

H and H Foods Closes, Leaves Workers Without Paycheck

Workers of the former H and H Foods have been left without their last paycheck after the company closed their doors. This affects 120 workers in the town of West Union. Former employees have been strongly encouraged to contact the Wage and Hour Division of Iowa Workforce Development at 800-562-4692.

Filing out a wage claim through the Wage and Hour Division is the best opportunity to receive compensation for the work employees did before the layoffs occurred on June 2. A wage claim is also available at www.iowaworkforce.org/labor/wagesteps.htm.

Former employees of H & H Foods looking for jobs should also contact their local workforce development center for

job placement or training opportunities. Centers are located in Oelwein (319-283-2751), Decorah (563-382-0457), and New Hampton (641-394-4649).

The Wage and Hour Division under the Labor Commissioner has the ability to react to a complaint and attempt to have the employer do the right thing and pay workers the wages that are owed. If they do not pay the workers the wages they are owed, the employer could eventually be fined.

Hawkeye Foods of Coralville has bought some of H and H Foods assets. However, Textron Financial Corporation has refused to use a portion of those sales to pay workers their last paycheck.

During the Legislative session, House File 618 passed that raised the civil penalty for a wage violation to \$500 per pay period for each violation. It was \$100. House File 618 is effective July 1, 2009. This would help address situations like H and H Foods.

The federal government, in wage payment disputes, has personal liability ability. This gives an employee an option to recover back wages. A corporation officer, or the person who has control over wage payments, could be liable for failure to pay wages.

Otherwise, like in the Agriprocessors case, and if H and H Files bankruptcy, under current Iowa law workers may have to wait to be paid like other creditors.