Judge: Texas Firm Must Pay Disabled Workers $1.4M

Ryan J. Foley, Associated Press

IOWA CITY, Iowa (AP) — A Texas company that profited for decades by supplying mentally disabled workers to an Iowa turkey plant at wages of 41 cents per hour must pay the men $1.37 million in back wages, a federal judge ruled late Tuesday.

The judgment against Henry's Turkey Service of Goldthwaite, Texas is the third of more than $1 million against the company after state authorities in 2009 shut down a dilapidated bunkhouse in rural Iowa where the men had lived since the 1970s.

The 32 employees had been paid $65 per month to work the processing line at a huge turkey plant in West Liberty after Henry's improperly deducted fees for room and board, care, transportation and other expenses out of their pay and Social Security checks, U.S. District Judge Charles Wolle ruled. The amount they were paid never changed during the 30-year period they worked at the plant, regardless of whether they worked more than 40 hours per week, he found.

The ruling came in a lawsuit filed by the Equal Employment Opportunity Commission, which alleged that Hill Country Farms violated the Americans with Disabilities Act by paying the workers discriminatory wages. Wolle ordered a trial in March on the rest of the claims in the EEOC's lawsuit, which alleges that the men faced a hostile work environment, harassment, verbal and physical abuse and other "adverse terms and conditions of employment" because of their disabilities.

Hill Country Farms, which did business as Henry's Turkey Service, offered little resistance to EEOC's wage claims. The company had been on contract to supply workers to the plant starting in the 1970s when it was owned by Louis Rich Foods. By 2008, the company's contract with owner West Liberty Foods was worth more than $500,000 for work performed by the men in the evisceration department.

Wolle said the company "engaged in unlawful and discriminatory pay practices" that deprived workers of wages they earned. He said the $1.37 million represents how much more the intellectually disabled workers should have been paid between February 2007 and February 2009 for their work, based on wage rates paid to similarly-situated and experienced workers. Despite their disabilities, the workers "performed as productively and effectively as non-disabled workers doing the same jobs," he ruled.

Even though they'd been there decades, the law limits their recovery to the two-year period before the violations were reported.

A handful of the workers were employed at the bunkhouse, a converted former schoolhouse a few miles from the plant that Hill Country Farms rented from the city

of Atalissa for $600 per month. It was shut down after investigators found substandard construction and other unsafe living conditions, a leaky roof and insect infestation.

The U.S. Department Labor earlier won a $1.76 million judgment against the Henry's on behalf of the workers for violating wage and overtime laws, and Iowa Workforce development issued a $1.2 million fine against the company for violating state labor laws.

The company had agreed to change its wage practices in 2003 following a federal investigation, but it never did so, Wolle ruled.

The Iowa Attorney General's Office last year declined to bring criminal charges against the company or its owners, Kenneth Henry and Jane Ann Johnson, saying it felt that the civil penalties sought by regulators were enough to hold them accountable.

A company lawyer didn't immediately return a phone message Wednesday seeking comment. Henry's Turkey has since closed.

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