, and provide various legal protections.

This dimension includes laws that help or discourage workers from acting together. When a state has a "right-to-work" law, it's much more difficult for unions to organize, and to thrive, since states with these laws prohibit unions from collecting dues from people who benefit from their activities. Beyond states that protect the power of unions, this dimension also measures how states approach the organization of public workers, or individuals employed by or funded by the state itself.

The policies tracked in this dimension include:

- "Right-to-Work" laws
- Right to organize for teachers
- Project labor agreements
- Protection against retaliation
- Collective bargaining

Table 4: Right to Organize Dimension, November 2020

State	Organize Ranking	Organize Score	State	Organize Ranking	Organize Score
California	1	100	Montana	24	60.00
District of Columbia	1	100	Idaho	28	50.00
New York	1	100	Missouri	28	50.00
Oregon	1	100	Nevada	28	50.00
Illinois	5	95.00	Kansas	31	45.00
Ohio	5	95.00	lowa	32	40.00
Puerto Rico	5	95.00	Kentucky	32	40.00
Massachusetts	8	90.00	Michigan	32	40.00
Minnesota	8	90.00	South Dakota	32	40.00
New Jersey	8	90.00	Wisconsin	32	40.00
Vermont	8	90.00	Wyoming	32	40.00
Maryland	12	85.00	Oklahoma	38	35.00
New Mexico	12	85.00	Arizona	39	30.00
Pennsylvania	12	85.00	Louisiana	39	30.00
Connecticut	15	80.00	North Dakota	39	30.00
Delaware	15	80.00	Tennessee	39	30.00
Hawaii	15	80.00	West Virginia	43	25.00
Maine	15	80.00	Arkansas	44	20.00
New Hampshire	15	80.00	Georgia	44	20.00
Rhode Island	15	80.00	Mississippi	44	20.00
Washington	15	80.00	Texas	44	20.00
Alaska	22	75.00	Utah	44	20.00
Nebraska	23	70.00	Virginia	44	20.00
Colorado	24	60.00	Alabama	50	10.00
Florida	24	60.00	North Carolina	51	0.00
Indiana	24	60.00	South Carolina	51	0.00

Unlike in past years when this dimension only measured two policies, the added policy measurements this year mean only four states have a perfect score of 100 (as opposed to the last two years when 21 states tied for first place). This year, only California, DC, New York, and Oregon score a perfect 100. On the bottom end of our index, with scores of zero, both North and South Carolina have no support for worker organizing, whether by public or private employees. Similar to past years, the South still stands out as the region of the country with the least protection for workers' right to organize.

RECOMMENDATIONS

Ranking as a best state to work means it's more likely that working families and the economy are thriving in that state. Oxfam maintains that states should do more to create a positive and supportive landscape for workers.

In addition, it's long past time for Congress and the federal government to take steps to improve compensation and conditions for workers.

Oxfam recommends the following policies:

- 1. Increase the minimum wage at the state level and empower local governments to raise minimum wages.
- 2. Improve protections for workers. Specifically, states should:
 - a. Pass both paid sick and paid family leave.
 - b. Strengthen equal pay laws.
 - c. Provide workplace protections for pregnant and breastfeeding workers.
 - d. Ensure fair scheduling for workers.
 - e. Protect against sexual harassment.
- 3. Extend protections to domestic workers and farmworkers. As excluded workers, these two vital groups are left out of minimum wage mandates, workers' compensation, meal breaks, sexual harassment protections, and the right to organize. While workers' groups have banded together to fight for the rights of farmworkers and domestic workers, and these groups have won crucial victories, the exclusion of these workers needs to be struck.
- **4.** Repeal laws that undermine workers' freedom to bargain collectively. States must restore workers' ability to organize and bargain collectively by overturning "right-to-work" laws. Moreover, states should repeal bans on project labor agreements for government contracts.
- **5. Preserve collective bargaining for public workers**. State and local governments employ millions of people in the US. The Supreme Court decision *Janus v. AFSCME Council 31* weakens the bargaining power of unions across the country, even in states that support collective bargaining for government employees. States must work to find innovative ways to preserve the financial solvency of public sector unions in this new policy landscape.

SOURCES AND APPENDICES

APPENDIX 1: METRIC DESCRIPTIONS AND POINT ALLOTMENT FOR THE BEST STATES TO WORK INDEX

WAGE DIMENSION (35% OF TOTAL)

Wage Ratio (20%): Created by determining the ratio of the state minimum wage makes to the MIT Living Wage, calculated for a household of two adults (one working) and two children. In cases where minimum wage varies by corporate size, the lower value is taken, whereas in cases where there is a secondary minimum wage for when employers provider health insurance, the higher value is taken. The final ratios are normalized between 0 and 1 for use in the index.

Tipped Wage Ratio (5%): Created by determining what ratio of the state minimum wage is required to be in cash versus tip credits for tipped workers. In cases where the tipped wage varies, the one representing more workers is used (e.g., higher cash wages for bartenders vs. all other workers are ignored). The final ratios are normalized between 0 and 1.

Local Control of Minimum Wage (5%): States receive a 1 if they have not *proactively* restricted the capacity for localities to impose higher minimum wages through preemption law. This is in contrast to the 2019 definition, which looked at passive restriction due to the implicit preemption of state constitutions.

Minimum Wage for Farmworkers (5%): States receive a 1 if agricultural workers are entitled to the same minimum wage as all other workers, and a 0.5 if they generally receive the same wage with some exceptions in the law. States with mandated lower minimum wages or no minimum wage receive a 0.

WORKER PROTECTIONS (40% OF TOTAL)

Pregnancy Accommodation (5%): For broader pregnancy accommodations, a state receives a 1 if it has mandated *private* employers provide some accommodation, either on request or by default, to pregnant workers (recommendations or opt-in programs are given a 0). For right to pump, similarly the state mandates accommodations for *private* workers to express breastmilk, or other language implying a right to pump, within their workplace (schools and public spaces not being sufficient for credit).

Equal Pay (5%): For basic equal pay, the state receives a 1 if they have mandated equal pay across private and public sectors. For pay secrecy, the state receives a 1 if they have specific

legislation restricting pay secrecy practices in the *private* sector. For salary history, the state receives a 1 if they have restricted *private* sector salary history requirements.

Paid Family Leave (5%): A state receives a 1 if they have passed and implemented paid family leave across the state, and a 0.5 if legislation has passed but not yet gone into effect. This differs from the 2019 index in that laws passed but not yet implemented are given partial credit.

Paid Sick Leave (5%): A state receives a 1 if they have passed and implemented paid sick leave across the state, and a 0.5 if legislation has passed but not yet gone into effect. This differs from the 2019 index in that laws passed but not yet implemented are given partial credit.

Scheduling (5%): A state receives a 1 in each of the four scheduling categories (flexible scheduling, reporting pay, split shift pay, and advanced shift notice) if they have implemented a statewide policy (private and public sectors) on the subject in question. This differs from the 2019 index in that states where city-specific scheduling laws might have applied to the majority of the state's population are no longer considered valid.

Sexual Harassment Protections (5%): The state receives a 1 if they have laws explicitly regarding sexual harassment and its restriction in the workplace.

Workers' Compensation for Farmworkers (5%): A state receives full credit (1) if agricultural workers are fully covered by workers' compensation in the state, and partial credit (0.5) if they either are partially covered or covered with exemptions.

Domestic Worker Rights and Protections (5%): The state receive full credit (1) for implementing a policy that strikes the exclusion of domestic workers. Policies tracked by the National Domestic Workers Alliance include: overtime pay, paid sick days, workplace harassment and discrimination, safety and health, meals and rest breaks, protections for live-in workers, and privacy. If states have no worker policies that explicitly include domestic workers they receive no credit.

RIGHT TO ORGANIZE (25% OF TOTAL)

Right-to-Work Law (5%): States receive a 0 if they have passed a "right-to-work" law, and a 1 if they have not.

Right to Organize for Teachers (5%): For collective bargaining, states receive a 1 if they generally give the right (but not necessarily mandate) for teachers to collectively bargain. In wage negotiation, states must mandate schools participate in collective negotiation procedures to receive a 1.

Project Labor Agreements (5%): States receive a 0 if they have passed a project labor agreement preemption law, and a 1 if they have not.

Protection Against Retaliation (5%): States receive credit for legislation that protects workers against employer retaliation, specifically relating to wages. They can score 0, .25, .5, .75, or 1. Based on the framework created by the National Employment Law Project (NELP), we gave a full point to states whose legislation provides workers with back pay, monetary damages, recovered attorney fees, and the right to bring complaints to government agencies and to court, with the potential for government-imposed fines on violators. We gave .75 points to states

whose legislation includes all the above with the exception of government-imposed fines. States awarded .5 points have not legislated government-imposed fines and do not provide easy means for workers to complain to government agencies in order to recover damages; these states do allow for back pay, court cases against employers, recovered attorney fees, and court-mandated damages against employers. States awarded .25 points have only legislated criminal penalties for employers who retaliate against employees who bring complaints of wage theft. States receive no points if they had no legal protections against wage theft retaliation.

Collective Bargaining (5%): States receive a 1 if collective bargaining is required, and a 0.5 if allowed within the state.

APPENDIX 2: EXPLANATION OF COMPOSITE SCORE CALCULATION

- Wage Dimension (35% total)
 - 20% Ratio of Minimum Wage to Cost of Living
 - o 5% Ratio of Tipped Cash Wage to Minimum Wage
 - 5% Local Control of Minimum Wage
 - o 5% Minimum Wage Extension to Farmworkers
- Worker Protection Dimension (40% total)
 - 5% Pregnancy Accommodation
 - Private Sector Accommodation
 - Private Sector Right to Pump
 - 5% Equal Pay
 - Basic Equal Pay
 - No Pay Secrecy
 - No Private Sector Salary History
 - 5% Paid Family Leave
 - 5% Paid Sick Leave
 - 5% Scheduling
 - Flexible Scheduling
 - Reporting Pay
 - Split Shift Pay
 - Advance Shift Notice
 - 5% Sexual Harassment Protections
 - 5% Extension of Workers' Compensation to Farmworkers
 - 5% Domestic Worker Rights and Protections
- Right to Organize Dimension (25% total)
 - 5% Right-to-Work Law
 - 5% Right to Organize for Teachers
 - 5% Project Labor Agreements
 - 5% Protection Against Retaliation
 - 5% Collective Bargaining

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Please refer to the <u>2018 edition of the report</u> for a full list of relevant works for the original index and original methodology.

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COVER: In 2020, the COVID-19 pandemic exposed and exacerbated challenges facing workers across the country. While the federal government failed to respond adequately, some states stepped up to improve compensation and protections for workers. *Photo: Jon Tyson*



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