

Superior Court of California

County of Los Angeles

Department 61

FILED
Superior Court of California
County of Los Angeles

MAR 28 2024

David W. Slayton, Executive Officer/Clerk of Court

By: P. Salcido, Deputy

LARICA FANTASIA JACKO,

Plaintiff,

vs.

NORTH OAK REAL ESTATE
INVESTMENTS, INC., et al.,

Defendants.

Case No.: 23STCV20016

Hearing Date: March 28, 2024

PLAINTIFF LARICA FANTASIA
JACKSON'S MOTION FOR APPROVAL OF
PAGA SETTLEMENT

Plaintiff Larica Fantasia Jackson's Motion for Approval of PAGA Settlement is GRANTED.

Plaintiff to give notice.

I. MOTION TO APPROVE SETTLEMENT

Under PAGA, "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part. The proposed settlement shall be submitted to the agency at the same time that it is submitted to the court." (Lab. Code, § 2699, subd. (1)(2).)

"[A] trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77.)

Federal courts have compared and contrasted PAGA settlements to class action settlements:

In the class action context, where PAGA claims often also appear, a district court must independently determine that a proposed settlement agreement is "fundamentally fair, adequate and reasonable" before granting approval. [Citations.] However, as the parties rightly point out and as noted above, this is not a class action lawsuit, and PAGA claims are intended to serve a decidedly different purpose—namely to protect the public rather than for the benefit of private parties. [Citation.] In one recent district court case, the LWDA provided some guidance regarding court approval of PAGA settlements. [Citations.] In that case, where both class action and PAGA claims were covered by a proposed settlement, the LWDA stressed that "when a PAGA claim is settled, the relief provided for under the PAGA be genuine and meaningful, consistent with the underlying purpose of the

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statute to benefit the public and, in the context of a class action, the court evaluate whether the settlement meets the standards of being “fundamentally fair, reasonable, and adequate” with reference to the public policies underlying the PAGA.”

(*Salazar, supra*, 2017 WL 1135801 at pp. 3–4.) A number of these factors, “including the strength of the plaintiff’s case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation, and the settlement amount,” have been recognized as useful in the analysis of PAGA settlements. (*Moniz, supra*, 72 Cal.App.5th at p. 77.)

Plaintiff Larica Fantasia Jacko (Plaintiff) presents the terms of a proposed PAGA settlement here as follows. (Defendant North Oak Real estate Investments, Inc. (Defendant) agrees to pay a gross settlement amount of \$100,000.00. (Messrelian Decl. Exh. 1, § 3, ¶ 2.) Plaintiff’s counsel is to be paid from this amount one third, amounting to \$33,333.33, plus expenses of up to \$11,290.87. (*Id.* at § 3, ¶ 6.) \$6,000.00 is apportioned to the settlement administrator, (*Id.* at § 3, ¶ 2), though Plaintiff seeks payment from the settlement of only \$5,000.00. (Motion at p. 9; Messrelian Decl. ¶ 20.)

This leaves a net settlement amount of \$50,375.80. From this amount, 75% (\$37,781.85) is to go to the Labor Workforce Development Agency (LWDA), while 25% (\$12,593.95) to be paid to the aggrieved employees on a pro rata basis, based on the pay periods worked from October 25, 2021 through August 17, 2023. (Messrelian Decl. Exh. 1, § 3, ¶ 4.) Defendant’s records indicate approximately 113 workers falling within the definition of “aggrieved employee” for this action, and 3,225 pay periods split among them. (Messrelian Decl. ¶ 6.) Assuming each employee worked the same number of pay periods, the average payment to each employee is \$111.44.

Plaintiff estimates Defendant’s maximum exposure on Plaintiff’s strongest claims — failure to provide accurate wage statements and failure to reimburse expenses — of \$271,000, i.e. a \$100 penalty-per-violation in each available pay period. (Messrelian Decl. ¶ 14.) A similar maximum exposure existed for Plaintiff’s claims under Labor Code §§ 226 and 2802, based on the limited number of resident managers among the aggrieved employees. (*Ibid.*) Defendant advanced arguments showing that resident managers such as Plaintiff would not have been eligible for meal or rest breaks, based on length of shift alone. (*Ibid.*) Plaintiff argues there is potential danger of an ultimate PAGA decision that would be substantially lower than these exposure estimates, as the judge may wish to avoid “stacking” penalties on the same period for multiple violations founded on the same factual misconduct. (Messrelian Decl. ¶ 15.) Plaintiff also advances the danger of a court’s discretionary decision to reduce the penalty award. (Messrelian Decl. ¶ 16.)

In light of the above, the overall settlement amount furthers the purposes of PAGA. The settlement is reasonable in light of the strength and complexity of Plaintiff’s claims, and the risks posed by litigation. Plaintiff’s request for fees, representing one third of the gross settlement amount, is reasonable.. The calculation of attorney fees from a percentage of a common fund created by a settlement agreement is a permissible mode of fee calculation. (*See Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 503.)

The motion is therefore GRANTED.

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DATED: March 28, 2024



Hon. Gregory Keosian
Judge of the Superior Court

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