



April 29, 2025

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Emmanuel Espinoza v. Family Ranch Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Emmanuel Espinoza (“Mr. Espinoza”) in claims for Labor Code violations arising from his employment with Family Ranch, Inc. and DOES 1 through 100 (“Employer”). Mr. Espinoza is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Employer’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Sections 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

For purposes of this letter, the “aggrieved employees” whom Mr. Espinoza seeks to represent are the other non-exempt employees of Family Ranch, Inc. who performed work at any time during the one year preceding the date of this letter through the present.

Mr. Espinoza began his employment with Employer as a tractor driver in approximately April of 2021. He was involuntarily separated from employment on or about July of 2024. Mr. Espinoza was generally scheduled to work for 6-7 days per week from approximately 5:45 a.m. to 2:15 p.m. He often worked longer hours.

Throughout the duration of Mr. Espinoza’s employment with Employer, Mr. Espinoza and other aggrieved employees were not paid for all hours worked as Employer would not accurately keep track of their actual hours worked. Upon information and belief, the time records maintained by Employer were not reflective of the actual number of hours that Mr. Espinoza and other aggrieved employees actually worked. Mr. Espinoza and other aggrieved employees were required to pre-sign blank timesheets which the foreman would then fill in. This practice is furthered evidenced by Employer’s paystubs, which indicate consistent rounding to the half or quarter-hour. Employer required Mr. Espinoza and other aggrieved employees to arrive early, 30-45 minutes pre-shift, each day to load their tractors, all of which also constituted unpaid time. Employer also required Mr. Espinoza and other aggrieved employees to continue working for approximately 30 minutes daily on post-shift duties, primarily the unloading of their trucks. Overall, on information and

belief, Mr. Espinoza estimates that he and other aggrieved employees spent at least approximately 360 minutes each week working off the clock.

Furthermore, Mr. Espinoza and other aggrieved employees worked weekly overtime hours, based on the requirements of the Wage Orders, but did not receive overtime compensation equal to one and one-half times their regular rates of pay for all overtime hours worked. As described above, Mr. Espinoza estimates that he and other aggrieved employees spent at least approximately 400 minutes each week working off the clock. Mr. Espinoza and other aggrieved employees did not receive overtime compensation for all this additional time worked. As a result, Employer failed to ensure that Mr. Espinoza and other aggrieved employees were being paid at least the minimum wage for all hours actually worked, and failed to ensure that Mr. Espinoza and other aggrieved employees received proper overtime wages for all overtime hours worked, in compliance with the Wage Orders.

Employer also did not always provide Mr. Espinoza and other aggrieved employees with a legally compliant, uninterrupted 30-minute first meal period when they worked shifts in excess of 5.0 hours or a legally compliant second meal period when they worked shifts longer than 10 hours. Further, upon information and belief, Employer did not accurately keep track of the end times of the meal periods taken by Mr. Espinoza and other aggrieved employees as Mr. Espinoza and other aggrieved employees often received a first, uninterrupted meal period of less than 30 minutes. Indeed, employees were at times only permitted a 15-minute meal period and then instructed to return to work. Mr. Espinoza estimates that at least once per week, he and other employees received meal periods of less than 30 minutes and were required to resume work before the 30-minute meal period was over. Despite Employer's failure to provide Mr. Espinoza and other aggrieved employees with all lawful meal periods due to their uniform and unlawful practices, Employer did not provide Mr. Espinoza and other aggrieved employees with an hour of pay at their regular rate for each meal period violation as required by Labor Code § 226.7. Upon information and belief, during at least a portion of the class period, Employer maintained no payroll code or another mechanism for the payment of meal period premiums in the event Mr. Espinoza and other aggrieved employees were not authorized to take lawful meal periods.

Similar to the meal period violations noted above, Employer also did not authorize Mr. Espinoza and other aggrieved employees to take all legally required rest periods. Specifically, Mr. Espinoza and other non-exempt employees were often unable to take timely, complete and compliant rest periods and instead were authorized to take only a single rest period, or were required to transport fruit or change farm locations during their rest period. Despite Employer's failure to authorize and permit Mr. Espinoza and other non-exempt employees to take all lawful, complete paid rest periods, due to their uniform and unlawful practices, Employer never provided Mr. Espinoza and other non-exempt employees with an additional hour of pay at their regular rate for each rest period violation as required by Labor Code § 226.7. Upon information and belief, during at least a portion of the class period, Employer maintained no payroll code or another mechanism for the

payment of rest period premiums in the event Mr. Espinoza and other non-exempt employees were not authorized to take lawful rest periods.

Furthermore, Employer failed to adequately reimburse Mr. Espinoza and other non-exempt employees for all reasonable and necessary work expenditures, including but not limited to, requiring Mr. Espinoza and other non-exempt employees to use their personal cell phones and/or purchase gloves for pruning fruit trees in the winter months. Mr. Espinoza was never provided any reimbursement for these necessary uses.

Employer failed to meet its obligations to provide paid sick leave to Mr. Espinoza and other aggrieved employees under Labor Code § 245.5(b) which requires that Employer authorize and permit its employees who worked 30 or more days within a year to accrue paid sick leave, and to allow them to exercise paid sick leave on or after their 90th day of employment. Despite meeting all of the statutory requirements for being able to accrue and utilize paid sick leave, Mr. Espinoza and other aggrieved employees were not provided paid sick leave on all of those occasions where they needed to take a “sick day” in violation of Labor Code § 245.5(b).

Employer has maintained inaccurate payroll records, failed to timely pay all wages owed to employees, and failed to timely pay in full separating employees at the time of their separation, and issued inaccurate wage statements. This is in part a result of Employer’s failure to accurately compensate Mr. Espinoza and other aggrieved employees for all minimum and overtime wages, and failure to pay premium pay for failing to provide all required meal and rest periods.

Employer failed to issue to Mr. Espinoza and other aggrieved employees accurate itemized statements in writing showing (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

In addition, Employer willfully failed to timely pay Mr. Espinoza and other aggrieved employees their full and final paycheck upon separation of employment. Indeed, Mr. Espinoza did not receive his final paycheck until two weeks after his last day of work.

Finally, Employer failed to conform to the requirements of Labor Code § 2810.5 by failing to provide Mr. Espinoza and other aggrieved employees written notices, in the language normally used to communicate employment related information to the employees, containing information regarding their: i) rate(s) of pay and the basis thereof;

ii) allowances claimed as part of the minimum wage; iii) regular payday designated by the employer; iv) the legal name of the employer; v) the address of the legal entity that is the employer; vi) the telephone number of the employer; vii) identifying information for the employer's workers' compensation insurance carrier; and viii) information informing the employee of their right to accrue and use paid sick leave. Despite maintaining an obligation to provide these disclosures to Mr. Espinoza and other aggrieved employees, Employers failed to do so, in violation of Labor Code § 2810.5.

As described above, Employer committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Orders:

Minimum Wage Violations

Employer was required to pay Mr. Espinoza and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. See Labor Code §§ 1182.12, 1194; 1194.2, 1197; and the Wage Orders. As alleged above, Employer maintained and maintain timekeeping policies/practices that regularly, systematically, and impermissibly underreport the hours worked by Mr. Espinoza and other aggrieved employees. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Espinoza and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

Employer was required to pay Mr. Espinoza and other aggrieved employees overtime wages for all overtime hours worked. See Labor Code §§ 1194(a) and 1198; the Wage Orders. The Wage Orders generally require an employer to pay overtime wages when an employee's hours worked cross certain thresholds or meet certain criteria set forth in the Wage Order. At all times relevant herein, Employer caused Mr. Espinoza and other aggrieved employees to work overtime hours but did not compensate Mr. Espinoza and other aggrieved employees at one and one-half times their regular rate of pay for such hours.

Meal Period Violations

As alleged above, Employer failed to provide Mr. Espinoza and other aggrieved employees with all required and compliant meal periods due to Employer's meal period policies/practices that often fail to provide full, 30 minute off-duty first meal periods before the end of the fifth hour of work or a second meal period for shifts worked in excess of ten (10) hours. See Labor Code §§ 226.7 and 512; the Wage Orders. As a result, Mr. Espinoza and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. See Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee's regular rate

of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As alleged above, Employer also failed to authorize and permit Mr. Espinoza and other aggrieved employees to take all required paid rest periods. *See* Labor Code §§ 226.7 and 516; and relevant IWC Wage Orders. As a result, Mr. Espinoza and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required paid rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Failure to Reimburse Necessary Business Expense

Employer was subject to Labor Code § 2802, which states that “an employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.” Employer were subject to Labor Code § 2804, which states that “any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.” As alleged herein, due to Employer’s unlawful reimbursement practices, Employer failed to indemnify Mr. Espinoza and other aggrieved employees for all necessary business expenses incurred, in the performance of their work duties, including but not limited to the purchase and necessary use of gloves and cell phones. Mr. Espinoza and other aggrieved employees were not ever provided any reimbursement for this necessary use.

Wage Statement Violations

As described above, Employer was required to furnish Mr. Espinoza and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); the Wage Orders. As a result of Employer’s failure to pay all overtime wages, minimum wages, and failure to pay all required meal and rest period premium wages, Employer maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Espinoza and other aggrieved employees in violation of Labor Code § 226.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Employers failed to timely pay Mr. Espinoza and other aggrieved employees all of their final wages at the time of separation, which included all overtime and minimum wages, and all meal and rest period premium wages at the time of aggrieved employees' separation of employment. Pursuant to Labor Code § 203, Employer's failure to pay all final wages due to Mr. Espinoza and other aggrieved employees was willful and, consequently, entitles Mr. Espinoza and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Employer failed to pay their final wages after their separation from employment, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Espinoza will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Espinoza's own investigation, and on information and belief, Employer committed and continue to commit the following Labor Code violations:

- a. Employer violated Labor Code §§ 551-552, 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Mr. Espinoza and other aggrieved employees the statutory minimum wage for all hours worked;
- b. Employer violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Espinoza and other aggrieved employees all overtime compensation earned;
- c. Employer violated Labor Code §§ 226.7, 512, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Espinoza and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. Employer violated Labor Code §§ 226.7, 516, and 558 by failing to authorize and permit Mr. Espinoza and other aggrieved employees to take all required paid rest periods, and/or failing to pay all rest period premiums to Mr. Espinoza and other aggrieved employees at their respective regular rates of compensation;
- e. Employer violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Espinoza and other aggrieved employees for all work-related expenses incurred;
- f. Employer violated Labor Code § 245.5 by failing to permit and authorize Mr. Espinoza and other aggrieved employees to exercise the use of their accrued paid sick leave days;

- g. Employer violated Labor Code § 226 by failing to furnish Mr. Espinoza and other aggrieved employees with accurate and compliant itemized wage statements;
- h. Employer violated Labor Code §§ 201, 202 by failing to timely pay all final wages due upon separation of employment to Mr. Espinoza and other aggrieved employees; this violation was willful, triggering Labor Code § 203 penalties;
- i. Employer violated Labor Code § 204 by failing to pay Mr. Espinoza and other aggrieved employees all wages earned at least twice during each calendar month;
- j. Employer violated Labor Code § 205 by failing to pay Mr. Espinoza and other aggrieved employees all wages earned up to and including the fourth day before the scheduled payday;
- k. Employer violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Espinoza and other aggrieved employees;
- l. Employer violated Labor Code § 2810.5 by failing to provide legally mandated disclosures and/or written notices regarding the terms of employment of Mr. Espinoza and other aggrieved employees; and

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Employer if the LWDA intends to investigate the alleged violations of the Labor Code stated herein. Please contact me should you require additional information.

Very truly yours,
STANSBURY BROWN LAW, PC



Daniel J. Brown