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9 Attorney for Plaintiffs, JESSICA HAMPTON,
10 DOMENICA Y. INIGUEZ, and JAMES HENDERSON,
11 and on Behalf of Other Members of the Public
12 Similarly Situated and the State of California

13 SUPERIOR COURT OF THE STATE OF CALIFORNIA

14 FOR THE COUNTY OF MERCED

15 JESSICA HAMPTON, DOMENICA Y.
16 INIGUEZ, and JAMES HENDERSON,
17 individually, and on Behalf of Other Members
18 of the Public Similarly Situated and the State
19 of California,

20 Plaintiffs,

21 vs.

22 GOLDEN VALLEY HEALTH CENTERS, a
23 corporation; and DOES 1 through 25,
24 inclusive,

25 Defendants.

CASE NO: 20CV-01985

Assigned for All Purposes to:

CLASS ACTION

COMPLAINT FOR:

**(1) VIOLATION OF THE CALIFORNIA
WARN ACT**

**(2) LABOR CODE, §§ 2698 ET SEQ.
(PAGA)**

[Unlimited Civil Case – Exceeds \$25,000]

Trial Date: None

Complaint filed:

JURY TRIAL DEMANDED

26 Come now JESSICA HAMPTON, DOMENICA Y. INIGUEZ, and JAMES
27 HENDERSON (“Plaintiffs”), who asserts claims against GOLDEN VALLEY HEALTH
28 CENTERS (“GVHC”) and Does 1 through 25, inclusive, (collectively “Defendants”) as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to California Code of Civil Procedure § 382.
The monetary damages and restitution sought by Plaintiffs exceeds the minimal jurisdiction limits

1 of the California Superior Court and will be established according to proof at trial.

2 2. This Court has jurisdiction over this action pursuant to the California Constitution,
3 Article VI, §10.

4 3. This Court has jurisdiction over Defendants because, upon information and belief,
5 each defendant is either a resident of California, has sufficient minimum contacts in California, or
6 otherwise intentionally avails itself of the California labor market.

7 4. Venue is proper in this Court because this action arises from Plaintiffs' labor
8 contracted for and/or provided in the County of Merced.

9 **PARTIES**

10 5. Plaintiffs are domiciled in, and at all times mentioned in this complaint were
11 domiciled in the State of California.

12 6. Ms. Hampton and Mr. Henderson are not suing in their individual capacity; they
13 are proceeding herein solely under the PAGA. Ms. Iniguez is suing in both her individual
14 capacity and in her capacity as a putative PAGA representative.

15 7. Plaintiffs are informed and believe that GVHC is a California corporation qualified
16 to do business in California. Plaintiffs allege that at all relevant times referenced herein
17 Defendants did and continue to transact business in California.

18 8. Whenever in this complaint reference is made to any act, deed, or conduct of
19 GVHC, the allegation means that GVHC engaged in the act, deed, or conduct by or through one or
20 more of its officers, directors, agents, employees, or representatives, who was actively engaged in
21 the management, direction, control, or transaction of the ordinary business and affairs of GVHC

22 9. Plaintiffs are ignorant of the true names and capacities, whether individual,
23 corporate, associate, or otherwise, of the defendants sued herein as Does 1 through 25, inclusive,
24 and therefore sues said defendants (the "Doe Defendants") by such fictitious names. Plaintiffs will
25 amend this complaint to insert the true names and capacities of the Doe Defendants at such time as
26 the identities of the Doe Defendants have been ascertained.

27 10. Plaintiffs are informed and believe, and thereon allege, that the Doe Defendants are
28 the partners, agents, or principals and co-conspirators of GVHC, and of each other; that GVHC

11. Plaintiffs are further informed and believe, and thereon allege, that at all times herein material, each Defendant was completely dominated and controlled by its co-Defendants and each was the alter ego of the other. Whenever and wherever reference is made in this complaint to any conduct by GVHC or Defendants, such allegations and references shall also be deemed to mean the conduct of each of the Defendants, acting individually, jointly, and severally. Whenever and wherever reference is made to individuals who are not named as Defendants in this complaint, but were employees and/or agents of Defendants, such individuals at all relevant times acted on behalf of Defendants named in this complaint within the scope of their respective employments.

15 12. Under a California law known as the California WARN Act, employers must
16 provide 60 days' notice to affected employees before ordering a "mass layoff." Lab. Code, §§
17 1400 et seq. The California WARN Act consists of four main parts: (1) the notice duty; (2) the
18 statutory definitions; (3) the exceptions to the notice duty; and (4) the rules governing civil
19 damages, penalties, and attorney fees.

13. Section 1401 imposes the statutory notice duty. Section 1401, subdivision (a) states: "An employer may not order a mass layoff, relocation or termination at a covered establishment unless, 60 days before the order takes effect, the employer gives written notice of the order to the following: [¶] (1) the employees of the covered establishment affected by the order[; and] [¶] (2) The Employment Development Department, the local workforce investment board, and the chief elected official of each city and county government within which the termination, relocation, or mass layoff occurs." Section 1401, subdivision (b) provides: "An employer required to give notice of any mass layoff ... under this chapter shall include in its notice the elements required by the federal [WARN] Act. (29 U.S.C. Sec. 2101 et seq.)."

1 14. Section 1400 defines the terms used to impose the notice duty. Of relevance here,
2 "[c]overed establishment' means any industrial or commercial facility or part thereof that
3 employs, or has employed within the preceding 12 months, 75 or more persons." Lab. Code, §
4 1400, subd. (a). "'Employer' means any person ... who directly or indirectly owns and operates a
5 covered establishment." Lab. Code, § 1400, subd. (b). "'Mass layoff' means a layoff during any
6 30-day period of 50 or more employees at a covered establishment." Lab. Code, § 1400, subd. (d).
7 "'Layoff' means a separation from a position for lack of funds or lack of work." Lab. Code, §
8 1400, subd. (c). "'Termination' means the cessation or substantial cessation of industrial or
9 commercial operations in a covered establishment." Lab. Code, § 1400, subd. (f).

10 15. Section 1402 governs the effect of a failure to provide the required notice. Section
11 1402, subdivision (a) states that an employer who violates the notice requirement "is liable to each
12 employee entitled to notice who lost his or her employment," and the damages consist of "[b]ack
13 pay" and the value of any lost benefits to which the employee would be entitled to if "his or her
14 employment [had] not been lost." Section 1402, subdivision (c) provides that the amount of the
15 employer's liability is reduced by "[a]ny wages ... paid by the employer to the employee during the
16 period of the employer's violation," and any other voluntary, unconditional, or specified third party
17 payments.

18 16. Section 1403 concerns civil penalties. A failure to provide notice to the specified
19 public officials and agencies may subject the employer to a penalty of no more than \$500 "for
20 each day of the employer's violation," unless the employer pays the employees within three weeks
21 from the date of the layoff/relocation/termination order. Lab. Code, § 1403; § 1401, subd. (c).
22 Moreover, because the California WARN Act does not specify civil penalties for the failure to
23 provide notice or the WARN Act's other requirements, employers are subject to the PAGA's
24 default civil penalty of \$100 per employee per pay period in which a violation occurs. Lab. Code,
25 § 2699, subd. (f). A prevailing employee is entitled to recover reasonable attorney fees, but a
26 prevailing employer is not. Lab. Code, § 1404.

27 17. On March 17, 2020, in the wake of the COVID-19 pandemic, the Governor issued
28 Executive Order N-31-20. Executive Order N-31-20 states the following in relevant part:

1 [F]or the period that began March 4, 2020 through the end of the emergency, Labor
2 Code sections 1401(a), 1402, and 1403 are hereby suspended for an employer that
3 orders a mass layoff, relocation, or termination at a covered establishment on the
condition that the employer:

- 4 (i) Gives the written notices specified in Labor Code section 1401(a)-(b);
5 (ii) Consistent with United States Code, Title 29, section 2102(b)(3), gives as much
6 notice as is practicable and, at the time notice is given, provides a brief
statement of the basis for reducing the notification period;
7 (iii) Consistent with United States Code, Title 29, section 2102(b)(2)(A) and Code
8 of Federal Regulations, Title 20, section 639.9(b), orders such a mass layoff,
9 relocation, or termination that is caused by COVID-19 related “business
circumstances that were not reasonably foreseeable as of the time that notice
would have been required;” and
10 (iv) For written notice given after the date of this Executive Order, in addition to the
11 other elements detailed in Labor Code section 1401(b), such written notice
12 must contain the following statement: “If you have lost your job or been laid off
temporarily, you may be eligible for Unemployment Insurance (UI). More
13 information on UI and other resources available for workers is available at
labor.ca.gov/coronavirus2019.”
14

15 Unless otherwise specified, Labor Code section 1400 provides definitions for
16 the terms used in this suspension.

17 By March 23, 2020, the Labor and Workforce Development Agency shall
18 provide guidance to the public regarding how this Executive Order will be
implemented.

19
20 18. Thereafter, the LWDA issued its Guidance on Conditional Suspension of California
21 WARN Act Notice Requirements under Executive Order N-31-20. (See Exhibit 3.) Notably, the
22 LWDA’s guidance states that “[t]he Executive Order does not suspend the California WARN Act in
23 its entirety, nor does it suspend the law for all covered employers. The Executive Order only
24 suspends the California WARN Act’s 60-day notice requirement for those employers that satisfy the
Order’s specific conditions.”
25

26 19. Here, Defendants failed to satisfy the Order’s conditions, and therefore the California
27 WARN Act remained in full effect at all times relevant in this action.

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FACTS COMMON TO ALL CAUSES OF ACTION

20. GVHC operates clinics from Manteca to Los Banos. It provides medical, dental, pediatric, and other care to the uninsured, working poor, homeless persons, and others. In recent years, GVHC has aggressively expanded, growing from approximately 26 sites in 2014 to its current roster of 42 sites.

21. GVHC's Atwater facility and Merced facility are each commercial facilities; they are the hub of all GVHC activities at which all of the approximately 350 employees, including the Plaintiffs, were employed. The Class Members' wage statements, including the Plaintiffs' statements, indicated that the Merced facility employed the Class Members.

22. Both the Atwater facility and Merced facility and/or parts of them each employed 75 persons or more within 12-month period preceding the March 23, 2020 – April 22, 2020 mass layoff that occurred at GVHC. The Atwater facility and Merced facility are each covered establishment under the California WARN Act. All of the Class Members were employed simultaneously at physical locations throughout the Central Valley as well as either physically or remotely (or both) at the Atwater facility and/or Merced facility.

23. The Class Members regularly worked physically and remotely at the Atwater facility for orientations, trainings, meetings, administration, as well as other tasks. All Class Members worked on remote systems (e.g., Citrix) at the Atwater facility and/or Merced facility. GVHC owned and operated these covered establishments, and was an "Employer" under the meaning of the California WARN Act at all relevant times.

24. Ms. Hampton worked for GVHC in various roles from 2014 until March 27, 2020, when she was subject to a mass layoff at the Atwater and Merced facilities by GVHC without notice or the mandated waiting-time period in violation of the California WARN Act. Ms. Iniguez and Mr. Henderson were likewise employed by GVHC until late March 2020, when they were similarly subject to a mass layoff without advance notice or the mandated waiting-time period. In mid-March 2020, in response to shortages of funding as well as slowdowns in business suspected from shelter-in-place orders arising from the COVID-19 outbreak, GVHC decided to make drastic cuts in its workforce. On or about March 24, 2020, GVHC gave notice of the anticipated layoffs to Service

1 Employees International Union Local 521, which represents many of GVHC’s employees. The
 2 Union pleaded with GVHC to seek help in the recent federal stimulus that includes aid for nonprofit
 3 healthcare providers to keep employees during the pandemic. GVHC declined this proposal.
 4 GVHC also failed to conduct a reasonable investigation during this period to determine the need for
 5 notices under the California WARN Act.

6 25. GVHC separated the Class Members – approximately 350 of them, including the
 7 Plaintiffs -- from their positions both at their various physical sites, at the Atwater facility, and at the
 8 Merced facility due to a lack of funds and a lack of work at GVHC. In less than 30 days between
 9 March 23, 2020 and April 8, 2020, GVHC separated at least 265 Employees from their positions at
 10 GVHC. Yet GVHC failed to give any waiting-time period or advance notifications of its mass
 11 layoff to the Plaintiffs, the Class Members, the Employment Development Department, the local
 12 workforce investment board, and the chief elected official of each city and county government
 13 within which the mass layoff occurred. Furthermore, GVHC continued to separate the Class
 14 Members at its subject facility(ies) from April 8, 2020 through April 22, 2020 without required
 15 California WARN Act notices or waiting-time periods required by the Act. In total, between March
 16 23, 2020, and April 22, 2020, GVHC separated approximately 350 Class Members without required
 17 California WARN Act notices or waiting-time periods required by the Act.

18 26. On or about March 26, 2020, GVHC notified the Class Members that there would
 19 soon be “department changes.” GVHC notified the Class Members, including the Plaintiffs, that
 20 they were being laid off effective immediately. GVHC informed some of the Class Members that
 21 their layoffs were temporary furloughs and that they were not being terminated from their
 22 employment altogether, but that they were nonetheless eligible to apply for unemployment benefits
 23 during the separation from their positions at GVHC. Other Class Members, including the Plaintiffs,
 24 were advised by GVHC during conference calls that their employment with GVHC was ending
 25 effective immediately, although they remain eligible to apply for employment in other open
 26 positions.

27 27. Moreover, GVHC failed to comply with any of the requirements necessary to fall
 28 under Governor Newsom’s recent partial emergency suspension of the 60-day notice requirement

1 under the California WARN Act. In sum, GVHC violated the California WARN Act when it
2 ordered a mass layoff of the Class Members at covered establishment(s) without providing any
3 waiting-time period or advance notice, let alone 60 days' advance notice, prior to the layoff's
4 effective date.

5 **CLASS ACTION ALLEGATIONS**

6 28. Plaintiff Domenica Y. Iniguez brings this action on her own behalf, as well as on
7 behalf of each and all other persons similarly situated, and thus, seeks class certification under
8 California Code of Civil Procedure § 382.

9 29. All claims alleged herein arise under California law for which Plaintiff seeks relief
10 as authorized by California law.

11 30. The proposed Class is comprised of and defined as:

12 Any and all persons who are or were employed as an employee by
13 GVHC in the state of California who (A) were separated from a
14 position for lack of funds or lack of work between March 23, 2020
15 and April 22, 2020, and (B) had been employed for at least 6
months out of the prior 12 months (collectively, the "Class
Members").

16 31. There is a well-defined community of interest in this litigation and the Class
17 Members are easily ascertainable as set forth below:

18 a. **Numerosity:** The members of the Class are so numerous that joinder of all Class
19 Members would be unfeasible and impractical. The membership of the entire Class is unknown to
20 Plaintiff at this time; however, the Class is estimated to be approximately 350 individuals, and the
21 identity of such membership is readily ascertainable by inspection of Defendants' employment
22 records.

23 b. **Typicality:** Plaintiff is qualified to, and will fairly and adequately protect the
24 interests of each Class Member with whom she has a well-defined community of interest.
25 Plaintiff's claims herein alleged are typical of those claims which could be alleged by any Class
26 Member, and the relief sought is typical of the relief which would be sought by each of the Class
27 Members in separate actions. All Class Members have been similarly harmed by being denied
28 notice or the mandated waiting-time period under the California WARN Act prior to the mass

1 layoff.

2 **c. Adequacy:** Plaintiff is qualified to, and will fairly and adequately protect the
3 interests of each Class Member with whom he has a well-defined community of interest and
4 typicality of claims, as demonstrated herein. Plaintiff acknowledges she has an obligation to make
5 known to the Court any relationships, conflicts, or differences with any Class Member. Plaintiff's
6 attorney and the proposed Class counsel are versed in the rules governing class action discovery,
7 certification, and settlement and experienced in handling such matters.

8 **d. Superiority:** The nature of this action makes the use of class action adjudication
9 superior to other methods. A class action will achieve economies of time, effort, judicial resources,
10 and expense compared to separate lawsuits. The prosecution of separate actions by individual
11 members of the Class would create a risk of inconsistent and/or varying adjudications with respect
12 to the individual Class Members, establishing incompatible standards of conduct for the
13 Defendants and resulting in the impairment of the Class Members' rights and the disposition of
14 their interests through actions to which they were not parties.

15 **e. Public Policy Considerations:** Employers in the state of California violate
16 employment and labor laws every day. Current employees are afraid of retaliation. Former
17 employees are fearful of bringing actions because they believe their former employers may
18 damage their future endeavors through negative references and/or other means. The nature of this
19 action allows for the protection of current and former employees' rights without fear for retaliation
20 or damage.

21 32. There are common questions of law and fact as to the Class that predominate over
22 questions affecting only individual members including, but not limited to:

23 a. Whether Defendants directly or indirectly owned and operated a covered establishment
24 under the Cal-WARN Act;

25 b. Whether Defendants ordered a mass layoff at a covered establishment;

26 c. The existence and adequacy of notice of the mass layoff;

27 d. the appropriate amount of statutory damages and/or penalties resulting from Defendants'
28 violations of California law.

FIRST CAUSE OF ACTION

(For Violation of the California WARN Act)

33. Plaintiff incorporates by reference and reallege each and every allegation contained above, as though fully set forth herein.

34. At all times set forth herein, Defendants employed Plaintiff and other persons similarly situated throughout the state of California.

35. Plaintiff is informed and believes, and thereon alleges, that Defendants are and were advised by skilled lawyers and other professionals, employees, and advisors with knowledge of the requirements of California's wage and employment laws.

36. Plaintiff is informed and believes, and thereon alleges, that Defendants know, should know, knew and/or should have known that Plaintiff and the other Class Members were entitled to California WARN Act notices and waiting-time periods required by the Act. Defendants failed to provide such notices or waiting-time periods to Plaintiff and the Class Members as required by law.

37. Plaintiff is informed and believes, and thereon allege, that at all times herein mentioned, Defendants knew that they had a duty to comply with the WARN Act, but willfully, knowingly, recklessly, and/or intentionally failed to do so.

38. Plaintiff and Class Members are entitled to all statutory damages according to proof at trial, civil penalties, litigation costs, and attorneys' fees.

SECOND CAUSE OF ACTION

(For Civil Penalties under Labor Code §§ 2698 et seq.)

39. Plaintiffs incorporate by reference and reallege each and every allegation contained above, as though fully set forth herein.

40. Plaintiffs exhausted all administrative remedies with the California Labor and Workforce Development Agency ("LWDA") prior to bringing this cause of action based on the California Labor Code Private Attorneys General Action of 2004, California Labor Code §§ 2698, *et seq.* ("PAGA"). Plaintiffs timely filed a Notice of Claims and Supplemental Notice of Claims alleging the foregoing violations of the California WARN Act. The LWDA found that GVHC

1 cured the alleged violations for purposes of the PAGA by providing WARN Act notices to
2 employees within 33 days of Plaintiffs' PAGA claims. Plaintiffs dispute that Defendants cured
3 the violations and continue to seek civil penalties through this action.

4 41. This Court has jurisdiction under § 2699.3(c)(3) to review the cure dispute and
5 authorize Plaintiffs to seek civil penalties under the PAGA.

6 42. The first sentence of § 2699(d) states that the employer must satisfy three basic
7 elements to be considered a "cure." The employer must (1) "abate[] each violation alleged by any
8 aggrieved employee," (2) the employer must be "in compliance with the underlying statutes as
9 specified" in the employee's notice of claims; and (3) the employer must ensure that "any
10 aggrieved employee is made whole." See Lab. Code, § 2699, subd. (d). GVHC failed to fully
11 satisfy each of these conditions.

12 43. First and foremost, GVHC failed to ensure that "any aggrieved employee is made
13 whole." See Lab. Code, § 2699, subd. (d). The damages remedy provided by the WARN Act is a
14 make-whole remedy. *Local Joint Exec. Bd. of Culinary/Bartender Trust Fund v. Las Vegas*
15 *Sands, Inc.* (9th Cir. 2001) 244 F.3d 1152, 1159 (federal WARN Act); see also *The Internat.*
16 *Brotherhood of Boilermakers, etc. v. NASSCO Holdings Inc.* (2017) 17 Cal.App.5th 1105, 1128
17 ("The California WARN Act is a remedial statute designed to provide protections to workers, their
18 families, and communities."); *Raines v. Coastal Pacific Food Distributors, Inc.* (2018) 23 Cal.
19 App. 5th 667, 681 ("Damages are intended to be compensatory, to make one whole."). GVHC
20 failed to provide any of the make-whole remedies required by § 1402. Therefore, GVHC did not
21 "cure" the WARN Act violation.

22 44. Moreover, GVHC failed to fully "abate" and show "compliance" with the WARN
23 Act as modified by the Governor's order. See Lab. Code, § 2699, subd. (d). To comply with the
24 California WARN Act as modified, the Governor's order required GVHC to state "the basis for
25 reducing the notification period...." On or about April 23, 2020, GVHC sent notices to the
26 affected employees stating "We would like to have given more notice of this action, but were
27 unable to do so because of how quickly our operations were affected by the COVID-19 pandemic,
28 the World Health Organization's pandemic declaration on March 11th, the President's declaration

1 of national emergency on March 13th, Governor Newsom’s shelter-in-place order of March 19,
2 and other related governmental announcements and actions.” This statement was false. It did not
3 state the basis for reducing the notification period. Plaintiffs asked to cross-examine GVHC on
4 this subject, but the LWDA denied the request.

5 45. GVHC lied to its employees regarding why it was sending the WARN Act notices
6 at such a late date. Plaintiffs are informed and believe that the reasons for GVHC’s delay were
7 twofold: Plaintiffs had filed a PAGA claim and GVHC was attempting to cure the violation.
8 Because GVHC did not state the reason why it was sending WARN Act notices in such an
9 untimely manner, it did not “abate[] each violation alleged by any aggrieved employee,” and was
10 not “in compliance with the underlying statutes as specified” in Plaintiffs’ Notice of Claims. This
11 is another reason why GVHC did not “cure” the WARN Act violation.

12 46. The LWDA’s decision was legally and factually incorrect and should be reversed.
13 Defendants are liable to the Employees including Plaintiffs for all civil penalties available under
14 the PAGA in an amount according to proof at trial.

15 **PRAYER FOR RELIEF**

16 WHEREFORE, Plaintiff and Class Members pray for judgment against Defendants on the
17 First Cause of Action as follows:

- 18 1. That the action reflected in the First Cause of Action be certified as a class action;
19 2. That Plaintiff Domenica Y. Iniguez be appointed as representative of the Class;
20 3. That counsel for Plaintiff be appointed as counsel for the Class.
21 4. That back pay, the value of benefits, and civil penalties be awarded in an amount
22 according to proof;
23 5. That reasonable costs of suit and attorneys’ fees be awarded;
24 6. For such other and further relief as the Court deems proper.

25 WHEREFORE, Plaintiffs pray for judgment against Defendants on the Second Cause of
26 Action as follows:

- 27 1. That the Court issue a decision finding that GVHC did not “cure” the violation of
28 the California WARN Act;

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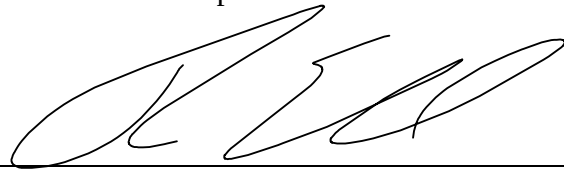
- 2. That civil penalties be awarded in an amount according to proof;
- 3. That reasonable attorneys’ fees and costs be awarded; and
- 4. For such other and further relief as the Court deems proper.

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury with respect to the First Cause of Action.

DATED: July 10, 2020

WORKWORLD LAW CORP.
A Professional Corporation

By: 

RUBEN ESCOBEDO
Attorney for Plaintiffs, JESSICA HAMPTON,
DOMENICA Y. INIGUEZ, and JAMES
HENDERSON, Individually, and on Behalf of
Other Members of the Public Similarly Situated,
and the State of California