

October 2, 2020

**ELECTRONICALLY FILED**

Attn: PAGA Administrator  
Labor and Workforce Development Agency  
1515 Clay Street, Suite 801  
Oakland, California 94612  
[PAGAFilings@dir.ca.gov](mailto:PAGAFilings@dir.ca.gov)

**Re: Private Attorneys General Act of 2004 Notice**

**Employee: Darrenia James**

**Employer: Rainbow USA, Inc., d/b/a New York Rainbow USA Inc.**

To Whom It May Concern:

We represent Darrenia James, a former employee of Rainbow USA, Inc., d/b/a New York Rainbow USA Inc. ("Rainbow"). We intend to file a Private Attorneys General Act ("PAGA") complaint against Rainbow on behalf of Ms. James and all other hourly, non-exempt Rainbow employees in California (the "Aggrieved Employees"). Pursuant to California Labor Code § 2699.3, we hereby provide notice of our clients' intent to bring claims under California Labor Code § 2699(a) and (f).

Ms. James and Aggrieved Employees are current and former hourly, non-exempt employees of Rainbow in California. Ms. James intends to file a complaint against Rainbow on behalf of herself and other current and former non-exempt employees of Rainbow who have been denied payment for all hours worked, including time worked while off-the-clock. Ms. James will pursue claims pursuant to California Labor Code § 1194 (failure to pay minimum wage), § 204 (failure to compensate for all hours worked), §§ 226 and 226.3 (failure to provide timely and compliant itemized wage statements), §§ 201-203, 225.5 and 256 (failure to timely pay all wages owed during employment and following separation from employment), and California Business and Professions Code §§ 17200, *et seq.* (engaging in unfair business practices).

Ms. James intends to state causes of action pursuant to California Labor Code §§ 2699(a) and (f) for civil penalties for violating the various California Labor Code provisions enumerated above. Pursuant to Section 2699(a), Ms. James will seek civil penalties pursuant to each provision of the Code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, including but not limited to those Labor Code provisions referenced above, as well as Sections 225.5, 226.3, and 256 of the California Labor Code. To the extent a provision of the Labor Code does not provide for a civil penalty, Ms. James will seek civil penalties pursuant to California Labor Code Section 2699(f). Rainbow, at all relevant times, is an employer who violated the rights of Ms. James and other Aggrieved Employees by violating various sections of the California Labor Code as outlined in this letter.

Rainbow USA Inc. is a New York corporation with its primary place of business located in Brooklyn, New York, and is registered to do business in California. Rainbow owns and operates a retail apparel chain with a wide assortment of clothing and shoes. Rainbow operates over 1,000 stores throughout the United States, in which 29 of the stores are in California.

Like the Aggrieved Employees, Ms. James worked as a non-exempt sales associate for Rainbow from August 2020 through September 3, 2020 at Defendant's retail store in San Bernardino, California. Ms. James worked, on average, approximately 6 hours per shift and typically worked 4 shifts per week. On average, Ms. James worked 24 hours per week. Ms. James was supposed to be paid on an hourly rate basis.

During the approximately three weeks of Ms. James's employment, Rainbow never paid Ms. James for her labor. On September 28, 2020, counsel for Ms. James sent correspondence to the managers at the Rainbow store where she worked requesting payment of her wages, and Rainbow has not responded to same. As of the date of this Notice, Rainbow has not paid Ms. James for any of her hours worked and has not provided her with any wage statements. Upon information and belief, Rainbow institutes a similar practice wherein Rainbow promises employment to Aggrieved Employees, extracts labor from these hourly workers while promising payment of wages, and then refuses to pay these workers for the extended periods of time worked. This necessarily results in minimum wage, itemized wage statement, other Labor Code violations.

Further, even for employees who receive payment of wages, Rainbow denies the Aggrieved Employees proper compensation for all hours worked. Ms. James was regularly directed by Rainbow to spend at least five-to-ten minutes at the end of every shift going through a security check process, while off-the-clock. This "security check" work goes unrecorded and results in uncompensated time, even though it should be compensated at minimum wage rates under California law, giving rise to further minimum wage violations. Upon information and belief, Rainbow stores across California institute a similar off-the-clock "security check" policy that results in hundreds of Aggrieved Employees performing services for the benefit of Rainbow while off-the-clock.

These practices result in derivative violations, including but not limited to a failure to provide timely and accurate wage statements, failure to pay all wages owed, and failure to pay all wages owed upon separation of employment.

Ms. James is represented by Schneider Wallace Cottrell Konecky LLP ("SWCK"), a law firm based in Emeryville, California. SWCK has extensive experience in the successful litigation and resolution of employment and representative actions nationwide. A description of the work, mission, and credentials of the firms can be found at [www.schneiderwallace.com](http://www.schneiderwallace.com). Ms. James and her counsel are committed to zealously pursuing redress on behalf of the State of California and all other similarly situated employees for the violations and civil penalties set forth above.

Sincerely,

SCHNEIDER WALLACE  
COTTRELL KONECKY LLP



CAROLYN H. COTTRELL  
Attorney at Law

*CC via certified mail:*

Rainbow USA, Inc. d/b/a New York Rainbow USA, Inc.  
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*Registered Agent for The Rainbow Shops, Inc.*